

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 14
Governance statement	15 - 18
Statement on regularity, propriety and compliance	19
Trustees' responsibilities statement	20
Independent auditors' report	21 - 22
Independent reporting accountant's assurance report on regularity	23 - 24
Statement of financial activities	25 - 26
Balance sheet	27
Cash flow statement	28
Notes to the financial statements	29 - 49

**ACORN ACADEMY CORNWALL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	Acorn Academy Ltd Mr J-L Janet Ms N-J A Macdonald
Trustees	Mrs J R Black (appointed 30 September 2014) Mr C Challis (appointed 30 September 2014) ⁴ Mr C Denley (appointed 1 September 2014) ⁴ Miss S Eggins (appointed 1 September 2014) Mr R J Gasson, CEO & Executive Principal ^{1,2,3,4,5,6} Mrs S Goswell ^{1,4} Mr J Harvey ^{1,4} Mr J-L Janet ^{1,2,6} Mr P Jenkins (appointed 1 December 2014) ⁴ Dr N-J A Macdonald ⁶ Mr W Randle (resigned 31 August 2014) ⁴ Prof. M J Watkins, Chair ⁶ Ms K Welton, Parent Trustee (resigned 9 October 2014) ¹ Audit Committee ² Finance Committee ³ Executive Committee ⁴ Pupil Performance Sub Groups (7) ⁵ Pay Moderation Committee ⁶ Remuneration Committee
Company registered number	08418341
Registered office	Acorn Academy Cornwall Unit 4 East Pool Tolvaddon Energy Park Tolvaddon Camborne Cornwall TR14 0HX
Principal operating office	Unit 4 East Pool Tolvaddon Energy Park Tolvaddon Camborne Cornwall TR14 0HX
Company secretary	Miss E Tennant
Accounting officer	Mr R J Gasson
Senior management team	Mr R Brokenshire, Headteacher - Glynn House AP Academy Mr D Black, Headteacher - The Community and Hospital Education Service Mr R J Gasson, Principal Mrs G Boyden, Business Manager Mr V Gribbin, Headteacher - Caradon AP Academy (to 31 August 2015) Mr H Pearse, Acting Headteacher - Caradon AP Academy (from 12 February 2015) Ms C Barden, Headteacher - Restormel AP Academy Mr J Stocker, Headteacher - Nine Maidens AP Academy Mr R Triggs, Headteacher - North Cornwall AP Academy Mr G Owens, Headteacher - Penwith AP Academy

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
Bankers	Barclays plc 86-90 Dalton Road Barrow in Furness Cumbria LA14 1JH
Actuary	Hymans Robertson LLP One London Wall London EC2Y 5EA

**ACORN ACADEMY CORNWALL
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 7 alternative provision academies in Cornwall. Its academies have a combined pupil capacity of 300 and had a roll of 277 in the school census on 15 January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 25 February 2013 and opened as an Academy on 1 June 2013 and is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Acorn Academy Cornwall are also the directors of the Charitable Company for the purposes of company law.

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

Members' liability

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

Trustees' Indemnities

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

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £1,000,000 on any one claim.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 1 June 2013 the Trustees appointed all the chairs of the previous management committees to sit on the Multi Academy Trust Board. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 10 Trustees who are appointed by members.
- up to 1 LA Trustees who are appointed by Cornwall Council.
- up to 2 Parent Trustees who are elected by the Board of Trustees.
- up to 1 Staff Trustee appointed by the Board of Trustees.
- up to 5 Alternative Provision Academy Trustees who are appointed by the chairmen of the Local Governing Bodies.
- the Executive Principal who is treated for all purposes as being an ex officio Trustee.

**ACORN ACADEMY CORNWALL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

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

The staff Trustee is appointed for a two year period.

