



Company Registration No. 10427291 (England and Wales)

INMAT

(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**



INMAT

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INMAT

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Ms S Bryan
Mr P Banks
Mrs C Neilson (Resigned 30 April 2018)
Mr B Dearn (Chair of Audit and Finance Committee)
Mr F Gallagher (Chair of the Trust Board)
Mr G Althorpe
Ms C Witherden (Chair of Teaching, Learning and Outcomes)
Dr L Cullen
Miss G Crute (Chief Executive)
Mrs L Brooks (Appointed 1 June 2018)

Members

Mr G Althorpe
Ms B Haywood (from 1 September 2017)
Ms C D Linn (from 1 September 2017)
Mr M Thompson (from 1 September 2017)

Senior management team

- Chief Executive Officer Miss G Crute
- Chief Operations Officer Miss D Chapman

Company registration number

10427291 (England and Wales)

Registered office

Swan Court
Lampton
Northamptonshire
NN6 9ER

Academies operated

Hall Meadow Primary School
Kettering Park Junior Academy
Kettering Park Infant School
Wollaston Community Primary School
Falconers Hill Infant School
Ashby Fields Primary School
St James Infant School

Location

Kettering
Kettering
Kettering
Wollaston
Daventry
Daventry
Daventry

Head Teachers

Tania Watts
Ann Walker
Pauline Hulse
Sally Hamson
Coleen Wilkins
Jacqui Johnson
Gail Gynn

Independent auditor

Ellacotts LLP
Vantage House
2700 Kettering Parkway
Kettering Venture Park
Kettering
Northamptonshire
NN15 6XR



INMAT

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Tollers
Moorgate House
201 Silbury Boulevard
Milton Keynes
Buckinghamshire
MK9 1JL



INMAT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018

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

The Trust operates 7 primary schools - Hall Meadow Primary School, Kettering Park Junior Academy, Kettering Park Infant School, Wollaston Community Primary School, Ashby Fields Primary School, Falconers Hill Infant School and St James Infant School. The Trust operates for pupils aged 4 to 11 serving a catchment area in Northamptonshire. The trust has a combined pupil capacity of 1,935 and had a roll of 1,929 in the school census in October 2017.

Structure, governance and management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The charitable company is known as InMAT.

The Trustees of InMAT are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Trustees benefit from indemnity insurance 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 trust. The cost of this is included within insurance costs.

Method of recruitment and appointment or election of Trustees

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

- the members may appoint by ordinary resolution up to five Trustees;
- the total number of Trustees shall not be less than three;
- up to 5 trustees appointed by under Article 50;
- a minimum of 2 Parent Trustees elected or appointed under Articles 53-56;
- may have a co opted Trustee appointed under Article 58;
- the members by ordinary resolution appoint the Chief Executive Officer;

The term of office for any Trustee shall be four years save that this time limit shall not apply to any post which is held ex officio subject to remaining eligible to be a particular type of Trustee and Trustees may be reappointed or re elected at a General Meeting or an Annual General Meeting

The members select trustees on the basis of ensuring that the Board of Trustees has an appropriate mix of skills and experience to discharge its obligations.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing skill and experience and is tailored specifically. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other necessary documents that they will need to undertake their role as Trustees.



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

Organisational structure

The Trust, as a Multi-Academy Trust, has 4 tiers of Governance and Management, namely Members, Trustees, Governors and Senior Leaders of each school.

Members and Trustees have responsibilities across the Trust whereas the Governors of each school have responsibility to their own schools within the Trust, including line management of the Headteacher. Each Headteacher and senior leadership team has a responsibility to its own school. Miss Gaynor Crute is the Chief Executive and Accounting Officer for the Trust.

Members

The Members meet annually and their key roles are to:

- act as custodians of the visions and values of the Trust; and fulfil the duties of charitable trustees in terms of compliance, prudence and care;
- receive the annual report and accounts;
- appoint directors;
- ensure that the Board is fulfilling its responsibilities.

Trustees

The key roles of directors are to:

- account to Members for the performance of the Trust;
- hold Local Governing Bodies to account for the performance of schools in each InMAT cluster;
- hold the Director of Business and Finance to account for the financial performance of the Trust and the effective use of resources;
- hold the Development Lead for Inspire to account for the effectiveness of school improvement strategies, the overall performance of schools, and the attainment and progress of children across the Trust;
- be responsible for the 'operation' of the Trust and its strategic development;
- oversee the Trust's strategic risk register and ensure that key risks are addressed or mitigated;
- ensure that the Trust complies with its statutory responsibilities;
- oversee the performance of the Teaching School in relation to school improvement outcomes for InMAT schools.

Chief Executive

The Chief Executive is the accounting officer who is accountable for the outcomes of the Trust whilst having an overview of; the national system of education, the internal organisation, management and control of the schools (including the implementation of all policies approved by Trustees), quality of governance, and the direction of the teaching and curriculum in every school. The Chief Executive enables each school leadership team to focus on teaching, learning and pupil progress in their school, while working collaboratively with an experienced system leader.



