

Company Registration Number: 07736425 (England & Wales)

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**BRIDGE MULTI-ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members	Mrs J McFall (resigned 30 August 2018) Mr K Howdle Dr J Squires Askel Veur - Mr S Cade Mrs C Hill (appointed 2 November 2018)
Trustees	Mrs M J Ashurst, Vice Chair Mrs S J Crabb (appointed 13 February 2018) Mrs R J Evans (appointed 7 November 2018) Mrs J A Goodchild Mrs C Hill, Chair Mr A Massey Mrs J McFall, Vice Chair Mr C McLean (resigned 31 October 2018)
Company registered number	07736425
Company name	Bridge Multi-Academy Trust
Principal and registered office	Higher Trebyan Lanhydrock Bodmin Cornwall PL30 5DQ
Company secretary	Mr J Alder
Accounting Officer	Mr A Massey
Senior management team	Mr A Massey, Chief Executive Mrs D Plant, Chief Finance Officer (until 30 October 2018) Mrs R Barker-Brown, Area Executive Headteacher Mrs S Bass, Business Administration Manager Mrs L Gilbert, Area Executive Headteacher Mrs S Sanson, Area Executive Headteacher Mr M Symonds, Chief Finance Officer (appointed 1 November 2018)
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	Lloyds Bank PLC 14 Molesworth Street Wadebridge Cornwall PL27 7DE

**BRIDGE MULTI-ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Solicitors	Wolferstans Solicitors Deptford Chambers 60/66 North Hill Plymouth Devon PL4 8EP
Actuary	Hymans Robertson LLP One London Wall London EC2Y 5EA

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 14 primary academies in Cornwall. Its academies have a combined pupil capacity of 2,443 and had a roll of 1,942 in the school census in Summer 2018.

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. These were last amended on 1 July 2017.

The Trustees of Bridge Multi-Academy Trust are also the directors of the Charitable Company for the purposes of company law.

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 Trust shall have the following Trustees as set out in its Articles of Association:

- Up to 5 Trustees appointed by the Members.
- The Chief Executive.
- A minimum of 2 Trustees appointed by the Diocese (Askel Veur).
- A minimum of 2 Parent Trustees (unless there are local governing bodies which include at least 2 parent members).
- Any number of Co-opted trustees.

The Board of Trustees currently comprises the Chief Executive, 2 Trustees appointed by the Diocese and 4 Member-appointed Trustees.

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

When appointing new Trustees, the Board will update and review the Skills Register to identify any gaps or specific requirements. Vacancies will be advertised, and prospective trustees will complete a formal application and be interviewed. Final decision on appointment rests with the Members/Diocese depending on the category of trustee being appointed.

**BRIDGE MULTI-ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience and is tailored to suit the individual.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Organisational Structure

The Governance Scheme of Delegation sets out the overall split of responsibilities between governance and management. In addition, it identifies which responsibilities have been delegated to committees of the Board – including the Local Governing Bodies (LGBs).

Overall responsibility for the day to day running of the Trust rests with management who also develop and propose the plans, policies and procedures required.

Governance approve these and then monitors the outcomes and the effectiveness of day to day management and decisions taken.

This table summarises the delegation of key governance responsibilities:

Who	Responsibilities
Board of Trustees	Strategy, vision and aims Approve budget Educational outcomes Risk management
Resources Committee	Monitor expenditure Health & Safety Premises strategy
Audit Committee	Procurement and VFM Internal controls
Ethos Committee	Safeguarding Well-being Religious education
Remuneration Committee	Faith schools Pay and performance management of Chief Executive and other senior staff Pay policy and ranges Staffing and HR
LGBs	Monitor arrangements and outcomes at school level for: •Curriculum and outcomes •Safeguarding •Stakeholder engagement

The Board and LGBs meet every half term, the other committees meet 2-4 times per year as required. Please see page 21 for further details on the changes to the Resource Committee since the year end.

The Board monitors the effectiveness of governance in a variety of ways:

- Minutes of meetings
- Formal reports from LGBs
- Regular meetings of LGB Chairs and clerks
- Link Trustees for each LGB are being introduced from September 2018

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

The Board of Trustees have devolved responsibility for day to day management of the Academies to the Chief Executive, Central Business Team, Area Executive Head Teachers and Head Teachers. The aim of this leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Chief Executive, Area Executive Head Teachers, Head Teachers, Central Business Team are responsible for the authorisation of spending within agreed budgets. The Scheme of Delegation defines the thresholds for delegated expenditure and is approved by the Resources Committee. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Chief Executive/Area Executive Head Teachers and Head Teachers are responsible for the appointment of staff, though appointment panels for teaching posts may include a Governor/Trustee.

The Chief Executive is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Board of Trustees, the Chief Executive, the Area Executive and Central Business Team comprise the key management personnel of the Multi-Academy Trust and are in charge of directing, 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 for their role as a Trustee.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings alongside consideration of performance.

Connected Organisations, including Related Party Relationships

Some of the academies in the trust have shared use of church land, National Trust land or parish council land under shared use agreements. The Trust worked with Best Practice Network to provide specialist staff where needed within the Trust.

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

The activity of the Trust is to advance education by establishing, maintaining, sustaining, managing and developing each of its academies, to offer a free broad range of curriculum for pupils of different abilities. The Trust embraces a universal culture of excellence in the learning opportunities it builds.

The aims of the Trust during the year ended 31 August 2018 are:

- To continue building a Multi-Academy Trust that promotes strong values and provides an excellent education for all children.
- To continue to develop highly effective Academy Teams.
- To continue to be financially sustainable..
- To ensure effective governance.
- To nurture, support and encourage aspirations by providing excellent learning opportunities, inspiring teaching environments, and a creative approach to curriculum subjects that secures engagement from all our learners resulting in high levels of academic progress and outcomes.
- To develop outstanding leadership, teaching and support teams by valuing committed, reflective staff, and providing rigorous and challenging professional development for continual School Improvement.
- To develop hubs as centres of learning excellence to disseminate best practice, firstly within and then beyond, the Multi Academy Trust.
- To successfully engage and communicate with parents/carers in our local communities, supporting pupil progress, well-being and achievement.

At Bridge Multi-Academy Trust we aim to achieve the best for, and from, each child. We intend to enable each

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

child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academies are communities in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Development Plans which are available upon request. Improvement focuses identified for this year include:

- Ambitious targets are consistently set for all pupils in all year groups.
- Continue to improve the quality of teaching and learning in all schools by adopting training in Visible Learning and using IRIS videoing technology as a means of providing CPD for staff.
- Development of MAT wide subject leads to drive the curriculum.

Key activities and targets were identified in the Academy Development Plans and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The role of the MAT in improving standards, teaching and business practices was a focus within the year. The activities included the following:

- Continual review of staffing levels in the light of budgetary pressure.
- Strategic planning and development of key financial and administrative procedures in order to streamline practices throughout the MAT.
- Continued development of systems for tracking and monitoring pupil attainment review of the creative arts and further imbedding of ICT within all curriculum areas.
- Further development of the intranet to support administration and communication.

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.

The Academies provide facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said communities.

STRATEGIC REPORT

Achievements and Performance

Bridge Multi-Academy Trust

The Trust is in its fifth year of operation and has grown from 2 to 14 Academies. An expansion of this size has taken considerable long term planning to ensure sustainability is maintained throughout the period of significant change. The Trust has overcome many challenges during this period, and has invested heavily in converting schools to ensure quality is preserved. During 2016/17 the Trust doubled in size from the previous year and finances were devoted to the successful conversion of the six new academies, with a further three conversions in the spring of 2017/18. 2017/18 has been a period of consolidation, dedicating resources to the successful integration of our Academies. Looking forward to 2018/19, the Trust is in a strong position. A recent Ofsted Inspection has rated Delaware Academy 'Good' (prior to conversion, Delaware School had an Ofsted rating of 'inadequate').

Inevitably it has taken time to embed our joining schools into the organisation: Streamline staffing, invest in a backlog of maintenance, IT and Health & Safety work. The Trust undertook a restructure of its operations in the year, centralising service to reduce costs and reorganising the leadership and management structures to reduce costs and increase efficiency. We anticipate ongoing salary savings approaching £600k per annum. This was funded by an advance of General Annual Grant by the ESFA of £600k, the majority of which will be repaid in 2018/19 and the balance in 2019/20. This work was imperative to complete this year, to strengthen the operational work of the Trust and to make it a financially sustainable model for the future.

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

Wadebridge Primary Academy

NOR increased to 493 in the summer term 2018 as nursery places are at their limit, numbers then reduce slightly as nursery children move into the main school. As a result of the popularity of the school, discussions are taking place to look at options to facilitate an increase in numbers.

Pupil numbers on roll (NOR) has increased beyond the forecast of 450.