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

Policies and Procedures adopted for the Induction and Training of Trustees

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

There is a Trustees' away day organised which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 12 committees as follows:

Remuneration Committee

- To arrange to meet with the Executive Principal to discuss the Principal's performance targets
- To decide, with the support of the Executive Principal, whether the targets have been met and to set new targets annually
- To monitor through the year the performance of SMT members
- To make recommendations to the MAT Board in respect of pay awards for the successful meeting of targets set
- To determine pay levels for all members of SMT, including increments
- To act as the appeal committee of the Pay Moderation Sub Group

Pay Moderation Sub Group

- To make any decisions under the Governing Body's agreed pay policy
- Moderate and agree all pay progressions, and start points for new starters below senior management team level, in line with the pay policy

Pupil Discipline Committee

- To consider representations from parents in the case of exclusions of 5 days or less (Committee may not re-instate)
- To consider representations from parents in the case of exclusions totalling more than 5 but not more than 15 school days in one term (meeting to be held between 6th and 50th school days after receiving notice of the exclusion)
- To consider the appropriateness of any permanent exclusion or any exclusion where one or more fixed period exclusions total more than 15 school days in one term or where a pupil is denied the chance to take a public examination (meeting to be held between 6th and 15th school days after receiving notice of the

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- exclusion)
- To ensure that the guidance contained in the 'Improving Attendance and Behaviour' document is practised in the school, with specific reference to the role assigned to the Governing Body.
- To review the School Behaviour and Discipline Policy, and make recommendations on changes to the Governing Body or relevant committee
- Any items which individual governing bodies may wish to include

Audit Committee

- To review the actions and judgements of management in relation to the Academy Trust's financial statements, its operating and financial review
- To review the Academy Trust's procedures for detecting fraud and whistle-blowing and ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters
- To review management reports on the effectiveness of the systems for internal financial control, financial reporting and risk management
- To monitor the integrity of the Academy Trust's internal financial controls
- To review the statement in the annual report and accounts on the Academy Trust's internal controls and risk management framework
- To assess the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks
- To review the effectiveness of the financial procedures and controls
- To recommend to the Board of Trustees the appointment or re-appointment of auditors
- To give consideration to the audit plan, in advance of the field work
- To review with the external auditors, the findings of their work, including, any major issues that arose during the course of the audit and have subsequently been resolved and those issues that have been left unresolved; key accounting and audit judgements; levels of errors identified during the audit, obtaining explanations from management and, where necessary the external auditors, as to why certain errors might remain unadjusted
- To review and monitor the content of the external auditor's management letter, in order to assess whether it is based on a good understanding of the Academy Trust's business and establish whether recommendations have been acted upon and, if not, the reasons why they have not been acted upon

Executive Committee

The Academy has a leadership structure which consists of the Trustees and the Executive Committee. The aim of the structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Executive Committee (EXC) consists of the Principal, Headteachers of the 7 APAs and the Academy Business Manager. The EXC controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Principal, Headteachers, Academy Business Manager and Finance Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Principal is responsible for the appointment of staff, although appointment panels for leadership posts always include a Governor.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

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

The Trustees have devolved responsibility for day to day management of the Academy to the Executive

**ACORN ACADEMY CORNWALL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Committee, the Executive Committee implement the policies laid down by the Trustees and report back to them on performance.

Finance

- To draft the annual budget
- To establish and maintain an up to date 3 year financial plan
- To consider a budget position statement at least termly and to report significant anomalies from the anticipated position to the Governing Body
- To ensure that the school operates within the Financial Regulations of the Academy regulations
- To monitor expenditure of all voluntary funds kept on behalf of the Governing Body
- To annually review charges and remissions policies and expenses policies
- To make decisions in respect of service agreements
- To make decisions on expenditure following recommendations from other committees and within the budget agreed by the MAT Board
- To ensure that Health and Safety and Safeguarding issues are appropriately prioritised
- To determine whether sufficient funds are available for pay increments as recommended by the Headteachers

Curriculum

- To consider and advise the governing body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy
- To consider curricular issues which have implications for Finance and Personnel decisions and to make recommendations to the relevant committees or the Governing Body
- To make arrangements for the Governing Body to be represented at School Improvement discussions with the LA and for reports to be received by the Governing Body
- To oversee arrangements for individual governors to take a leading role in specific areas of provision, eg SEN, Literacy, Numeracy. To receive regular reports from them and advise the Governing Body
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator