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

Specific responsibilities are to:

- Fulfil the role of Accounting Officer for the Trust;
- Provide strong and effective leadership, vision and strategic direction
- Ensure that education and, in particular, the transformation of performance is delivered successfully
- Ensure that appropriate performance management and wider administrative and governance arrangements are in place to ensure the effective implementation of the organisation's Corporate and Business Plans.
- Take personal responsibility for propriety and regularity in the management of public funds and in the day-to-day operations of the organisation
- Manage the strategic operations and the delivery of key objectives, with accountability to the Board.
- Provide direction and management oversight to all InMAT operations, including overall line accountability for safeguards and security.
- Take responsibility for the safety, health and environmental performance of all academies and offices under the direction of InMAT.
- Work effectively across the full range of external stakeholders, including government, funding and regulatory bodies.

Arrangements for setting pay and remuneration of key management personnel

Each school governing body has a pay committee as set out by the Trust pay policy which set the pay and remuneration of key management personnel. The Trust Board is the pay committee for Trust central staff including the Chief Executive.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

Full-time equivalent employee number

-
-

Percentage of time spent on facility time

Percentage of time

0%

1%-50%

51%-99%

100%

Number of employees

-
-
-
-

Percentage of pay bill spent on facility time

Total cost of facility time

Total pay bill

Percentage of the 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

-

Related parties and other connected charities and organisations

The Trust collates all relevant connections and related party interests in the period. No declarations of, or related party interest disclosures, have been made in the period by Trustees or staff. The Trust has no subsidiary companies.

Inspire Teaching School Alliance is a related party due to having several common Trustees.



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

Objectives and activities

Objects and aims

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- advance for the public benefit, education in the United Kingdom in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on managing and developing schools offering a broad and balanced curriculum.

Our principal objects and aims, values and vision are fundamental to setting out objects and aims which are to:

- provide exceptional opportunities for learning for a family of primary academies across the county;
- achieve the highest academic standards;
- enjoy a rich, rewarding and challenging curriculum which focuses on the children as individuals;
- promote values that last a lifetime; developing a sense of ambition and self-esteem in every individual;
- improve the outcomes and life changes for all of the children in its schools;
- all schools to become outstanding centres of learning.

Values

InMAT has a solid, unshakeable foundation, defined by exceptional teaching experiences and shared values of learning, leadership, enjoyment, inclusion, inspiration, responsibility and integrity.

These values are at the very core of the Trust, firmly embedded in all of our schools and embraced by our leaders, teachers, staff, parents and children alike.

Strong family values and genuine collaboration are key components of the InMAT vision. We believe that InMAT is a family; connected by a common desire to learn from each other, share experiences and be mutually supportive across the Trust community. Every school and every individual is included in this vision; we actively encourage collaboration – and work as a team to create and deliver the best possible educational experiences for every pupil within the Trust.

Vision

To enable great leaders to create great schools where children always come first.

Objectives, strategies and activities

We aim to provide an excellent education to all of the children in all of our schools. Inspire, our teaching school, supports our staff to deliver this.

InMAT is responsible for employing all staff and managing the finances and other central services for the schools in the Trust. These services include school effectiveness, HR, payroll and health and safety support. Each of our schools maintains its own unique identity but we believe that by working together, we can achieve more than by each school working alone.



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

Our schools seek to serve their local communities; they are inclusive. We believe in the infinite worth of each person: children deserve the very best education and staff deserve support to deliver this. In order to achieve this, the main activities of the Academy Trust for the period ended 31 August 2018 were as follows:

- Working towards every school being rated as at least good by OFSTED;
- Seeking to make improvements in the schools working environments;
- Providing exceptional educational experiences by using 11 before 11;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To ensure that children develop a sense of community through the school;
- Recruit, develop and retain high quality staff who embody our values
- Ensure that every child benefits from the highest standard of teaching
- Supporting the performance of each Trust School
- Using innovative ideas, blended with tried and trusted techniques for school growth, development and improvement.

All pupils are encouraged to:

- Develop into happy and confident individuals with a secure foundation in learning that will last throughout their lives.
- Develop lively and enquiring minds through knowledge with understanding.
- Establish a command of the subjects contained in the National Curriculum.
- Value and understand religious and moral beliefs, develop a respect for the views of others and an understanding of British values.
- Understand something of the world in which we live with regard for our mutual dependence on others as individuals, groups and nations.
- Appreciate human achievements and aspirations.

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.



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

Strategic report

Key performance indicators

In order to ensure there is a quantifiable measure to determine whether the schools within the Trusts are meeting the operational and strategic goals, the following KPI's have initially been applied to financial reporting and business monitoring.

Key Performance Indicators	Hall Meadow	Wollaston	Park Infant	Park Juniors	Ashby Fields	Falconers Hill	St James
Current Staffing cost 17/18 as % of total income	81%	86%	79%	77%	75%	86%	76%
Target Staffing 18/19 as % of total income	75%-80%	75%-80%	75%-80%	75%-80%	75%-80%	75%-80%	75%-80%

Key Stage 1 – Pupils Achieving

	National	Hall Meadow	Wollaston	Park Infant	Park Junior	Ashby Fields	Falconers Hill	St James
% working at Age related Expectations								
Reading	76%	82%	62%	71%	N/A	83%	75%	68%
Writing	70%	86%	62%	63%	N/A	71%	63%	67%
Maths	76%	90%	75%	67%	N/A	71%	83%	72%

Key Stage 2 – Pupils Achieving

	National	Hall Meadow	Wollaston	Park Infant	Park Junior	Ashby Fields	Falconers Hill	St James
% working at Age related Expectations								
Reading	75%	83%	61%	N/A	65%	73%	N/A	N/A
Writing	78%	90%	61%	N/A	80%	70%	N/A	N/A
Maths	75%	73%	61%	N/A	66%	59%	N/A	N/A

Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of Trustees adopts the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.