The Academy was inspected by OFSTED in July 2017 and was judged to be Good in all five areas.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	79	19
Writing	78	17
Mathematics	81	24
Combined R, W & M	73	0

Total capital investment since 2015/16 in Wadebridge Academy is £609k. Projects include:

Roof replacement - £321,453
Installation of fire alarm system, emergency lighting and compartmentation - £132,538
Kitchen ventilation & gas safety - £41,087
Boiler replacement - £132,538

Four successful CIF submissions have resulted in much improved aesthetics and a warm, safe and secure building. The roof works incorporated the removal of the schools only asbestos containing materials and the funding was also able to include for replacement ceilings and LED lighting for the majority of the school. The non-compliant kitchen benefited from major gas and ventilation improvements together with a new improved heating system. The new heating boilers have ensured a dependable heating and BMS control system.

Looe Primary Academy

The school joined the Trust in November 2013. The total number of students in the year was 237.

The Academy was inspected by OFSTED in September 2016 and judged to be Requires Improvement, however, an OFSTED inspection is expected in 2018/19, the outcome of which is expected to be Good.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	78	22
Writing	76	20
Mathematics	84	24
Combined R, W & M	62	0

Total capital investment since 2014/15 in Looe Academy is £915k. Projects include:

Kitchen Refurbishment - £99,125
Legionella works - £40,627
Fire alarm system, emergency lighting and compartmentation - £78,639
Roof replacement and asbestos removal - £359,605
Toilet safety including drain rebuild and surficing - £28,607
Door and window replacements - £308,869

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

Many areas of Looe Primary required urgent improvement when the Academy joined the Trust and with successive successful CIF bids we have worked systematically through the priority items. Gas safety works in the Kitchen included major improvement in aesthetics, ventilation and equipment. Fire safety works upgraded alarms, detection, emergency lighting and fire door compartmentalisation and included a roller shutter door to the servery.

The legionella works addressed many high risk areas highlighted in our water hygiene risk assessment with the upgrading of inefficient pipe runs, water storage tanks and water heating services.

Many roof leaks were resolved in the major roof covering replacement which included for uprated insulation throughout and improved light levels by the addition of new Velux lights. Many ceilings replacements and LED lighting installations were also incorporated into this project along with the removal of much asbestos material from the soffit line.

All **remaining asbestos was removed during the installation of new windows and external panelling. Leaks were cured and security was also improved.

Last year during toilet refurbishment works we were also able to incorporate major repairs to fractured drains outside the main entrance and an improved and level walk surface.

** (with the exception of a small amount in an electrical intake room Distribution Board.)

Delaware Primary Academy

Delaware Primary Academy joined the Trust in December 2015. The total number of students in the year was 120. In January 2018, the pre-school opened on site and is proving popular with the local community. This, alongside new local housing and an improved reputation; is looking promising for future numbers.

The Academy was inspected by OFSTED in October 2018 and was judged to be Good. The previous rating given to Delaware Primary School before it joined the Trust was inadequate.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	79	12
Writing	79	29
Mathematics	71	29
Combined R, W & M	64	0

Total capital investment since 2015/16 in Delaware Academy is £736k. Projects include:

Flat Roof Replacement and Safeguarding Works - £223,861
Fire Door upgrades - £86,802
Toilet refurbishment - £49,922
Roof Replacement - £286,191
Boiler replacement/ oil tank removal - £89,149

The entire roof covering has now been replaced at Delaware, a major undertaking achieved in two successive CIF bid rounds. This has provided substantial upgrading of insulation and comfort levels throughout. A full building lightning protection system has also been installed.
Fire door upgrades have provided added levels of safety throughout the building.

The school added funding from DFC to a smaller legionella risk targeted CIF win to achieve the full upgrading of a set of toilets with added flooring and cubicle upgrades.

This year saw the removal of an existing redundant oil tank incorporated into the boiler replacement project. This includes for added fire safety features and compliant plant room ventilation along with an improved energy management control system and a flood prevention system for this underground plant room.

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

Duloe Primary Academy

Duloe Primary Academy joined the Multi-Academy Trust in July 2017. The total number of students in the year ending 31 August 2018 was 82 (plus 21 nursery).

The Academy was inspected by OFSTED in June 2015 and was judged to be Good.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	73	20
Writing	53	0
Mathematics	60	7
Combined R, W & M	47	0

Blisland Primary Academy

Blisland Primary Academy joined the Trust in March 2018. The total number of students in the year was 38.

The new Head of School joined in September 2017. During the year, Blisland was successful in expanding its provision to range from 2-11 year olds, re-aligning rooms in order to accommodate younger children.

The Academy was inspected by OFSTED in June 2012 and was judged to be Outstanding.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	75	0
Writing	75	0
Mathematics	75	0
Combined R, W & M	75	0

St Cleer Primary Academy

St Cleer Primary Academy joined the Trust in March 2018. The total number of students in the year was 268.

The Executive Headteacher resigned from her post at Blisland Primary School, now focussing on leading St Cleer.

The Academy was inspected by OFSTED in December 2011 and was judged to be Outstanding.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	58	9
Writing	82	30
Mathematics	67	24
Combined R, W & M	52	0

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

Gunnislake Primary Academy

Gunnislake Primary Academy joined the Trust in December 2015. The total number of students in the year was 40.

The Academy was inspected by OFSTED in May 2018 and was judged to be Requires Improvement.

Use of the trust minibus proved to be invaluable so that children could visit other sites locally, and in the summer term, enabled the Year 6 students to be educated at Delaware Academy for core subjects.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	33	0
Writing	71	0
Mathematics	14	0
Combined R, W & M	0	0

Total capital investment since 2016/17 in Gunnislake Academy is £436k. Projects include:

Fire upgrades - £105,737
Legionella works - £165,015
Roof Replacement - £164,624

Long standing water hygiene issues were addressed when we upgraded water storage, heating and service pipework throughout the school. Previously inaccessible water tanks were removed allowing regular checks and treatments to be carried out on the system.

Fire safety improvements were achieved by the linking of the two buildings fire alarm systems and the upgrading of the emergency lighting system. Improved Safety as well as aesthetics were achieved during the fire doors replacement works.

An extreme aging boiler was replaced and along with the addition of new classroom radiators and a modern heating control management system this has given much improved comfort levels.

The recent roof replacement has also included upgraded insulation levels and a full building lightning protection system. We were also able to replace all the Perspex roofing materials in the walk through area. It is anticipated that classroom ceilings will also be renewed from these funds along with the addition of LED lighting.

Further works are due with the installation of Air Source heating in the upper canteen building.

Lanlivery Primary Academy

Lanlivery Primary Academy joined the Multi-Academy Trust in August 2016. The total number of students in the year ended 31 August 2018 was 56.

The Academy was inspected by OFSTED in October 2011 and was judged to be Good.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	75	38
Writing	75	13
Mathematics	88	13
Combined R, W & M	63	0

Total capital investment since 2016/17 in Lanlivery Academy is £218k. Projects include:

Roof replacement - £133,410
Fire upgrades - £59,330
External Safeguarding - £26,394

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

The fire upgrade project included for the replacement of all internal doors with fire rated doors and gave the opportunity to create a usable space within the staffroom by increasing the head height of one doorframe. The fire panel was replaced and fire detection sensors and manual emergency call points were reconfigured to comply with current standards.

The emergency lighting was also added to ensure compliance.

The roof replacement was carried out in 2017/18 which has greatly reduced the risk from falling slates and resolved multiple leaks. Whilst in process it became apparent that two old chimney stacks at the school were unstable; these were removed during the works. Insulation levels were also increased and the central classroom ceiling was replaced with lighting being upgraded to LED panels.

External safeguarding has included for perimeter security on the main school site and playgrounds and allowed also to replace old wooden playground gates and it is anticipated to provide a fenced area to isolate the septic tank area within the school grounds.

Trenode Primary Academy

Trenode Primary Academy joined the Multi-Academy Trust in March 2018 as a sponsored academy. The total number of students in the year ending 31 August 2018 was 34.

The Academy was inspected by OFSTED in October 2017 and was judged to be Requires Improvement.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	50	0
Writing	67	0
Mathematics	50	17
Combined R, W & M	50	0

The Trust has invested £10k at Trenode Academy since joining in March 2018. This is for the school hall refurbishment and a new sports flooring.

Brunel Primary Academy

Brunel Primary Academy is in its sixth year of operation as an academy but joined the Trust in May 2016. The total number of students in the year was 350. We would expect this trend to continue for at least the next three years, given the investment in the area in housing, business and infrastructure.