Premises

- To advise the Governing Body on priorities, including Health and Safety, for the maintenance and development of the school's premises
- To oversee arrangements for repairs and maintenance
- To make recommendations to the MAT Board on premises-related expenditure (above £10,000)
- To oversee premises-related funding bids
- To oversee arrangements, including Health and Safety, for the use of school premises by outside users, subject to governing body policy
- To establish and keep under review a Building Development Plan
- To establish and keep under review an Accessibility plan

Staffing

- To draft and keep under review the staffing structure
- To establish a Salary Policy for all categories of staff and be responsible for its administration and review
- To oversee the appointment procedure for all staff
- To establish and review a Performance Management policy for all staff
- To oversee the process leading to staff reductions
- To keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence
- To make recommendations on personnel related expenditure to the Finance Committee
- To consider any appeal against a decision on pay grading or pay awards, below SMT level

Pupil Performance Sub Group x 7

- To challenge and monitor pupil performance, including overall effectiveness, achievement of pupils, quality of teaching, behaviour and safety of pupils, leadership and management
- To challenge monitor and support pupil attendance, progression, attainment, exclusions, admissions and safeguarding referrals

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

- To act as a pupil placement panel and admissions panel to their setting.

The Executive Principal is the Accounting Officer.

Connected Organisations, including Related Party Relationships

The Academy is sponsored by Acorn Care & Education Group who through the DfE recognised sponsor programme are responsible for ensuring the performance of the Academy is maintained.

Related parties are monitored. Trustees or staff who are connected either to one another or to any suppliers are required to declare this via the Academy's related parties reporting procedure.

The Academy has strong collaborative links with all schools in Cornwall.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on reintegration.

The principal object and activity of the Charitable Company is the operation of Acorn Academy Cornwall to provide free education and care for pupils of different abilities between the ages of 5 and 16.

Acorn Academy Cornwall is an Alternative Provision (AP) Multi Academy Trust (MAT) that comprises of 6 regional AP Academies, The Community and Hospital Education Service (CHES a medical AP Academy) and two Area Nurture Groups. We provide support to enable pupils to reintegrate into mainstream or special schools; or in the last four terms of compulsory education, integration into the world of work or further education.

The aims of the Academy during the year ended 31 August 2015 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils.
- To provide a broad and balanced curriculum.
- To develop students as more effective learners.
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To maximise the number of students who achieve 5 A* - C GCSE grades including English and Maths.
- To provide value for money for the funds expended.
- To develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Development Plan which is available on the website. Improvement focuses identified for this year include:

Curriculum:

- The primary curriculum will develop using the INSPIRE curriculum developed by Cornwall Learning.
- The THRIVE approach to pupils learning is being implemented across the academy, to build on the current successful use of the boxall profile in measuring pupils progress emotionally.
- We will continue to develop Baseline Assessments in order to better measure progress.
- KS4 Curriculum offer: Minimum 5 GCSE including English, English Literature, Maths, Science, Art, Photography, other qualification according to staff specialism at different AP's.
- Look to extend curriculum opportunities outside of the normal school day.
- Staff will receive training and support to ensure that the delivery of the new curriculum at all key stages and the changes with regard to GCSE courses are fully embedded.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- We will develop an AAC progress 8 measure in line with best practise that includes the core GCSE offer, and includes the pupils emotional development measure.

Partnership:

- Develop the family support role.
- Developing a commercially viable outreach service for secondary schools.
- Continue to develop partnerships with teacher training providers, including more placements for teacher trainees, and formal partnership with teacher training providers.
- Develop strategies for the transition and support of pupils from KS4 to KS5 with other 16 – 18 providers to ensure better transition outcomes for AAC pupils post 16.