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

Financial review

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

The Academy Trust also receives grants for fixed assets from the ESFA and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the year ended 31 August 2018, the total expenditure (excluding depreciation charges and FRS102 pension cost adjustments) of £7,437,520 was covered by the recurrent grant funding from the ESFA, together with other incoming resources.

The net book value of fixed assets at 31 August 2018 is £12,041,031. The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Academy Trust.

The balance of total funds held at 31 August 2018 were £10,647,510 which comprised of the following:

Restricted Pension Liability Fund	(£2,506,000)
Restricted Fixed Asset Fund	£12,562,838
Unrestricted Funds	£590,672

Reserves policy

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

The Trustees have determined that the appropriate level of free cash reserves should ensure that 1 month's worth of salaries and general expenditure should be maintained.

The Academy Trust's current level of reserves is £10,647,510 of which £590,672 is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

Hall Meadow is currently showing a £18,035 deficit, this is a £2,035 improvement on 31 August 2017 accounts. There is an AIB in place and part of their remit is to work with the school to reduce the deficit.

The budget for 2018/19 has been set and shows a significant reduction in staffing costs. The trust is also working closely with the school to monitor monthly spend to ensure that the school comes out of its deficit position.

Investment policy

In line with the Companies Act 2006 guidance the Trust has an investment policy that outlines the investment strategy and cash balances held and clarifies the reasons behind the choices made. The Trust investment policy is based upon holding surplus funds as cash at bank for risk management and operational reasons.

The Trust held no managed investments during the year to 31 August 2018.



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

Principal risks and uncertainties

The trust maintains a risk register that identifies the major risks to which it is exposed, such risks include:

- Strategic and Reputation risk
- Financial risks
- Compliance risks
- Operational risks
- Safeguarding
- Risks specific to academy conversion

The Board of Directors is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. The Board of Directors is advised in this role by the InMAT Risk Management Committee and both are advised and informed by InMAT's Senior Leadership Team.

Financial and risk management objectives and policies

The trust has an effective system of internal controls as outlined in the Governance statement.

Policy and procedures will be reviewed annually.

Fundraising

The Trust does not operate a regulated fundraising scheme and does not use the services of a professional fundraiser. However the Trust does work with its Parent and Teacher Association who carry out excellent work to raise funds for the school. The Trust also supports its stakeholders in raising money for local, national and international charities throughout the year. This includes cake sales, non-school, uniform days.

Plans for future periods

InMAT is a new but expanding Trust and we wish to further develop the MAT into one which welcomes schools across Northamptonshire so that our family of schools may have the widest impact in the provision of excellence for all children.

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

A resolution proposing that Ellacotts LLP be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 21/12/2018 and signed on its behalf by:

Mr B Dearn

Chair of Audit and Finance Committee



INMAT

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that InMAT 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 officer, 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 InMAT and the Secretary of State for Education. The chief executive officer is 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 four times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustees

	Meetings attended	Out of possible
Ms S Bryan		
Mr P Banks	4	4
Mrs C Neilson (Resigned 30 April 2018)	4	4
Mr B Dearns (Chair of Audit and Finance Committee) (Resigned 31 August 2019)	1	2
Mr F Gallagher (Chair of the Trust Board) (Resigned 10 July 2019)	4	4
Mr G Althorpe (Appointed 26 October 2017)	3	4
Ms C Witherden (Chair of Teaching, Learning and Outcomes) (Resigned 13 May 2020)	4	4
Dr L Cullen (Resigned 31 August 2019)	3	4
Miss G Crute (Chief Executive) (Resigned 30 June 2021)	4	4
Mrs L Brooks (Appointed 1 June 2018)	4	4
	1	1

A review of the board of trustees is currently being carried out.

Review of value for money

As accounting officer the chief executive officer 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 available.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Inmat for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.



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GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

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 period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed:

- Ellacotts LLP, the external auditor, to carry out a programme of internal checks.

The external consultants 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 purchases procedures
- Review of governing documentation and previous syfs documentation
- Discuss current budgets and staffing levels, reviewing HR records and comparing to budget

On a quarterly basis, the reviewer reports to the board of Trustees through the finance and audit committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of Trustees.

Review of effectiveness

As accounting officer the chief executive officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by the work of the external consultant.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and audit committee.

Approved by order of the board of Trustees on 21/12/2018 and signed on its behalf by:

Mr B Dearn
Chair of Audit and Finance Committee

Miss G Crute
Chief Executive



INMAT

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of InMAT I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Trust's 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 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.