The Academy was inspected by OFSTED in November 2013 and was judged to be Good.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	63	20
Writing	77	17
Mathematics	55	8
Combined R, W & M	50	0

Total capital investment since 2016/17 in Brunel Academy is £610k. Projects include:

Flat Roof replacement - £268,161
Kitchen refurbishment - £182,870
Boiler Replacement / asbestos removal - £159,022

Numerous roof leaks were cured and a substantial increase in insulation levels were achieved when the flat roofing was replaced in the KS2 block at Brunel. Funding also allowed for replacement rainwater goods.

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

The kitchen was uncompliant. Major upgrades to the ventilation and gas safety were achieved here including the encapsulation and making safe of asbestos materials identified during the works. New flooring, windows and much new equipment was also achieved along with a standalone heating system.

Major gains in efficiency have been achieved from the new boilers along with legionella safety improvements achieved by the removal of water storage tanks above KS1 and the addition of a new hot water heating system in the plant room. The flood control system has also been renewed and upgraded.

Asbestos in the plant room and adjacent areas has been removed during these works along with a redundant oil tank left behind from previous County Council works.

Pelynt Primary Academy

Pelynt Primary Academy joined the Trust in August 2016. The total number of students in the year was 111. We would expect this trend to continue for at least the next three years, given significant housing developments in the area.

The Academy was inspected by OFSTED in January 2013 and was judged to be Good.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	53	27
Writing	67	7
Mathematics	20	7
Combined R, W & M	20	8

Total capital investment since 2016/17 in Pelynt Academy is £167k. Projects include:

Fire Upgrades - £95,287
Window Replacements - £71,971

Two successful CIF bids for Pelynt have resulted in Fire upgrades including for the provision of a new whole school fire detection and alarm system along with emergency lighting throughout. New fire doors throughout have improved safety and as part of the compartmentalisation improvements a kitchen roller shutter door linked to the fire alarms was also installed.

All windows and external doors were installed last year improving the overall aesthetics, comfort levels and security of the building.

Polruan Primary Academy

Polruan Primary Academy joined the Trust in August 2016. The total number of students decreased slightly to 28.

The Academy was inspected by OFSTED in March 2014 and was judged to be Good.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	0	0
Writing	33	0
Mathematics	0	0
Combined R, W & M	0	0

Total capital investment since 2016/17 in Polruan Academy is £246k. Projects include:

Roof replacement - £104,454
Fire upgrades - £66,480
Boiler Replacement - £75,924

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The replacement roof resulted not only in improved water tightness and insulation but removed a major risk of falling slates from the pitched roof on to playgrounds below. New rainwater goods were included for and two flat roof areas were also recovered. A full building lightning protection system was also included.

New Fire detection and emergency lighting was installed along with new and upgraded fire doors throughout the building. Where the existing doors were considered integral to the building character they were retained but brought up to Fire retardancy standard with the addition of fire protective coatings and intumescent seals.

This year the old boiler was replaced with two efficient boilers giving a degree of breakdown protection. New fan convectors were installed and new Building Management software controls added. The old non-compliant oil tank was removed and a new fire retardant bunded tank installed in an improved oil storage area.

Polperro Primary Academy

Polperro Primary Academy joined the Trust in August 2016. The total number of students decreased slightly to 129.

The Academy was inspected by OFSTED in June 2015 and was judged to be Good.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	67	28
Writing	72	11
Mathematics	78	33
Combined R, W & M	67	0

Total capital investment since 2016/17 in Polperro Academy is £139k. Projects include:

Fire Doors - £68,400

External Safeguarding - £71,355

A lack of fire compartmentalisation was addressed by the redesign and replacement of many doors and partitions in the school. Fire detection was also increased to incorporate previously uncovered areas.

This year the perimeter fencing has given a high level of site security and safeguarding. Gate access has been provided for on the main walkway giving access control during the school day. The fence line was chosen following discussion with the school to provide additional usable areas on the front elevation and to allow gated access to the hedge row for educational purpose.

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

Darite Primary Academy

Darite Primary Academy joined the Multi-Academy Trust in August 2016. The total number of students in the year ended 31 August 2018 was 79.

The Academy was inspected by OFSTED in October 2007 and was judged to be Outstanding.

Total capital investment since 2016/17 in Darite Academy is £109k. Projects include:

Roof replacement - £80,362

Window and Door replacement - £29,095

The roof replacement to the older part of the building included for new rainwater goods and a full building lightning protection system.

The window replacement works this year have resulted in much improved weather protection, security and insulation levels as well as improved natural light levels in the building. We also added high level solar reflective film to one heat affected classroom.

KS2 Attainment 2018	% at Expected Standard	% at Greater Depth
Reading	86	14
Writing	71	57
Mathematics	71	0
Combined R, W & M	71	0

Key Performance Indicators

The main financial performance indicator is to ensure that there is the level of investment in the Trust academies whilst managing spending against the General Annual Grant (GAG). During 2017/18 an increase in the amount of executive leadership was made available to the schools by appointing area executive head teachers to widen leadership by focusing on groups of schools. This approach particularly enables additional work to be targeted to our sponsored schools to secure their path ready for the next Ofsted Inspection and has enabled the Trust to not only deliver the best set of outcomes so far in two of the three sponsored schools.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers at the end of 2018 were 1942, an increase of 196 over 2017. It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2018 this was 79%.

The Trust is in the process of conducting a review of Key Performance Indicators for 2017/18 which will be informed by the ICFP and continuing to work to develop a robust internal audit procedure.

Going Concern

The Board of Trustees have reviewed and approved the financial and cash flow forecasts, including the relevant assumptions, for the years 2018-19 and 2019-20.

After making appropriate enquiries, the Board of Trustees 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. Further details regarding the adoption of the going concern basis can be found in the Going concern accounting policy.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

FINANCIAL REVIEW

Financial Review

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

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

During the year ended 31 August 2018, total expenditure of £11,217,466 was covered by recurrent grant funding from the DfE, together with other incoming resources of £12,189,090. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £1,390,255.

At 31 August 2018 the net book value of fixed assets was £16,756,251 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academies.

The land, buildings and other assets were transferred to the Trust upon conversion. Land and buildings were transferred to the Trust on 1 March 2018 at a valuation of £1,930,549. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

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, Chief Executive, Headteachers, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included HR policy.

Reserves Policy

The Trustees review the reserve levels of the MAT 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 Trust, the uncertainty over future income streams and other key risks identified during the risk review. During 2017/18, the continued integration of 6 schools and the integration of 3 converting schools has resulted in an investment in Leadership throughout the MAT to improve outcomes, additional infrastructure costs and additional superannuation costs due to the Government changes. All free reserves have been invested in the sustainability of the Trust as a whole.

The Trustees have reviewed the future plans of the Academies and have aspirations to hold as reserves as follows:

- In order for the trust to fulfil its obligations, allow for contingencies and assist those schools in a deficit situation to plan for future activities, it is essential for the Trust to carry a central reserve. All school balances will therefore be held centrally on behalf of Schools and to build reserves going forward, 2% of total GAG funding will be put aside for this purpose each year, unless the Trust is in a deficit position.
- Centrally held reserves will be used for structural and other capital life cycle costs for schools within the Trust.
- The minimum level of total free reserves should equal one month's payroll for the Trust. This currently equates to £680k.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The total reserves of the academy amount to £14,419,576, although £14,847,940 of this is invested in fixed assets or represents non GAG restricted funds. The remaining (£428,364) (representing £Nil unrestricted funds and £428,364 deficit on restricted revenue funds) is the balance that the Trustees monitor in accordance with the Board's reserves policy.

The Trust's current reserves are below its set minimum level, as referred to earlier in this report. The Trust has made significant investments in leadership throughout the organisation to improve outcomes, which, when combined with significant capital expenditure, to bring the schools who joined the Trust under resourced have contributed to the cumulative deficit. A number of schools joined the Trust in a deficit position including Delaware, Brunel, Duloe and St Cleer. This was due to a legacy of underinvestment in the schools before they joined the Trust together with staffing to budget % of over 90%. These are being brought in line with other schools in the Trust.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income, whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund.

Investment Policy

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Executive and Chief Finance Officer within strict guidelines approved by the Board of Trustees.

Principal Risks And Uncertainties

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

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

Financial - the MAT has considerable reliance on continued Government funding through the ESFA. In the last year 94% of the MAT's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Cumulative cost pressure from pay rises, national insurance, and increasing employer contributions to Local Government Pension Scheme and Teachers Pension Scheme, are a direct risk to future financial sustainability without comparable rises in government funding.

Reputational - the continuing success of the Multi-Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are 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 & safety and discipline.

Staffing - the success of the Trust 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.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Fraud and mismanagement of funds - The Trust has appointed a Responsible Officer and is conducting a comprehensive review of internal audit procedures in order 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 Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed and updated on a regular basis.

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

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst several academies are over-subscribed, the others have rising pupil numbers and local factors indicate a rise in pupil numbers in the medium term. However, the freeze on the Government's overall education budget, changes in funding arrangements for nursery and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

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.