Key activities and targets were identified in the Academy Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status. The activities included the following:

Key challenges:

- Systematically review all AAC provision in the context of local demand in order to understand the demand profile for provision for pupils across KS1 – KS5 and how this is changing, where the gaps are, how we can adjust our services to respond to gaps in provision or changing capacity requirements.
- Selectively focus on developing new services, including increasing current capacity, working with local commissioners and partners to ensure successful development in terms of service design, and financial return.
- Develop and test a range of outcomes we would like to measure and track in order to demonstrate the better outcomes our services help to deliver for children and young people in Cornwall.
- Build a robust and efficient series of processes and procedures to support delivery of high quality education services within AAC and a focus on a clear entry/exit from AAC provision back in to the local community.
- Develop relationships that enable us to support our pupils and their families on a wider range of issues, including poverty and mental health issues.
- Continue to invest in the training and development of our staff to ensure we deliver the best possible service for our pupils, this investment will also ensure that our pupils are educated in buildings that are fit for purpose and appropriately placed around the county.

Key actions:

- Identify opportunities for growth through engagement with third parties, ie CAMHS, Teaching School.
- Ensure data gathered enables strong evidence to be presented for inspection in the key outcome areas.
- Develop a range of KPIs with partners that measure wider impact.
- Develop a range of outcomes that measure impact around emotional health and wellbeing.
- Ensure NEET levels remains low.
- Develop support processes with parents & families.
- Explore new ways to support pupils across key transition points.
- Develop high quality staff training opportunities.

Public Benefit

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

STRATEGIC REPORT

Achievements and Performance

The Academy is in its third year of operation and has exceeded the forecast number of students. The total number of students who attended the Academy at a point during year ended 31 August 2015 was 541. The highest number of students on role at one time was 310.

Four of our Academies were inspected by OfSTED during the year. Penwith APA and CHES APA were judged to be outstanding across all areas when they were inspected in May 2015. North Cornwall APA and Glynn House APA were judged to be good across all areas when they were inspected in April 2015. This demonstrates the excellent leadership, teaching and outcomes within our APAs.

Restormel APA have moved into new premises, which has enabled us to improve the curriculum offer available to students in the area. The primary provision has also moved into the new premises, enabling us to improve the offer to students of that age group.

We have successfully moved the CHES APA into larger premises in Camborne, which has already enabled us to strengthen to central administration offer to CHES APA and other academies in the trust, resulting in significant improvements.

Progress and attendance data is strong across all groups, with no significant variation between vulnerable groups. Most pupils show good progress from a previous poor level of engagement. We are able to report an average progress measure across the MAT of 2.1 points progress per term. Student prior to coming to us were only achieving 0.4 points progress.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Heads and the Senior Leadership Team.

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Number of students on roll during the year

Academy	Pen- with	Nine Mai- dens	Glynn Hou- se	CHES	Res- tor- mel	Cara- don	North Corn- wall	Total
Learners on roll as at 31/8/15	21	39	29	48	41	21	17	216
total learners on roll during year	63	114	56	120	90	48	50	541

Total PAN (Pupil Admission Numbers) was 300.

Achievement & progress (p/t)	Cara- don	CHES	Glynn Hou- se	Nine Mai- dens	North Corn- wall	Pen- with	Res- tor- mel	AAC
Whole school	2.3	2.8	2.4	2.3	1.4	1.7	1.7	2.1
KS2 Progress								
English	2.4			2.2		5.6		3.4
Maths	0.2			1.5		-0.2		0.5
Science	1.6			2.5		3.7		2.6
Writing	3.2			2.5		7.4		4.4
KS3								
Progress	2.4	3.0	1.9	1.9			1.8	2.2
Progress Prior	1.0	0.6	0.5	1.1			0.2	0.7
English	2.4	2.0	3.0	1.9			1.4	2.1
Maths	3.2	4.0	1.6	1.9			2.0	2.5
Science	1.8	2.6	1.5	1.9			2.0	2.0
KS4								
Progress	2.0	2.6	2.8	2.7	1.4	1.6	1.6	2.1
Progress Prior	0.4	0.6	0.6	1.1	0.2	0.2	0.1	0.5
English	2.0	2.6	4.4	3.0	2.0	1.6	0.9	2.4
Maths	1.6	2.4	3.3	2.3	1.6	1.4	2.0	2.1
Science	2.6	2.6	2.0	2.7	0.8	2.0	1.9	2.1
Gender								
Male	2.2	2.6	2.1	2.2	1.2	1.8	1.5	1.9
Female	2.6	2.6	1.5	2.5	1.8	1.8	1.9	2.1
Category								
Permanent Exclusion	3.4		2.1		1.6	4.8	2.6	2.9
School Support	2.4		1.5		1.6	1.8	1.5	1.8
Medical		2.6						2.6
Children in Care								
Yes	2.4	2.6	1.7		1.4	1.8	0.0	1.7
All Pupils	2.4	2.6	2.0		1.4	1.8	1.7	2.0
Statement of SEN or EHCP								
Yes	2.2	1.4	2.0	2.2	0.4	2.0	0.3	1.5
No	2.6	2.6	2.0	2.3	1.4	1.6	1.8	2.0