Miss G Crute
Accounting Officer



INMAT

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

The trustees (who are also the directors of InMAT for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of Trustees on 21/12/2018 and signed on its behalf by:

Mr B Deams
Chair of Audit and Finance Committee

**Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INMAT (CONTINUED)

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 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 charitable company, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Charlotte Toemaes

Charlotte Toemaes BSc ACA (Senior Statutory Auditor)

for and on behalf of Ellacotts LLP

Chartered Accountants

Statutory Auditor

Vantage House

2700 Kettering Parkway

Kettering Venture Park

Kettering

NN15 6XR

Date: 21/12/2018



INMAT

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INMAT AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 June 2017 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 InMAT during the period 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 InMAT and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the InMAT and 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 InMAT and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of InMAT's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of InMAT's funding agreement with the Secretary of State for Education dated 7 March 2017 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 period 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 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 Trust's income and expenditure.



INMAT

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO INMAT 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 period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Ellacotts LLP

Reporting Accountant
Ellacotts LLP
Vantage House
2700 Kettering Parkway
Kettering Venture Park
Kettering
Northamptonshire
NN15 6XR

Dated: 21/12/2018



INMAT

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

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2018 £	Total 2017 £
Income and endowments from:						
Donations and capital grants	3	-	-	581,014	581,014	28,847
Donations - Inherited on conversion	24	405,934	(591,000)	6,358,053	6,172,987	4,841,503
Charitable activities:						
- Funding for educational operations	4	-	6,697,410	-	6,697,410	2,023,549
Other trading activities	5	131,333	461,502	-	592,835	70,903
Investments	6	1,626	-	-	1,626	111
Total		<u>538,893</u>	<u>6,567,912</u>	<u>6,939,067</u>	<u>14,045,872</u>	<u>6,964,913</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	7,633,520	385,215	8,018,735	2,203,540
Total	7	<u>-</u>	<u>7,633,520</u>	<u>385,215</u>	<u>8,018,735</u>	<u>2,203,540</u>
Net income/(expenditure)		<u>538,893</u>	<u>(1,065,608)</u>	<u>6,553,852</u>	<u>6,027,137</u>	<u>4,761,373</u>
Transfers between funds	17	(237,906)	237,906	-	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(44,000)	-	(44,000)	(97,000)
Net movement in funds		<u>300,987</u>	<u>(871,702)</u>	<u>6,553,852</u>	<u>5,983,137</u>	<u>4,664,373</u>
Reconciliation of funds						
Total funds brought forward		289,685	(1,634,298)	6,008,986	4,664,373	-
Total funds carried forward		<u>590,672</u>	<u>(2,506,000)</u>	<u>12,562,838</u>	<u>10,647,510</u>	<u>4,664,373</u>



INMAT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

Comparative information ended 31 August 2017	Notes	Unrestricted	Restricted funds:		Total 2017 £
		Funds £	General £	Fixed asset £	
Income and endowments from:					
Donations and capital grants	3	-	-	28,847	28,847
Donations - Inherited on conversion	24	270,249	(1,512,000)	6,083,254	4,841,503
Charitable activities:					
- Funding for educational operations	4	-	2,023,549	-	2,023,549
Other trading activities	5	19,325	51,578	-	70,903
Investments	6	111	-	-	111
Total		<u>289,685</u>	<u>563,127</u>	<u>6,112,101</u>	<u>6,964,913</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	2,100,425	103,115	2,203,540
Total	7	<u>-</u>	<u>2,100,425</u>	<u>103,115</u>	<u>2,203,540</u>
Net income/(expenditure)		<u>289,685</u>	<u>(1,537,298)</u>	<u>6,008,986</u>	<u>4,761,373</u>
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(97,000)	-	(97,000)
Net movement in funds		<u>289,685</u>	<u>(1,634,298)</u>	<u>6,008,986</u>	<u>4,664,373</u>
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		<u>289,685</u>	<u>(1,634,298)</u>	<u>6,008,986</u>	<u>4,664,373</u>



INMAT

BALANCE SHEET AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	12		12,041,031		5,993,273
Current assets					
Debtors	13	203,634		315,438	
Cash at bank and in hand		1,552,530		640,533	
		<u>1,756,164</u>		<u>955,971</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(563,073)		(560,918)	
Net current assets			<u>1,193,091</u>		<u>395,053</u>
Total assets less current liabilities			<u>13,234,122</u>		<u>6,388,326</u>
Creditors: amounts falling due after more than one year	15		(80,612)		(48,953)
Net assets excluding pension liability			<u>13,153,510</u>		<u>6,339,373</u>
Defined benefit pension scheme liability	19		(2,506,000)		(1,675,000)
Net assets			<u>10,647,510</u>		<u>4,664,373</u>
Funds of the Trust:					
Restricted funds	17				
- Fixed asset funds			12,562,838		6,008,986
- Restricted income funds			-		40,702
- Pension reserve			(2,506,000)		(1,675,000)
Total restricted funds			<u>10,056,838</u>		<u>4,374,688</u>
Unrestricted income funds	17		590,672		289,685
Total funds			<u>10,647,510</u>		<u>4,664,373</u>