At the year end, the Trust 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 24 to the financial statements, represents a significant potential liability.

FUNDRAISING

The Academy Trust's schools participate in fundraising activities for specific charities where the income received is paid in full to the charity, for example Sport Relief and Children in Need. The recipient of the donations is made clear to parents in advance and all contributions are voluntary. Where a school has a friends or parent teacher association which actively raises funds on its behalf, the association's fundraising standards are defined in its constitution and it works closely with the head of school to ensure its approach is consistent with the school's values. Associations with an annual income of more than £5,000 are required to register as a charity with the Charity Commission. The Academy Trust does not work with, or have any oversight of, any commercial participators or professional fundraisers. No complaints have been received in the year regarding fundraising activities.

PLANS FOR FUTURE PERIODS

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

The Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Trust has had continued success in working with other schools to join the MAT and supporting the Head Teachers and the Senior Leadership Teams through their conversion to an Academy. We also plan to work with other Good and Outstanding Primary schools to share best practice and resources.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Multi-Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

For disabled employees - The Trust has a Safer Recruitment Policy and Equal Opportunities Policy in place, which are there to ensure that no job applicant or employee receives less favourable facilities or treatment (either directly or indirectly) in recruitment or employment because of disability.

For employee consultation - All new employees are taken through an induction process relevant to their job role on commencement of their employment with Trust. During their probation period they are appraised and targets set. On completion of the probationary period and once confirmed in post each employee receives a yearly performance appraisal. All employees are consulted on new and revisions of policies, advised of vacancies across the Trust, sign annual declarations to confirm they understand and are compliant with the Trusts Policies and Procedures, attend INSET throughout the year where information is shared to ensure all employees are kept informed of matters arising.

TRUSTEES INDEMNITIES

There are no third party indemnity provisions during the year or at the date of approval of the Trustees' report.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	1.65

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£ -
Total pay bill	£ -
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	- %
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**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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


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, was approved by order of the Board of Trustees, as company directors, on ...10.12.18... and signed on the board's behalf by:



**Mrs C J Hill
Chair of Trustees**

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Bridge 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 Chief Executive, 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 Bridge Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mrs M J Ashurst, Vice Chair	5	6
Mrs S J Crabb	2	3
Mrs J A Goodchild	6	6
Mrs C Hill, Chair	6	6
Mrs J McFall, Vice Chair	3	6
Mr A Massey	6	6
Mr C McLean	5	6

Governance arrangements were further strengthened during the year by the following actions:

- A favourable report was received from an External Review of Governance commissioned from an NLG.
- Termly meetings of the Audit Committee.
- Review and updating of the Scheme of Delegated Governance functions to reflect the expansion of the Trust and its new management structure.
- Review of current Governance structures.
- Introduction of a comprehensive internal induction and training programme.

The Audit Committee is a committee of the main Board of Trustees. It's purpose is to:

- Ensure compliance with the Academies Financial Handbook.
- Monitor internal controls.
- Recommend appointment of external auditors to the Members for their approval.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M J Ashurst	1	1
Mrs S J Crabb, Chair	1	2
Mrs J A Goodchild	4	4
Mrs C J Hill	4	4
Mrs J McFall	1	1
Mr C McLean	4	4

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

The Resources Committee was a committee of the main Board of Trustees during the financial year. Since the year end, the resources committee has been disbanded and its terms of reference absorbed into the Audit Committee and full Board. The Resources Committee's purpose during the year was to:

- Approve level of contribution to central budgets.
- Approve financial procedures and limits.
- Authorise settlement agreements.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M J Ashurst, Chair	3	3
Mrs S J Crabb	2	2
Mrs C J Hill	3	3
Mrs J McFall	3	3
Mr A Massey	3	3

REVIEW OF VALUE FOR MONEY

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

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

- Robust financial governance and budget management
- Value for money purchasing
- Reviewing controls and managing risk
- Considering allocation of resources
- Not allocating time/resources to areas where few improvements can be achieved
- Making comparisons with similar Academies using data provided by the ESFA and the Government
- Challenging proposals and examining their effectiveness and efficiency
- Deploying staff effectively
- Reviewing the quality of curriculum provision and the quality of teaching
- Reviewing quality of children's learning to enable children to achieve nationally expected progress
- Outlining procedures for accepting best value quotes, noting this is not necessarily the cheapest quote

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bridge Multi-Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Resource 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;
- conducting a self-assessment against the 'Musts' of the Academies Financial Handbook;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Cornwall Council Finance Service to perform additional checks as Responsible Officer.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations

The Responsible Officer for the Trust carry out a review for each term of the academic year. The reports are represented to the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustee' financial responsibilities.

The Trust appointed the Responsible Officer services of Cornwall Council for the year 2018/19. This role was performed effectively and in line with requirements. The internal audit did not identify any significant issues. Any concerns that were highlighted regarding internal administration procedures have been addressed.

REVIEW OF EFFECTIVENESS

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

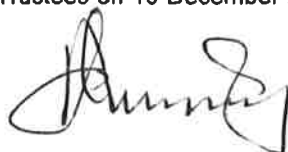
- the work of the Responsible Officer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the Chief Finance Officer within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee.

Approved by order of the members of the Board of Trustees on 10 December 2018 and signed on their behalf, by:



**Mrs C J Hill
Chair of Trustees**



**Mr A Massey
Accounting Officer**

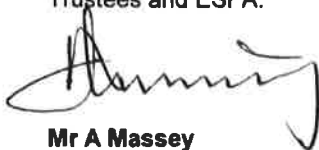
**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Bridge Multi-Academy Trust I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the trust Board of Trustees are able to identify any material irregular or improper use of funds by the trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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



**Mr A Massey
Accounting Officer**

Date: 10 December 2018

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

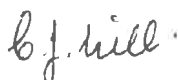
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



**Mrs C J Hill
Chair of Trustees**

Date: 10/12/18

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OPINION

We have audited the financial statements of Bridge Multi-Academy Trust (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the 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 opinions we have formed.



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: 20-12-18

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRIDGE
MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 12 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bridge Multi-Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Bridge Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 24 January 2013, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the 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.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BRIDGE
MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

CONCLUSION

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



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: 20-12-18

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	123,972	(409,000)	1,969,374	1,684,346	(15,643)
Other donations and capital grants	2	19,039	38,060	966,211	1,023,310	2,633,901
Charitable activities	5	786,026	8,368,862	-	9,154,888	7,501,884
Other trading activities	3	325,289	-	-	325,289	272,259
Investments	4	1,257	-	-	1,257	646
TOTAL INCOME		1,255,583	7,997,922	2,935,585	12,189,090	10,393,047
EXPENDITURE ON:						
Raising funds		82,287	-	-	82,287	113,075
Charitable activities		670,996	9,890,117	574,066	11,135,179	9,704,819
TOTAL EXPENDITURE	6	753,283	9,890,117	574,066	11,217,466	9,817,894
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	19	502,300 (561,483)	(1,892,195) 512,831	2,361,519 48,652	971,624 -	575,153 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(59,183)	(1,379,364)	2,410,171	971,624	575,153
Actuarial gains on defined benefit pension schemes	25	-	728,000	-	728,000	1,047,000
NET MOVEMENT IN FUNDS		(59,183)	(651,364)	2,410,171	1,699,624	1,622,153
RECONCILIATION OF FUNDS:						
Total funds brought forward		59,183	(2,249,000)	14,909,769	12,719,952	11,097,799
TOTAL FUNDS CARRIED FORWARD		-	(2,900,364)	17,319,940	14,419,576	12,719,952

The notes on pages 33 to 64 form part of these financial statements.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07736425**

**BALANCE SHEET
AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		16,756,251		13,731,518
CURRENT ASSETS					
Debtors	15	536,510		691,833	
Cash at bank and in hand		1,328,911		1,268,643	
		<u>1,865,421</u>		<u>1,960,476</u>	
CREDITORS: amounts falling due within one year	16	(1,487,145)		(718,900)	
NET CURRENT ASSETS			378,276		1,241,576
TOTAL ASSETS LESS CURRENT LIABILITIES			17,134,527		14,973,094
CREDITORS: amounts falling due after more than one year	17		(242,951)		(4,142)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			16,891,576		14,968,952
Defined benefit pension scheme liability	25		(2,472,000)		(2,249,000)
NET ASSETS			14,419,576		12,719,952
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	19	(428,364)		-	
Fixed asset funds	19	17,319,940		14,909,769	
Restricted funds excluding pension liability		<u>16,891,576</u>		<u>14,909,769</u>	
Pension reserve		<u>(2,472,000)</u>		<u>(2,249,000)</u>	
Total restricted funds			14,419,576		12,660,769
Unrestricted funds	19		-		59,183
TOTAL FUNDS			14,419,576		12,719,952