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Academy	CHES	Pen- with	North Corn- wall	Rest- ormel	Nine Mai- dens	Cara- don	Glynn Hou- se	AAC Total	APA/ PRU Nati- onal Ave- rage
Key Stage 4 Outcomes with National Comparison									
Number in Cohort	22	11	11	10	8	11	14	87	89.82
5 A*-C Grades %	9%	0%	9%	0%	13%	0%	7%	6%	2%
5 A*-G Grades %	14%	18%	9%	0%	50%	18%	36%	20%	11%
5 A*-C with En/Ma %	9%	0%	9%	0%	13%	0%	7%	6%	N/A
1 A*-G %	100%	91%	91%	80%	100%	82%	86%	91%	N/A
A pass in any qualification	100%	91%	91%	90%	100%	100%	86%	94%	58%
Average points	118	82	78	37	129	76	88	90	51
Core subjects progress	2.6	1.6	1.4	1.6	2.7	2.0	2.8	2.1	N/A
Year 11 Average attendance %	59%	75%	90%	80%	87%	88%	83%	80%	N/A
Pupil Premium students %	30%	36%	18%	90%	63%	36%	38%	44%	N/A
Neet %	9%	0%	15%	9%	0%	0%	0%	5%	N/A
SEN info on Cohort eg. Number of statements	3	3	1	0	2	6	0	15	N/A

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of carry forward is not restricted. In the period under review, no GAG was carried forward.

Measure	Result
Cash balances at the year end	£805,029
Total unrestricted funds balance	£926,308
PAN to teacher ratio	300:75
Teaching to non-teaching staff ratio	47:66
Total income per PAN	£21,276
Total GAG per PAN	£9,842
Ratio of GAG to total income	1:2
Staff costs per PAN	£16,065

Going Concern

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

FINANCIAL REVIEW

Half of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2015, total expenditure of £6,467,891 was covered by recurrent grant funding from the DfE, together with other incoming resources totalling £6,400,268.

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

At 31 August 2015 the net book value of fixed assets was £5,917,581 and movements in tangible fixed assets are shown in note 18 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were valued at £6,093,987, and this valuation was formally approved by the Finance Committee on 16 October 2013. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 27 to the financial statements.

The Trustees have appointed Bishop Fleming to undertake a programme of internal checks on the financial controls. The Trustees have received 2 reports from Bishop Fleming during the year in which no significant issues were reported.

Reserves Policy

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

The Trustees have determined that the appropriate level of free cash reserves should be approximately £300,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance but also to provide for major capital expenditure that may be required within the next 5 years. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £774,356 of which all is free reserves. The Trustees have reviewed the future plans of the Academy and are planning to use these reserves to enable major capital expenditure for 3 of the Academy sites. We aim to relocate the North Cornwall campus to a refurbished site, make changes to Nine Maidens site to increase capacity and relocate the current Glynn House site to a more fit for purpose building that will enable us to also expand our provision.

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

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect. Surplus funds are transferred to deposit account as and when necessary. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods of between 1 and 3 months.