The financial statements on pages 19 to 45 were approved by the Trustees and authorised for issue on 21/12/2018 and are signed on their behalf by:

Mr B Dearn
Chair of Audit and Finance Committee

Company Number 10427291



INMAT

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by (used in) operating activities	20	(800)		289,351	
Cash funds transferred on conversion		405,934		335,357	
		<u>405,134</u>		<u>624,708</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		1,626		111	
Capital grants from DfE and ESFA		49,735		28,847	
Capital funding from sponsors and others		531,279		-	
Payments to acquire tangible fixed assets		(74,920)		(13,133)	
		<u>507,720</u>		<u>15,825</u>	
Cash flows from financing activities					
Finance costs		(857)		-	
		<u>(857)</u>		<u>-</u>	
Change in cash and cash equivalents in the reporting period					
		911,997		640,533	
Cash and cash equivalents at 1 September 2017		640,533		-	
Cash and cash equivalents at 31 August 2018		<u><u>1,552,530</u></u>		<u><u>640,533</u></u>	



INMAT

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

1 Accounting policies

A summary of the principal accounting policies adopted, judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

The financial statements of the 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 financial statements 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.

InMAT meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

1.3 Conversion to a trust

The conversion from state maintained schools to a trust involved the transfer of identifiable assets and liabilities and the operation of the schools 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 Falconers Hill Infant, Ashby Fields Primary and St James Infant schools to the 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 net incoming resources/resources expended in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 24.

1.4 Income

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

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

Sponsorship income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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 are allocated on the portion of the asset's use.

Expenditure on raising funds

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

Charitable activities

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



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Governance costs

These include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management, Trustees' meetings and reimbursed expenses.

1.6 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	2% - 20% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	10% straight line

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

1.7 Liabilities

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

1.8 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.9 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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 instrument.

1.10 Taxation

The 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 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.

1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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 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.

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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 Education and Skills Funding Agency/Department for Education.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

2 Critical accounting estimates and areas of judgement

Accounting 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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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

Useful lives of fixed assets - depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the academy's accounting policies. Useful lives are regularly reviewed and should they shorten, then depreciation charges would increase in the financial statements and the carrying amounts of the fixed assets would reduce accordingly.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Capital grants	-	581,014	581,014	28,847
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,954,721	5,954,721	1,614,978
Other DfE group grants	-	626,027	626,027	370,968
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	6,580,748	6,580,748	1,985,946
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other government grants				
Local authority grants	-	116,662	116,662	37,603
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funding	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	6,697,410	6,697,410	2,023,549
	<u> </u>	<u> </u>	<u> </u>	<u> </u>



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

5 Other trading activities		Unrestricted funds	Restricted funds	Total 2018	Total 2017
		£	£	£	£
Hire of facilities		89,101	-	89,101	4,953
Catering income		-	6,941	6,941	-
Parental contributions		42,232	278,183	320,415	46,120
Supply teacher insurance claims		-	176,378	176,378	19,830
		<u>131,333</u>	<u>461,502</u>	<u>592,835</u>	<u>70,903</u>

6 Investment income		Unrestricted funds	Restricted funds	Total 2018	Total 2017
		£	£	£	£
Short term deposits		1,626	-	1,626	111
		<u>1,626</u>	<u>-</u>	<u>1,626</u>	<u>111</u>

7 Expenditure		Staff costs	Premises & equipment	Other costs	Total 2018	Total 2017
		£	£	£	£	£
Academy's educational operations						
- Direct costs		4,722,228	-	756,217	5,478,445	1,414,673
- Allocated support costs		1,254,314	712,023	573,953	2,540,290	788,867
		<u>5,976,542</u>	<u>712,023</u>	<u>1,330,170</u>	<u>8,018,735</u>	<u>2,203,540</u>

Net income/(expenditure) for the year includes:		2018	2017
		£	£
Fees payable to auditor for:			
- Audit			
- Other services		15,250	11,500
Operating lease rentals		19,100	3,950
Depreciation of tangible fixed assets		17,184	7,838
Bank interest payable		385,215	103,115
Net interest on defined benefit pension liability		857	-
		<u>48,000</u>	<u>18,000</u>



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

7 Expenditure

(Continued)

Central services

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

- human resources support;
- financial services support;
- legal services support;
- ICT services support;
- educational support services.

The Trust charges for these services on the following basis:

- flat percentage of income (5%).

The amounts charged during the year were as follows:

	Total £
Hall Meadow Primary School	35,974
Kettering Park Junior Academy	63,449
Kettering Park Infant School	49,036
Wollaston Community Primary School	54,072
Falconers Hill Infant School	20,486
Ashby Fields Primary School	39,814
St James Infant School	19,607
	<u>282,438</u>

8 Charitable activities

	2018 £	2017 £
All from restricted funds:		
Direct costs - educational operations	5,478,445	1,414,673
Support costs - educational operations	2,540,290	788,867
	<u>8,018,735</u>	<u>2,203,540</u>



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

8 Charitable activities		(Continued)	
	2018 £	2017 £	
Analysis of support costs			
Support staff costs			
Depreciation and amortisation	1,254,314	333,248	
Technology costs	385,215	103,115	
Premises costs	35,310	11,086	
Other support costs	241,892	85,194	
Governance costs	473,136	100,703	
	150,423	155,521	
	<u>2,540,290</u>	<u>788,867</u>	