The financial statements on pages 30 to 64 were approved by the Trustees, and authorised for issue, on 10/12 18 and are signed on their behalf, by:

C. J. Hill

**Mrs C J Hill
Chair of Trustees**

The notes on pages 33 to 64 form part of these financial statements.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	21	<u>(12,316)</u>	<u>(1,019,437)</u>
Cash flows from investing activities:			
Interest received		1,257	646
Purchase of tangible fixed assets		(1,617,047)	(1,486,858)
Capital grants from DfE Group		966,211	2,529,851
Cash transferred on conversion to an Academy Trust		123,972	5,104
Net cash (used in)/provided by investing activities		<u>(525,607)</u>	<u>1,048,743</u>
Cash flows from financing activities:			
Repayments of borrowings		(1,809)	-
Cash inflows from new borrowing (ESFA)		600,000	-
Net cash provided by financing activities		<u>598,191</u>	<u>-</u>
Change in cash and cash equivalents in the year		60,268	29,306
Cash and cash equivalents brought forward		<u>1,268,643</u>	<u>1,239,337</u>
Cash and cash equivalents carried forward	22	<u><u>1,328,911</u></u>	<u><u>1,268,643</u></u>

The notes on pages 33 to 64 form part of these financial statements.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

1.2 FUND ACCOUNTING

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

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

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

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

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities incorporating Income and Expenditure Account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

Where assets are received by the Trust on conversion to an Academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risk and rewards of ownership pass to the Trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

Capital grants received towards capital improvement of diocesan owned premises is recognised as restricted donations from non-charitable activities. The corresponding expenditure is recognised as revenue expenditure in the SOFA and disclosed as grant expenditure.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 GOING CONCERN

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

The Trust has cumulative revenue deficit of £428,364, (represented by GAG deficit of £504,455 and other restricted funds of £76,091 as detailed in note 19). The Trust will be reliant upon the financial support and monitoring provided by the ESFA, who advanced a £600,000 loan in 2017-18 which is due to be repaid over a 2 year-period. The Trust has met its borrowing obligations to date and anticipates being able to repay the loan in the agreed upon timeframe, whilst making the necessary efficiency gains needed to return the Trust to surplus reserves which is anticipated to achieve by 31 August 2019. The budget submitted to ESFA forecast an in-year surplus for 2018/9.

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.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account.

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

Freehold property	-	2% straight line
Long term leasehold land and buildings	-	Over the lease term, with maximum of 50 years for buildings
Furniture and fixtures	-	20% straight line
Solar panels	-	5% straight line
Computer equipment	-	33% straight line

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

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

Where on conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority school, the long term leasehold property is recognised as a donation from the Local Authority and is valued using the depreciated replacement cost method.

Where the Academy Trust has been granted use of school buildings from the Diocese of Truro under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

The Supplemental Agreement includes the right for the Diocese of Truro Trustees to give not less than 2 years written notice to the Academy Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

1.7 OPERATING LEASES

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

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

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 DEBTORS

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

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.13 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.14 CONVERSION TO AN ACADEMY TRUST

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

The assets and liabilities transferred on conversion from the schools as named in note 23 to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 23.

1. ACCOUNTING POLICIES (continued)

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust 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.

BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfers on Local Authority on conversion	123,972	(409,000)	1,969,374	1,684,346	(15,643)
	<u>123,972</u>	<u>(409,000)</u>	<u>1,969,374</u>	<u>1,684,346</u>	<u>(15,643)</u>
Donations	19,039	38,060	-	57,099	104,050
Capital Grants	-	-	966,211	966,211	2,529,851
	<u>19,039</u>	<u>38,060</u>	<u>966,211</u>	<u>1,023,310</u>	<u>2,633,901</u>
Subtotal	19,039	38,060	966,211	1,023,310	2,633,901
	<u>143,011</u>	<u>(370,940)</u>	<u>2,935,585</u>	<u>2,707,656</u>	<u>2,618,258</u>
Total 2017	<u>76,902</u>	<u>(58,748)</u>	<u>2,600,104</u>	<u>2,618,258</u>	

The £409,000 deficit on conversion noted above, relates to LGPS inherited on the conversion of the new schools that joined the MAT during the year. This is as per normal accounting practices of new conversions. Further details can be found in note 23.

3. OTHER TRADING ACTIVITIES

	Total funds 2018 £	Total funds 2017 £
Lettings	22,952	24,500
Consultancy	-	97,408
Parental contributions to Wrap-Around	164,127	105,728
Staff insurance reimbursements	108,539	-
Other	29,671	44,623
	<u>325,289</u>	<u>272,259</u>
Total 2017	<u>272,259</u>	

Staff insurance reimbursements for 2017 amounted to £82,923, however, these were offset against staff costs. For 2018, the amounts reimbursed have been separately disclosed as noted above.

BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

4. INVESTMENT INCOME

	Total funds 2018 £	Total funds 2017 £
Bank interest	1,257	646
	<u>1,257</u>	<u>646</u>
Total 2017	<u>646</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Education	332,541	8,368,862	8,701,403	7,179,630
Nursery	453,485	-	453,485	322,254
	<u>786,026</u>	<u>8,368,862</u>	<u>9,154,888</u>	<u>7,501,884</u>
Total 2017	<u>575,381</u>	<u>6,926,503</u>	<u>7,501,884</u>	

BRIDGE MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	6,952,600	6,952,600	6,089,970
Start up Grants	-	120,000	120,000	25,000
Other DfE Group grants	-	1,129,222	1,129,222	717,332
	<u>-</u>	<u>8,201,822</u>	<u>8,201,822</u>	<u>6,832,302</u>
Other Government grants				
High Needs	-	87,221	87,221	91,901
Other government grants	-	79,819	79,819	24,400
	<u>-</u>	<u>167,040</u>	<u>167,040</u>	<u>116,301</u>
Other funding				
Internal catering income	103,436	-	103,436	106,023
Sales to students	-	-	-	448
Other	159,051	-	159,051	124,556
Consultancy	70,054	-	70,054	-
	<u>332,541</u>	<u>-</u>	<u>332,541</u>	<u>231,027</u>
	<u>332,541</u>	<u>8,368,862</u>	<u>8,701,403</u>	<u>7,179,630</u>
Total 2017	<u>253,127</u>	<u>6,926,503</u>	<u>7,179,630</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	66,248	-	16,039	82,287	113,075
Support costs	-	-	-	-	-
Education:					
Direct costs	6,758,842	387,700	593,751	7,740,293	6,634,430
Support costs	1,518,712	667,561	825,153	3,011,426	2,821,062
Nursery:					
Direct costs	79,372	4,553	30,019	113,944	89,403
Support costs	108,009	41,330	120,177	269,516	159,924
	<u>8,531,183</u>	<u>1,101,144</u>	<u>1,585,139</u>	<u>11,217,466</u>	<u>9,817,894</u>
Total 2017	<u>7,213,418</u>	<u>621,570</u>	<u>1,982,906</u>	<u>9,817,894</u>	

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7. DIRECT COSTS

	Education £	Nursery £	Total 2018 £	Total 2017 £
Pension finance costs	32,650	3,350	36,000	34,000
Educational supplies	287,346	15,124	302,470	257,010
Staff development	33,175	1,746	34,921	81,057
Other costs	170,555	8,977	179,532	196,269
Supply teachers	290,254	-	290,254	299,206
Wages and salaries	5,027,515	62,729	5,090,244	4,198,892
National insurance	393,803	6,305	400,108	343,357
Pension cost	1,047,270	10,338	1,057,608	871,987
Depreciation	457,725	5,375	463,100	442,055
	<u>7,740,293</u>	<u>113,944</u>	<u>7,854,237</u>	<u>6,723,833</u>
Total 2017	<u>6,634,430</u>	<u>89,403</u>	<u>6,723,833</u>	

8. SUPPORT COSTS

	Education £	Nursery £	Total 2018 £	Total 2017 £
Pension finance costs	29,450	1,550	31,000	29,000
Other costs	5,086	268	5,354	3,032
Recruitment and support	3,978	-	3,978	20,050
Maintenance of premises and equipment	137,315	7,227	144,542	152,456
Cleaning	84,763	4,461	89,224	63,196
Rent and rates	143,015	5,659	148,674	132,432
Energy costs	123,335	6,524	129,859	126,766
Insurance	126,298	6,647	132,945	141,562
Security and transport	49,000	2,579	51,579	29,966
Catering	271,014	14,264	285,278	210,479
Technology costs	84,267	4,435	88,702	105,721
Office overheads	79,934	4,207	84,141	95,115
Legal and professional	290,574	15,293	305,867	319,494
Bank interest and charges	291	-	291	1,165
(Profit) / Loss on disposal of fixed assets	800	-	800	-
Governance	41,821	-	41,821	29,612
Wages and salaries	965,216	139,968	1,105,184	980,167
National insurance	47,588	6,172	53,760	56,008
Pension cost	429,972	37,805	467,777	377,193
Depreciation	97,709	12,457	110,166	107,572
	<u>3,011,426</u>	<u>269,516</u>	<u>3,280,942</u>	<u>2,980,986</u>
Total 2017	<u>2,821,062</u>	<u>159,924</u>	<u>2,980,986</u>	

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8. SUPPORT COSTS (continued)

During the year ended 31 August 2018, the Academy Trust incurred the following Governance costs:

£24,675 (2017: £18,615) included within the table above in respect of accountancy and audit fees.