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. No other form of investment is authorised.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 50% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

Reputational - the continuing success of the Academy is dependent on continuing to re-integrate students in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

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

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

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

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

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

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

PLANS FOR FUTURE PERIODS

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

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

Full details of our plans for the future are given in our Academy Development Plan, which is available on our website.

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

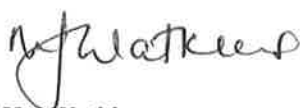
AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 1.12.15 and signed on the board's behalf by:



Prof. M J Watkins
Chair of Trustees



Mr R J Gasson
Chief Executive Officer & Executive Principal

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Acorn Academy Cornwall 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 & Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Acorn Academy Cornwall and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J R Black *	5	5
Mr C Challis	5	5
Mr C Denley	3	5
Miss S Eggins	5	5
Mr R J Gasson, CEO & Executive Principal	5	5
Mrs S Goswell	5	5
Mr J Harvey	5	5
Mr J-L Janet	5	5
Mr P Jenkins	4	5
Dr N-J A Macdonald	4	5
Prof. M J Watkins, Chair	5	5
Ms K Welton, Parent Trustee	0	0

* Mr T Osborne attended one meeting in place of Mrs J R Black.

Governance reviews:

The Directors review the governance structure of the Academy Trust on an annual basis. The latest review was undertaken in September 2015, and concluded that the skills, knowledge and experience of Acorn Academy's governance structure is sufficiently robust for the board to fulfil its duties.

The Finance Committee is a sub-committee of the Board of Trustees. Its purpose is the implementation and monitoring of the Academy's financial procedures. It is also responsible for treasury management and monitoring of budgetary control systems.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R J Gasson	4	4
Mr J-L Janet	4	4
Mr A Goodman (Former Business Manager)	2	2
Mrs G Boyden (Business Manager)	2	2

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to review the actions and judgements of management in relation to Financial Reporting, monitor the integrity and effectiveness of Internal Controls, assess the scope and effectiveness of the systems for Risk Management, be responsible for the Internal Audit function and manage the relationship with External Auditors.

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R J Gasson	2	2
Mrs S Goswell	1	2
Mr J Harvey	1	2
Mr J-L Janet	2	2
Mrs G Boyden (Business Manager)	2	2

REVIEW OF VALUE FOR MONEY

As accounting officer the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the 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 accounting officer for the academy trust has delivered improved value for money during the year by:

- Reviewing contracts which were due to expire and ensuring that new contracts were negotiated using government procurement frameworks or other purchasing routes. Procedures are in place to ensure competitive tendering, accepting best value quotes which are not necessarily the cheapest and that are the most efficient in terms of administration time.
- Monitoring and reporting spend against annual budget, challenging costs where necessary and considering alternative strategies where appropriate
- Allocating resources during the year to promote the vision and purpose of the Academy with a view to ensuring student success, improving standards and the quality of all provision. The Academy made several appointments over the year in order to strengthen the educational offer and reinforce the highest standard of teaching across the Academy. Curriculum specialists have been appointed to deliver a consistently outstanding subject provision across all the academies.
- Using consultancy services where this is deemed most efficient in terms of resources
- Ensuring the Principals deploy staff to provide best value in terms of quality teaching, curriculum management and pupil needs. The staffing structures are reviewed annually to ensure that the most appropriate provision is available to support all pupil needs.

Acorn Academy Cornwall has robust Finance, Audit & Executive Committees, up to date and thorough policies & financial procedures in place all of which help to establish the academy's financial priorities and link these to the long term vision, the Academy Improvement Plan and directions given by the Full Multi Academy Trust (MAT) Board.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Acorn Academy Cornwall for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance 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 Bishop Fleming LLP, the external auditors, to perform additional checks.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control accounts and bank reconciliations
- Testing of income
- Testing of Fixed Asset purchase/disposal
- Testing of Budgets and financial monitoring
- Regularity testing
- Testing of strategic and operational reviews

On a semi-annual basis, the auditors report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Two reports were received covering the financial year, in which there were no significant issues reported.