9 Staff		2018 £	2017 £
Staff costs			
Staff costs during the year were:			
Wages and salaries			
Social security costs	4,388,251	1,227,480	
Pension costs	326,816	86,730	
	934,990	253,724	
Staff costs	<u>5,650,057</u>	<u>1,567,934</u>	
Agency staff costs	159,865	52,819	
Staff development and other staff costs	166,620	27,987	
Total staff expenditure	<u>5,976,542</u>	<u>1,648,740</u>	

Staff numbers

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

	2018 Number	2017 Number
Teachers	85	50
Administration and support	202	121
Management	15	5
	<u>302</u>	<u>176</u>



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

(Continued)

Higher paid staff

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

	2018 Number	2017 Number
£60,001 - £70,000	4	-
£90,001 - £100,000	1	-
	<u>5</u>	<u>-</u>

Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £152,734 (2017 - £67,754).

10 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The chief executive officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of chief executive officer and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

Miss G Crute (CEO of InMAT)

Remuneration £90,001 - £95,000

Employers pension contributions £10,0001 - £15,000

In the period ended 31 August 2017 Miss G Crute's remuneration was recharged by a third party £55,001 - £60,000.

During the period ended 31 August 2018, travel and subsistence expenses totalling £nil (2017 - £477) were reimbursed or paid directly to one trustee.

11 Trustees and officers insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2018. The cost of this insurance is included in the total insurance cost.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2017	5,972,144	103,864	20,380	6,096,388
Transfer on conversion	6,336,445	21,608	-	6,358,053
Additions	-	54,352	20,568	74,920
At 31 August 2018	12,308,589	179,824	40,948	12,529,361
Depreciation				
At 1 September 2017	92,834	9,432	849	103,115
Charge for the year	349,605	32,756	2,854	385,215
At 31 August 2018	442,439	42,188	3,703	488,330
Net book value				
At 31 August 2018	11,866,150	137,636	37,245	12,041,031
At 31 August 2017	5,879,310	94,432	19,531	5,993,273

Included within land and buildings is £3,565,000 (2017 - £1,737,000) of land that has not been depreciated.

13 Debtors

	2018	2017
	£	£
Trade debtors	30,528	21,693
VAT recoverable	97,176	63,049
Other debtors	2,500	189,948
Prepayments and accrued income	73,430	40,748
	203,634	315,438

14 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	133,286	137,490
Other taxation and social security	102,635	202,303
Other creditors	26,695	17,070
Accruals and deferred income	300,457	204,055
	563,073	560,918



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

15 Creditors: amounts falling due after more than one year	2018	2017
	£	£
Other creditors	80,612	48,953
	<u>80,612</u>	<u>48,953</u>

Included within other creditors is a loan of £13,978 from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and due to be paid back over 7 years ending in 2025.

Included within other creditors is a loan of £6,975 from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and due to be paid back over 7 years ending in 2024.

Included within other creditors is a loan of £56,226 from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and due to be paid back over 8 years ending in 2026.

Included within other creditors is a loan of £28,000 inherited from a local authority predecessor school on conversion. Interest is payable at 2.1% per annum and the loan is due to be paid back over 2 years ending in 2019.

From the above loans, £24,567 (2017 - £17,070) is disclosed as other creditors falling due within one year.

16 Deferred income	2018	2017
	£	£
Deferred income is included within:		
Creditors due within one year	278,238	144,657
	<u>278,238</u>	<u>144,657</u>
Deferred income at 1 September 2017	144,657	-
Released from previous years	(144,657)	-
Resources deferred in the year	278,238	144,657
	<u>278,238</u>	<u>144,657</u>
Deferred income at 31 August 2018	278,238	144,657
	<u>278,238</u>	<u>144,657</u>

At the balance sheet date the trust was holding funds received in advance in respect of pupil premium and free school meals, all of which will be fully utilised in year ending 31 August 2019.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant	18,632	5,954,721	(6,211,259)	237,906	-
Other DfE / ESFA grants	22,070	626,027	(648,097)	-	-
Other government grants	-	116,662	(116,662)	-	-
Other restricted funds	-	461,502	(461,502)	-	-
Funds excluding pensions	40,702	7,158,912	(7,437,520)	237,906	-
Pension reserve	(1,675,000)	(591,000)	(196,000)	(44,000)	(2,506,000)
	(1,634,298)	6,567,912	(7,633,520)	193,906	(2,506,000)
Restricted fixed asset funds					
Transferred on conversion	5,981,268	6,358,053	(378,585)	-	11,960,736
DfE / ESFA capital grants	27,718	581,014	(6,630)	-	602,102
	6,008,986	6,939,067	(385,215)	-	12,562,838
Total restricted funds	4,374,688	13,506,979	(8,018,735)	193,906	10,056,838
Unrestricted funds					
General funds	289,685	538,893	-	(237,906)	590,672
Total funds	4,664,373	14,045,872	(8,018,735)	(44,000)	10,647,510



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

(Continued)

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

Restricted Funds:

The General Annual Grants Funds (GAG) is used for educational purpose in line with trust's objects and it's funding agreements. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

The other DfE/ESFA grants, which include pupil premium, sports funding and free school meals, are all used in accordance with restrictions of the individual grants for funding provided.