£2,500 (2017: £2,942) included within the table above in respect of legal fees.

£8,116 (2017: £3,902) included within the table above in respect of clerking and company secretarial services.

£6,530 (2017: £6,377) included within the table above in respect of pension and payroll services.

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9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	6,124,022	5,226,515
Social security costs	458,126	405,321
Operating costs of defined benefit pension schemes	1,533,454	1,259,831
	<u>8,115,602</u>	<u>6,891,667</u>
Agency staff costs	290,254	299,206
Staff restructuring costs	125,327	22,545
	<u><u>8,531,183</u></u>	<u><u>7,213,418</u></u>

Staff restructuring costs comprise:

	2018 £	2017 £
Redundancy payments	36,176	-
Severance payments	89,151	22,545
	<u>125,327</u>	<u>22,545</u>

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

Included in staff restructuring costs are non-statutory severance payments totalling £89,151 (2017: £22,545). Individually, the payments were £5,000, £6,750, £12,217, £14,919, £15,600 and £34,665. Severance payments were made to six employees in the interests of efficiency of service. The sums paid included owed holiday pay and/or payment in lieu of notice.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	189	106
Teaching assistants, administration and support	413	283
Management	6	6
	<u>608</u>	<u>395</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	90	93
Teaching assistants, administration and support	128	94
Management	6	4
	<u>224</u>	<u>191</u>

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9. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	0	2
In the band £70,001 - £80,000	1	0
In the band £90,001 - £100,000	0	1
In the band £100,001 - £110,000	1	0

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for employees whose emoluments fell within the above bands amounted to £28,578 (2017: £28,066).

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £408,859 (2017: £691,689).

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10. CENTRAL SERVICES

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

- Business and Finance
- Administration and Human Resources
- Information Technology
- Premises Management
- School improvement support and management

The Academy Trust charges for these services on the following basis:

The Academies contribute 5% of the General Annual Grant (GAG) funding from each academy to supplement its cash flows in providing the above services.

The actual amounts charged during the year were as follows:

	2018 £	2017 £
Wadebridge Primary Academy	71,625	75,284
Looe Primary Academy	47,426	50,145
Delaware Primary Academy	24,656	24,450
Gunnislake Primary Academy	10,436	13,078
Brunel Primary Academy	57,018	54,926
Darite Primary Academy	15,628	15,962
Pelynt Primary Academy	17,379	16,249
Polruan Primary Academy	9,102	9,372
Polperro Primary Academy	24,450	23,352
Lanlivery Primary Academy	14,241	16,599
Duloe Primary Academy	15,051	2,562
Blisland Primary Academy	6,066	-
St Cleer Primary Academy	24,627	-
Trenode Primary Academy	7,405	-
	<u>345,110</u>	<u>301,979</u>
Total		

11. TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive and staff Trustees only received remuneration in respect of services they provide undertaking the roles of Chief Executive and staff 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' gross salaries in the year was as follows: A Massey between one hundred and one hundred and five thousand pounds (2017: ninety-five to one hundred thousand pounds). The value of the Trustees' employer pension contributions in the year was as follows: A Massey between fifteen and twenty thousand pounds (2017: fifteen to twenty thousand pounds).

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

During the year ended 31 August 2018, expenses totalling £2,625 (2017: £1,173) were reimbursed to 3 Trustees (2017: 1).

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12. NET INCOMING/(EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the academy trust	573,266	549,627
Auditors' remuneration - audit	6,690	5,500
Auditors' remuneration - other services	17,985	13,115
Operating lease rentals	74,788	41,013
	<u>672,729</u>	<u>619,165</u>

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 2018 was £3,748 (2017: £3,744).

14. TANGIBLE FIXED ASSETS

	Freehold property £	Long term leasehold land and buildings £	Fixtures and fittings £	Solar Panels £	Computer equipment £	Total £
COST						
At 1 September 2017	2,984,839	11,290,872	432,460	47,500	374,277	15,129,948
Additions	490,263	1,077,797	6,061	-	42,926	1,617,047
Transfers on conversion	-	1,930,549	41,503	-	9,700	1,981,752
Disposals	-	-	-	-	(800)	(800)
At 31 August 2018	<u>3,475,102</u>	<u>14,299,218</u>	<u>480,024</u>	<u>47,500</u>	<u>426,103</u>	<u>18,727,947</u>
DEPRECIATION						
At 1 September 2017	90,349	803,739	169,453	14,875	320,014	1,398,430
Charge for the year	81,646	403,919	78,609	2,375	6,717	573,266
At 31 August 2018	<u>171,995</u>	<u>1,207,658</u>	<u>248,062</u>	<u>17,250</u>	<u>326,731</u>	<u>1,971,696</u>
NET BOOK VALUE						
At 31 August 2018	<u>3,303,107</u>	<u>13,091,560</u>	<u>231,962</u>	<u>30,250</u>	<u>99,372</u>	<u>16,756,251</u>
At 31 August 2017	<u>2,894,490</u>	<u>10,487,133</u>	<u>263,007</u>	<u>32,625</u>	<u>54,263</u>	<u>13,731,518</u>

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15. DEBTORS

	2018 £	2017 £
Trade debtors	65,386	13,141
VAT recoverable	55,553	257,798
Other debtors	89,703	-
Prepayments and accrued income	325,868	420,894
	<u>536,510</u>	<u>691,833</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	393,726	139,710
Other taxation and social security	119,576	-
ESFA/Salix loans	372,943	1,183
Other creditors	133,278	-
Accruals and deferred income	467,622	578,007
	<u>1,487,145</u>	<u>718,900</u>

	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	114,080	115,713
Resources deferred during the year	158,437	114,080
Amounts released from previous years	(114,080)	(115,713)
Deferred income at 31 August 2018	<u>158,437</u>	<u>114,080</u>

The deferred income above relates to monies received in advance by the Academy Trust in respect of: Universal Infant Free School Meals (UIFSM) - £158,437 (2017: £114,080).

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
ESFA/Salix loans	<u>242,951</u>	<u>4,142</u>

Included within ESFA/Salix loans are 3 individual Salix loans totalling £19,475 repayable in six-monthly instalments over a period of between 6 - 8 years, all loans are interest free.

Also included within ESFA/Salix loans is an advance of General Annual Grant from the ESFA totalling £600,000 repayable over 2 years, the loan is interest free.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. FINANCIAL INSTRUMENTS

	2018	2017
	£	£
Financial assets measured at amortised cost	327,252	393,706
Financial liabilities measured at amortised cost	479,436	198,421

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

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

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19. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS						
General funds	59,183	1,255,583	(753,283)	(561,483)	-	-
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	6,952,600	(7,969,886)	512,831	-	(504,455)
UIFSM	-	233,614	(233,614)	-	-	-
High needs funding	-	87,221	(87,221)	-	-	-
Donations	-	2,560	-	-	-	2,560
Pupil premium	-	522,653	(522,653)	-	-	-
Start up grant	-	120,000	(120,000)	-	-	-
PE and sports grant	-	215,779	(215,779)	-	-	-
Diocesan property rent	-	35,500	(35,500)	-	-	-
Other ESFA grants	-	47,276	(47,276)	-	-	-
Other LA grants	-	79,819	(79,819)	-	-	-
MAT Development and Improvement Fund	-	109,900	(36,369)	-	-	73,531
Pension reserve	(2,249,000)	(409,000)	(542,000)	-	728,000	(2,472,000)
	<u>(2,249,000)</u>	<u>7,997,922</u>	<u>(9,890,117)</u>	<u>512,831</u>	<u>728,000</u>	<u>(2,900,364)</u>
RESTRICTED FIXED ASSET FUNDS						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Fixed assets on conversion	11,059,659	1,969,346	(305,484)	-	-	12,723,521
Fixed assets funded from GAG	379,352	-	(48,689)	48,652	-	379,315
Fixed assets funded from DfE/ESFA/LA Capital grants	2,287,184	-	(219,893)	1,570,230	-	3,637,521
DfE/ESFA/LA Capital grants unspent	1,183,574	966,239	-	(1,570,230)	-	579,583
	<u>14,909,769</u>	<u>2,935,585</u>	<u>(574,066)</u>	<u>48,652</u>	<u>-</u>	<u>17,319,940</u>
Total restricted funds	<u>12,660,769</u>	<u>10,933,507</u>	<u>(10,464,183)</u>	<u>561,483</u>	<u>728,000</u>	<u>14,419,576</u>
Total of funds	<u>12,719,952</u>	<u>12,189,090</u>	<u>(11,217,466)</u>	<u>-</u>	<u>728,000</u>	<u>14,419,576</u>

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19. STATEMENT OF FUNDS (continued)

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

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

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

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address underlying inequalities faced by disadvantaged children.