GOVERNANCE STATEMENT (continued)

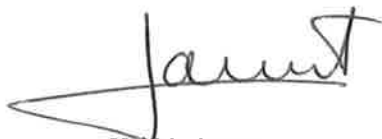
REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committees and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 1 December 2015 and signed on its behalf, by:



Mr J-L Janet
Trustee



Mr R J Gasson
Accounting Officer

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mr R J Gasson
Accounting Officer

Date: 1 December 2015

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

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

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

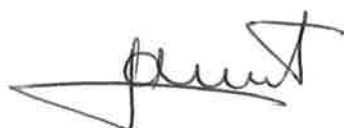
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

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



Mr J-L Janet
Trustee

Date: 1 December 2015

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN ACADEMY CORNWALL

We have audited the financial statements of Acorn Academy Cornwall for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN ACADEMY CORNWALL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Bishop Fleming LLP

Pamela Tuckett FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 8/12/15

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ACORN
ACADEMY CORNWALL AND THE EDUCATION FUNDING AGENCY**

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

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

**RESPECTIVE RESPONSIBILITIES OF ACORN ACADEMY CORNWALL'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Acorn Academy Cornwall's funding agreement with the Secretary of State for Education dated 4 March 2013, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ACORN
ACADEMY CORNWALL AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Pamela Tuckett FCA (Reporting Accountant)

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

Date: 8/12/15

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer from Local Authority on conversion	2	-	-	-	-	(4,063)
Other voluntary income	2	-	740	-	740	3,256
Activities for generating funds	3	3,161	-	-	3,161	12,235
Investment income	4	335	-	-	335	148
Incoming resources from charitable activities	5	3,261,518	3,040,078	29,721	6,331,317	6,003,576
Other incoming resources	6	64,715	-	-	64,715	-
TOTAL INCOMING RESOURCES		3,329,729	3,040,818	29,721	6,400,268	6,015,152
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income		1,265	-	-	1,265	2,320
Charitable activities		3,098,043	3,164,669	182,809	6,445,521	5,567,359
Governance costs	9	-	21,105	-	21,105	16,915
Other resources expended	10	-	-	-	-	411,929
TOTAL RESOURCES EXPENDED	11	3,099,308	3,185,774	182,809	6,467,891	5,998,523
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		230,421	(144,956)	(153,088)	(67,623)	16,629

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
Gross transfers between funds	21	(33,225)	33,225	-	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		197,196	(111,731)	(153,088)	(67,623)	16,629
Actuarial gains and losses on defined benefit pension schemes		-	7,000	-	7,000	(147,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		197,196	(104,731)	(153,088)	(60,623)	(130,371)
Total funds at 1 September		729,112	(243,269)	5,936,054	6,421,897	6,552,268
TOTAL FUNDS AT 31 AUGUST		926,308	(348,000)	5,782,966	6,361,274	6,421,897

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

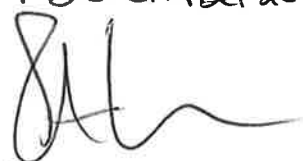
The notes on pages 29 to 49 form part of these financial statements.

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08418341

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	18		5,917,581		5,865,829
CURRENT ASSETS					
Debtors	19	415,881		358,406	
Cash at bank and in hand		805,029		990,802	
		1,220,910		1,349,208	
CREDITORS: amounts falling due within one year	20	(429,217)		(458,140)	
NET CURRENT ASSETS			791,693		891,068
TOTAL ASSETS LESS CURRENT LIABILITIES			6,709,274		6,756,897
Defined benefit pension scheme liability	27		(348,000)		(335,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			6,361,274		6,421,897
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	21	-		91,731	
Fixed asset funds	21	5,782,966		5,936,054	
Restricted funds excluding pension liability		5,782,966		6,027,785	
Pension reserve		(348,000)		(335,000)	
Total restricted funds			5,434,966		5,692,785
Unrestricted funds	21		926,308		729,112
TOTAL FUNDS			6,361,274		6,421,897

The financial statements were approved by the Trustees, and authorised for issue, on 1 December 2015 and are signed on their behalf, by:



Mr R J Gasson
Principal

The notes on pages 29 to 49 form part of these financial statements.