The Local Authority grants consist of high needs funding which is used to provide specialist support for the children.

The pension reserve represents the Local Government Pension Scheme deficit.

Fixed Asset Restricted Funds:

Fixed assets transferred on conversion represent the land and other assets transferred to the Trust from Northamptonshire County Council on conversion.

The other capital grants and income, which include capital grant from the DfE/ESFA and other funders, have been used to fund the capital expenditure of the Trust.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

(Continued)

Movements in funds - previous year					
	Balance at 13 October 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	-	1,614,978	(1,596,346)	-	18,632
Other DfE / ESFA grants	-	370,968	(348,898)	-	22,070
Other government grants	-	37,603	(37,603)	-	-
Other restricted funds	-	51,578	(51,578)	-	-
Funds excluding pensions	-	2,075,127	(2,034,425)	-	40,702
Pension reserve	-	(1,512,000)	(66,000)	(97,000)	(1,675,000)
	-	563,127	(2,100,425)	(97,000)	(1,634,298)
Restricted fixed asset funds					
Transferred on conversion	-	6,083,254	(101,986)	-	5,981,268
DfE / ESFA capital grants	-	28,847	(1,129)	-	27,718
	-	6,112,101	(103,115)	-	6,008,986
Total restricted funds	-	6,675,228	(2,203,540)	(97,000)	4,374,688
Unrestricted funds					
General funds	-	289,685	-	-	289,685
Total funds	-	6,964,913	(2,203,540)	(97,000)	4,664,373



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

(Continued)

Total funds analysis by academy

Fund balances at 31 August 2018 were allocated as follows:

	Total £
Hall Meadow Primary School	(18,035)
Kettering Park Junior Academy	136,156
Kettering Park Infant School	23,198
Wollaston Community Primary School	62,745
Falconers Hill Infant School	131,492
Ashby Fields Primary School	131,750
St James Infant School	87,021
Central services	36,345
Total before fixed assets fund and pension reserve	590,672
Restricted fixed asset fund	12,562,838
Pension reserve	(2,506,000)
Total funds	10,647,510

Hall Meadow is currently showing a £18,035 deficit, this is a £2,035 improvement on 31 August 2017 accounts. There is an AIB in place and part of their remit is to work with the school to reduce the deficit.

The budget for 2018/19 has been set and shows a significant reduction in staffing costs. The trust is also working closely with the school to monitor monthly spend to ensure that the school comes out of its deficit position.

Total cost analysis by academy

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 depreciation £	Total £
Hall Meadow Primary School	570,203	135,391	48,101	178,402	932,097
Kettering Park Junior Academy	961,912	203,672	108,564	212,406	1,486,554
Kettering Park Infant School	540,212	386,407	81,324	189,676	1,197,619
Wollaston Community Primary School	914,967	174,404	45,603	210,452	1,345,426
Falconers Hill Infant School	360,401	57,482	6,865	75,752	500,500
Ashby Fields Primary School	554,729	179,581	39,687	203,465	977,462
St James Infant School	292,529	133,465	27,421	110,165	563,580
Central services	117,118	65,985	43,130	208,049	434,282
	4,312,071	1,336,387	400,695	1,388,367	7,437,520



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds

(Continued)

Funds analysis by academy - previous year

	Total 2017 £
Fund balances at 31 August 2017 were allocated as follows:	
Hall Meadow Primary School	(20,070)
Kettering Park Junior Academy	152,829
Kettering Park Infant School	17,018
Wollaston Community Primary School	96,643
Central services	83,967
Total before fixed assets fund and pension reserve	<u>330,387</u>
Restricted fixed asset fund	6,008,986
Pension reserve	(1,675,000)
Total funds	<u><u>4,664,373</u></u>

Total cost analysis by academy - previous year

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2017 £
Hall Meadow Primary School	237,877	102,010	12,207	42,604	394,698
Kettering Park Junior Academy	318,414	82,533	3,937	39,811	444,695
Kettering Park Infant School	304,315	48,736	17,984	44,844	415,879
Wollaston Community Primary School	369,172	91,572	7,371	36,058	504,173
Central services	67,235	35,077	6,350	166,318	274,980
	<u>1,297,013</u>	<u>359,928</u>	<u>47,849</u>	<u>329,635</u>	<u><u>2,034,425</u></u>



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

18 Analysis of net assets between funds

	Unrestricted	Restricted funds:		Total Funds £
	Funds £	General £	Fixed asset £	
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	12,041,031	12,041,031
Current assets	1,234,357	-	521,807	1,756,164
Creditors falling due within one year	(563,073)	-	-	(563,073)
Creditors falling due after one year	(80,612)	-	-	(80,612)
Defined benefit pension liability	-	(2,506,000)	-	(2,506,000)
Total net assets	590,672	(2,506,000)	12,562,838	10,647,510

	Unrestricted	Restricted funds:		Total Funds £
	Funds £	General £	Fixed asset £	
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	5,993,273	5,993,273
Current assets	899,556	40,702	15,713	955,971
Creditors falling due within one year	(560,918)	-	-	(560,918)
Creditors falling due after one year	(48,953)	-	-	(48,953)
Defined benefit pension liability	-	(1,675,000)	-	(1,675,000)
Total net assets	289,685	(1,634,298)	6,008,986	4,664,373

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Included within creditors are outstanding contributions amounting to £nil (2017 - 28,862) payable to the schemes at 31 August 2018.