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

PE and sports grant – The PE and sport premium is designed to help primary schools improve the quality of the PE and sport activities that the Academy offer its pupils.

School improvement grant – This represents funding to facilitate school improvement in Looe Primary Academy through leadership support, teaching and learning interventions, systems improvement, pupil focused interventions, curriculum re-design or staff restructuring.

Primary chain grant - The primary academy chain grant was to fund the development programme of the multi-academy trust.

Pension reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the Academy from the Local Authority on schools converting.

Fixed assets purchased from GAG - This fund represents the net book value of assets funded from GAG.

Fixed assets purchased from DfE/ESFA Capital grants since conversion - This fund represents the net book value of assets funded from Devolved Formula Capital, Condition Improvement Funds and other DfE/ESFA capital funds.

DfE/ESFA Capital grants unspent – includes devolved formula capital and other capital grants which represents unspent funding, as at the year end, from the ESFA to cover ongoing capital projects.

During the year, transfers totalling £48,652 were made from restricted reserves to restricted fixed asset reserves, reflecting fixed assets additions not funded by grants.

During the year, transfers totalling £561,483 were made from unrestricted reserves to restricted reserves to cover GAG expenditure.

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 2018.

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19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Wadebridge Primary Academy	(12,744)	90,058
Looe Primary Academy	11,470	132,395
Delaware Primary Academy	(212,470)	(109,783)
Gunnislake Primary Academy	40,104	45,700
Brunel Primary Academy	(322,878)	(156,636)
Darite Primary Academy	93,293	85,208
Pelynt Primary Academy	13,700	13,364
Polruan Primary Academy	(45,204)	(16,913)
Polperro Primary Academy	143,812	140,956
Lanlivery Primary Academy	(78,103)	(51,793)
Duloe Primary Academy	(96,300)	(11,757)
Central services	(46,707)	(101,616)
Blisland Primary Academy	23,754	-
St Cleer Primary Academy	41,254	-
Trenode Primary Academy	18,655	-
Total before fixed asset fund and pension reserve	(428,364)	59,183
Restricted fixed asset fund	17,319,940	14,909,769
Pension reserve	(2,472,000)	(2,249,000)
Total	14,419,576	12,719,952

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academies	Amount of deficit £
Wadebridge Primary Academy	(12,744)
Delaware Primary Academy	(212,470)
Brunel Primary Academy	(322,878)
Polruan Primary Academy	(45,204)
Lanlivery Primary Academy	(78,103)
Duloe Primary Academy	(96,300)
Central Services	(46,707)

Wadebridge

The school was over its targeted staffing %. Being one of our larger schools the additional 9% increased staffing took the school over target.

Delaware

Due to its Area Resource Base, increased staffing expenditure was incurred due to the needs of the children allocated to the unit by our Local Authority. Some additional funding was received but this did not cover the extra cost. During the year we incurred costs when making a senior post redundant.

Brunel

Brunel joined the Trust overstaffed with a staff to budget ratio of 90% (10% over target) and a deficit position of approximately £90,000. During the year we commenced a restructure of the school thus incurring additional costs. A Health & Safety incident (due to a previous contractor, before the school

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19. STATEMENT OF FUNDS (continued)

joined the trust) also resulted in significant unbudgeted cost in 2017/18.

Polruan

This school is geographically disadvantaged. Staff costs were high in relation to pupil numbers.

Lanlivery

Prior to Lanlivery joining the Trust building work had commenced to create additional classroom space. These costs were suffered by the Trust, thus consuming reserves.

Duloe

The Academy was overstaffed when it joined the Trust in July 2017 with a staff to budget ratio of 90% (10% over target). During 2017/18 we restructured the school thus incurring additional costs.

Central Services

Some operational ICT infrastructure expenditure and support costs were funded by the Central Office. 3 Academies joined the Trust during the year which inevitably increased demands on the central team.

The Academy Trust is taking the following action to return the academies to surplus:

Wadebridge

A 5 year plan is in place to reduce overspend which will continue well beyond 2018/19. Not all staff who have left the school have been replaced to bring the staff to budget ratio down from 89% to less than 80%.

Delaware

A plan is in place which includes sharing a Head with our nearby school at Gunnislake. Managers are currently working with our Local Authority with a view to secure additional funding through additional children being placed in the ARB. A vacant Assistant Head post will not be replaced.

Brunel

A 5 year plan is in place which includes the Deputy taking the position of Head, following their retirement. We expect to undertake cost saving measures this year on services.

Polruan

We have redeployed some senior staff to other schools in the Trust to recover the overspends incurred.

Lanlivery

A 5 year plan is in place. This includes non replacement of a vacant teaching post due to reduced pupil numbers.

Duloe

A plan has commenced which includes not replacing the Head's role on retirement – instead the Deputy will take over this post on a secondment. Additionally we expect to undertake cost saving measures this year on services.

Central

Moving forward operational costs will be charged to schools that utilised the service.

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19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding deprecia- tion £	Total 2018 £	Total 2017 £
Wadebridge Primary Academy	1,395,580	315,938	51,748	276,611	2,039,877	2,011,168
Looe Primary Academy	852,303	136,530	33,084	154,087	1,176,004	1,154,195
Delaware Primary Academy	542,160	110,358	14,002	107,563	774,083	726,433
Gunnislake Primary Academy	236,112	29,438	12,779	48,281	326,610	381,643
Brunel Primary Academy	1,189,294	253,844	55,144	245,797	1,744,079	1,669,771
Darite Primary Academy	245,177	27,526	11,675	91,551	375,929	388,309
Pelynt Primary Academy	313,444	59,233	14,734	95,899	483,310	443,384
Polruan Primary Academy	159,292	25,035	13,638	55,225	253,190	306,247
Polperro Primary Academy	390,111	47,661	15,939	108,415	562,126	563,906
Lanlivery Primary Academy	221,246	77,418	16,473	64,082	379,219	431,911
Duloe Primary Academy	332,219	22,513	16,750	110,909	482,391	63,372
Blisland Primary Academy	81,995	19,887	3,083	35,436	140,401	-
St Cleer Primary Academy	483,272	39,956	11,805	96,701	631,734	-
Trenode Primary Academy	113,913	11,446	2,623	43,405	171,387	-
Central Services	26,096	297,186	28,993	208,785	561,060	708,883
	6,582,214	1,473,969	302,470	1,742,747	10,101,400	8,849,222

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FOR THE YEAR ENDED 31 AUGUST 2018

19. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds	872,643	925,188	(684,740)	(1,053,908)	-	59,183
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	6,089,970	(7,092,493)	1,002,523	-	-
UIFSM	-	167,898	(167,898)	-	-	-
High needs funding	-	48,002	(48,002)	-	-	-
Donations	-	15,252	(15,252)	-	-	-
Pupil premium	8,654	390,210	(398,864)	-	-	-
Start up grant	40,477	25,000	(65,477)	-	-	-
Brunel Assets transferred on joining the Trust	71,351	-	(71,351)	-	-	-
PE and sports grant	5,767	86,585	(92,352)	-	-	-
School improvement grant	36,270	-	(36,270)	-	-	-
Primary chain development grant	54,150	-	(54,150)	-	-	-
National Leaders of Governance	261	-	(261)	-	-	-
Other ESFA grants	-	72,639	(72,639)	-	-	-
Other LA grants	-	46,199	(46,199)	-	-	-
Other restricted funds	1,319	17,000	(18,319)	-	-	-
Pension reserve	(2,801,000)	(91,000)	(404,000)	-	1,047,000	(2,249,000)
	<u>(2,582,751)</u>	<u>6,867,755</u>	<u>(8,583,527)</u>	<u>1,002,523</u>	<u>1,047,000</u>	<u>(2,249,000)</u>
RESTRICTED FIXED ASSET FUNDS						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets on conversion	11,307,586	70,253	(318,180)	-	-	11,059,659
Fixed assets funded from GAG	301,168	-	(17,296)	95,480	-	379,352
Fixed assets funded from DfE/ESFA/LA Capital grants	1,115,280	-	(214,151)	1,386,055	-	2,287,184
DfE/ESFA/LA Capital grants unspent	83,873	2,529,851	-	(1,430,150)	-	1,183,574
	<u>12,807,907</u>	<u>2,600,104</u>	<u>(549,627)</u>	<u>51,385</u>	<u>-</u>	<u>14,909,769</u>
Total restricted funds	<u>10,225,156</u>	<u>9,467,859</u>	<u>(9,133,154)</u>	<u>1,053,908</u>	<u>1,047,000</u>	<u>12,660,769</u>
Total of funds	<u>11,097,799</u>	<u>10,393,047</u>	<u>(9,817,894)</u>	<u>-</u>	<u>1,047,000</u>	<u>12,719,952</u>

BRIDGE MULTI-ACADEMY TRUST
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	16,756,251	16,756,251
Current assets	-	1,062,363	803,058	1,865,421
Creditors due within one year	-	(1,260,727)	(226,418)	(1,487,145)
Creditors due in more than one year	-	(230,000)	(12,951)	(242,951)
Pension scheme liability	-	(2,472,000)	-	(2,472,000)
	<u>-</u>	<u>(2,900,364)</u>	<u>17,319,940</u>	<u>14,419,576</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	13,731,518	13,731,518
Current assets	776,900	-	1,183,576	1,960,476
Creditors due within one year	(717,717)	-	(1,183)	(718,900)
Creditors due in more than one year	-	-	(4,142)	(4,142)
Provisions for liabilities and charges	-	(2,249,000)	-	(2,249,000)
	<u>59,183</u>	<u>(2,249,000)</u>	<u>14,909,769</u>	<u>12,719,952</u>

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	971,624	575,153
Adjustment for:		
Depreciation charges	573,266	549,627
Interest received	(1,257)	(646)
Loss on the sale of fixed assets	800	-
Decrease in debtors	155,324	64,434
Increase/(decrease) in creditors	396,484	(97,797)
Capital grants from DfE and other capital income	(966,211)	(2,529,851)
Defined benefit pension scheme obligation inherited	-	91,000
Defined benefit pension scheme cost less contributions payable	475,000	250,000
Defined benefit pension scheme finance cost	67,000	63,000
Net (loss)/gain on assets and liabilities from local authority on conversion	(1,684,346)	15,643
Net cash used in operating activities	<u>(12,316)</u>	<u>(1,019,437)</u>

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22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	667,347	386,126
Cash earmarked for capital projects	661,564	882,517
	<u>1,328,911</u>	<u>1,268,643</u>

23. CONVERSION TO AN ACADEMY TRUST

On 1 March 2018 Blisland Community Primary School, St Cleer Primary School and Trenode CoFE School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Bridge Multi-Academy Trust from Cornwall Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations - transfer from local authority on conversion and from joining Academy

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	1,930,549	1,930,549
- Other tangible fixed assets	-	-	51,203	51,203
Budget surplus on LA funds	123,972	-	-	123,972
LGPS pension deficit	-	(409,000)	-	(409,000)
Salix loans	-	-	(12,378)	(12,378)
Net assets/(liabilities)	<u>123,972</u>	<u>(409,000)</u>	<u>1,969,374</u>	<u>1,684,346</u>

The above net assets include £123,972 that were transferred as cash (of this £424 relates to Duloe CoE VA Junior and Infant School which transferred in 2017).

Leasehold land and buildings have been transferred to Bridge Multi-Academy Trust from Cornwall Council under a 125 year lease.

The above can be analysed between the individual schools as follows:

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Blisland Community Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	265,035	265,035
- Other tangible fixed assets	-	-	9,940	9,940
Budget surplus on LA funds	20,000	-	-	20,000
LGPS pension deficit	-	(44,000)	-	(44,000)
Salix loans	-	-	(4,100)	(4,100)
	<u>20,000</u>	<u>(44,000)</u>	<u>270,875</u>	<u>246,875</u>
Net assets/(liabilities)	<u>20,000</u>	<u>(44,000)</u>	<u>270,875</u>	<u>246,875</u>

St Cleer Primary School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	1,614,514	1,614,514
- Other tangible fixed assets	-	-	23,456	23,456
Budget surplus on LA funds	103,548	-	-	103,548
LGPS pension deficit	-	(296,000)	-	(296,000)
	<u>103,548</u>	<u>(296,000)</u>	<u>1,637,970</u>	<u>1,445,518</u>
Net assets/(liabilities)	<u>103,548</u>	<u>(296,000)</u>	<u>1,637,970</u>	<u>1,445,518</u>

Trenode CofE School

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	51,000	51,000
- Other tangible fixed assets	-	-	17,807	17,807
Budget surplus on LA funds	-	-	-	-
LGPS pension deficit	-	(69,000)	-	(69,000)
Salix loans	-	-	(8,278)	(8,278)
	<u>-</u>	<u>(69,000)</u>	<u>60,529</u>	<u>(8,471)</u>
Net assets/(liabilities)	<u>-</u>	<u>(69,000)</u>	<u>60,529</u>	<u>(8,471)</u>

Only leasehold land has been recognised in respect of Trenode as the School occupies Church buildings which have not been recognised in the accounts in accordance with the Academies Accounts Direction.

**BRIDGE MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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24. CAPITAL COMMITMENTS

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

	2018 £	2017 £
Contracted for but not provided in these financial statements	<u>436,917</u>	<u>-</u>

25. 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 Cornwall 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 2016.

Contributions amounting to £132,966 were payable to the schemes at 31 August 2018 (2017: £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

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

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

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25. PENSION COMMITMENTS (continued)

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

The employer's pension costs paid to TPS in the period amounted to £603,401 (2017: £488,506).

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 an unfunded 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 2018 was £630,000 (2017: £539,000), of which employer's contributions totalled £501,000 (2017: £424,000) and employees' contributions totalled £129,000 (2017: £115,000). The agreed contribution rates for future years are 17% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

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

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

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

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis		
Discount rate -0.5%	1,012,000	786,000
Salary rate - +0.5%	133,000	119,000
CPI rate +0.5%	869,000	656,000

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25. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	2,512,000	1,774,000
Bonds	2,204,000	1,623,000
Property	359,000	264,000
Cash	51,000	113,000
Total market value of assets	<u>5,126,000</u>	<u>3,774,000</u>

The actual return on scheme assets was £135,000 (2017: £(22,000)).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost	(950,000)	(765,000)
Past service cost	(26,000)	-
Interest income	108,000	71,000
Interest cost	(175,000)	(134,000)
Total	<u>(1,043,000)</u>	<u>(828,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	6,023,000	5,919,000
Upon conversion	916,000	-
Current service cost	950,000	765,000
Interest cost	175,000	134,000
Employee contributions	129,000	115,000
Actuarial gains	(593,000)	(1,069,000)
Benefits paid	(28,000)	(19,000)
Liabilities assumed in a business combination	-	178,000
Past service costs	26,000	-
Closing defined benefit obligation	<u>7,598,000</u>	<u>6,023,000</u>

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25. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	3,774,000	3,118,000
Upon conversion	507,000	-
Interest income	108,000	71,000
Actuarial losses/(gains)	135,000	(22,000)
Employer contributions	501,000	424,000
Employee contributions	129,000	115,000
Benefits paid	(28,000)	(19,000)
Assets acquired in a business combination	-	87,000
	<u>5,126,000</u>	<u>3,774,000</u>
Closing fair value of scheme assets	<u>5,126,000</u>	<u>3,774,000</u>

26. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	66,243	35,416
Between 2 and 5 years	86,935	50,497
	<u>153,178</u>	<u>85,913</u>
Total	<u>153,178</u>	<u>85,913</u>

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27. 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 a trustee 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.

During the year, the Academy Trust purchased performance review consultancy services from Best Practice Network Limited, a company in which the Trustee, Mr C McLean is the Managing Director and has significant control, totalling £6,600 (2017: £6,600). The Academy Trust also received income of £Nil (2017: £1,000) from Best Practice Network Limited for staff time spent on consultancy work during the year. In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Financial Handbook 2017, as well as complying with its own financial scheme of delegation, with no influence or involvement from Mr C McLean.

Any element above £2,500 is provided at no more than cost and is supported by a statement of assurance from Best Practice Network Limited.

During the year to 31 August 2017, an employee of the Trust was related to one of the Trustees of the Academy Trust, and received gross salary between fifteen and twenty thousand pounds as well as employer pension contributions between nil and five thousand pounds in that year. The employee's appointment was made in open competition, and before the Trustee was appointed as a trustee of the MAT, hence they had not been involved in the decision making process. The employee was paid within the normal pay scales for their role and received no special treatment as a result of their relationship with the former Trustee.

28. CONTROLLING PARTY

During the year there was no controlling party.

29. 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.

30. GENERAL INFORMATION

Bridge Multi-Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Higher Trebyan, Lanhydrock, Bodmin, Cornwall, PL30 5DQ.