Teachers' Pension Scheme

Introduction

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



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

19 Pension and similar obligations

(Continued)

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

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 the TPS in the period amounted to £431,402 (2017 - £118,452).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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 the assets held in separate trustee-administered funds. The total contributions are as noted below.

The LGPS obligation relates to the employees of the Trust who were employees transferred as part of the conversion from the maintained school (as described in note 24) together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

19 Pension and similar obligations

(Continued)

Total contributions made

	2018 £	2017 £
Employer's contributions	343,000	89,000
Employees' contributions	79,000	21,000
Total contributions	422,000	110,000

Principal actuarial assumptions

	2018 %	2017 %
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5

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

	2018 Years	2017 Years
Retiring today		
- Males	22.1	22.1
- Females	24.2	24.2
Retiring in 20 years		
- Males	23.9	23.9
- Females	26.1	26.1

The Trust's share of the assets in the scheme

	2018 Fair value £	2017 Fair value £
Equities		
Bonds	1,431,900	564,620
Cash	290,250	122,080
Property	58,050	22,890
	154,800	53,410
Total market value of assets	1,935,000	763,000

The actual return on scheme assets was £83,000 (2017: £28,000).



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

19 Pension and similar obligations

(Continued)

Amount recognised in the Statement of Financial Activities	2018 £	2017 £
Current service cost	491,000	137,000
Interest income	(35,000)	(7,000)
Interest cost	83,000	25,000
Total operating charge	<u>539,000</u>	<u>155,000</u>
Changes in the present value of defined benefit obligations		2018 £
At 1 September 2017		
Obligations acquired on conversion		2,438,000
Current service cost		1,258,000
Interest cost		491,000
Employee contributions		83,000
Actuarial loss		79,000
		<u>92,000</u>
At 31 August 2018		<u>4,441,000</u>
Changes in the fair value of the Trust's share of scheme assets		2018 £
At 1 September 2017		
Assets acquired on conversion		763,000
Interest income		667,000
Actuarial gain		35,000
Employer contributions		48,000
Employee contributions		343,000
		<u>79,000</u>
At 31 August 2018		<u>1,935,000</u>



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

20 Reconciliation of net income to net cash flows from operating activities

	2018 £	2017 £
Net income for the reporting period	6,027,137	4,761,373
Adjusted for:		
Net surplus on conversion to academy	(6,172,987)	(4,841,503)
Capital grants from DfE/ESFA and other capital income	(581,014)	(28,847)
Investment income receivable	(1,626)	(111)
Finance costs payable	857	-
Defined benefit pension costs less contributions payable	148,000	48,000
Defined benefit pension net finance cost	48,000	18,000
Depreciation of tangible fixed assets	385,215	103,115
Decrease/(increase) in debtors	111,804	(315,438)
Increase in creditors	33,814	609,871
Debtors and creditors transferred on conversion	-	(65,109)
Net cash used in operating activities	(800)	289,351

21 Commitments under operating leases

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

	2018 £	2017 £
Amounts due within one year	43,006	31,608
Amounts due in two and five years	116,677	99,901
Amounts due after five years	75,000	95,000
	<u>234,683</u>	<u>226,509</u>

On conversion, the Trust had committed to a 125 year lease of the land it occupies from Northamptonshire County Council for a peppercorn rent.



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

22 Related party transactions

Owing to the nature of the Academy's operations and the composition of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which are Governors may have an interest.

Any transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The Multi Academy Trust is a member of the Inspire Teaching School Alliance (Inspire) whose membership includes local primary and junior schools to provide shared training opportunities. The Multi Academy Trust received £55,705 (2017 - £47,185) from Inspire in respect of recharges of staff costs, network support and room hire.

No other related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 10.

In the opinion of the Governors, there is no ultimate controlling party.

23 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

24 Conversion to an academy

On 1 February 2018 Falconers Hill Infant School, Ashby Fields Primary School and St James Infant School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to InMAT from the Northamptonshire County 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 values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net incoming/resource expended in the statement of financial activities as voluntary income/other resource expended.

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.

Net assets transferred:	2018 £
Freehold land and buildings	6,336,445
Other tangible fixed assets	21,608
Cash	405,934
LGPS pension surplus/(deficit)	(591,000)
	<u>6,172,987</u>



INMAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

24 Conversion to an academy

(Continued)

Funds surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total
	Funds £	General £	Fixed asset £	2018 £
Fixed assets funds	-	-	6,358,053	6,358,053
LA budget funds	405,934	-	-	405,934
LGPS pension funds	-	(591,000)	-	(591,000)
	<u>405,934</u>	<u>(591,000)</u>	<u>6,358,053</u>	<u>6,172,987</u>