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	23	60,022	490,244
Returns on investments and servicing of finance	24	335	148
Capital expenditure and financial investment	24	(246,130)	(41,573)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(185,773)	448,819

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(185,773)	448,819
MOVEMENT IN NET FUNDS IN THE YEAR	(185,773)	448,819
Net funds at 1 September 2014	990,802	541,983
NET FUNDS AT 31 AUGUST 2015	805,029	990,802

The notes on pages 29 to 49 form part of these financial statements.

**ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 FUND ACCOUNTING

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Transfers between funds relate to fixed assets purchased from the General Annual Grant (GAG) and other restricted funds, the use of general funds to supplement GAG expenditure in excess of income, and funds to which initial restrictions once applied but ended during the accounting period.

1.3 INCOMING RESOURCES

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.4 RESOURCES EXPENDED

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the year ended 31 August 2015.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold land and buildings	-	the lower of 50 years and the lease term
Leasehold improvements	-	10% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	20% straight line

1.7 OPERATING LEASES

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

1.8 TAXATION

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

1.9 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfer from Local Authority on conversion	-	-	-	(4,063)
Donations - restricted	-	740	740	-
Donations - unrestricted	-	-	-	3,256
Subtotal	-	740	740	3,256
Voluntary income	-	740	740	(807)

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	1,540	-	1,540	2,300
Consultancy	1,621	-	1,621	-
Fees received	-	-	-	400
Other	-	-	-	9,535
	3,161	-	3,161	12,235

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	335	-	335	148

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	29,721	29,721	89,849
General Annual Grant	-	2,947,667	2,947,667	2,977,404
Other DfE/EFA grants	-	44,311	44,311	141,797
	-	3,021,699	3,021,699	3,209,050
Other government grants				
High Needs	-	-	-	9,267
Other government grants non capital	2,095,000	48,100	2,143,100	1,508,908
	2,095,000	48,100	2,143,100	1,518,175
Other funding				
Recharges to referring schools	1,165,480	-	1,165,480	1,274,804
Other	1,038	-	1,038	1,547
	1,166,518	-	1,166,518	1,276,351
	3,261,518	3,069,799	6,331,317	6,003,576

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Insurance claims - Teachers	59,834	-	59,834	-
Insurance claims - Other	4,881	-	4,881	-
	64,715	-	64,715	-

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. DIRECT COSTS

	Total 2015 £	Total 2014 £
Pension finance costs	1,500	1,000
Educational supplies	129,247	115,363
Examination fees	19,151	16,274
Staff development	31,860	30,853
Other costs	385,749	379,815
Supply teachers	290,700	143,129
Technology costs	21,882	18,109
Wages and salaries	3,255,016	2,899,140
National insurance	232,070	218,392
Pension cost	473,970	411,289
Depreciation	191,618	110,519
	<u>5,032,763</u>	<u>4,343,883</u>

8. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Pension finance costs	1,500	1,000
Other costs	36	30
Recruitment and support	242,387	179,911
Maintenance of premises and equipment	133,214	80,644
Cleaning	55,584	55,827
Rent and rates	113,378	124,923
Energy costs	52,792	42,861
Insurance	96,519	88,975
Security and transport	115,242	105,448
Catering	61,209	59,043
Technology costs	59,767	43,437
Office overheads	61,451	45,970
Legal and professional	67,474	84,820
Bank interest and charges	1,907	2,040
(Profit) / Loss on disposal of fixed assets	3,171	-
Wages and salaries	254,837	215,512
National insurance	15,037	12,369
Pension cost	69,775	48,678
Depreciation	7,478	31,988
	<u>1,412,758</u>	<u>1,223,476</u>

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. GOVERNANCE COSTS

	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	4,550	4,550
Auditors' non audit costs	11,020	12,365
Other costs	850	-
Wages and salaries	4,685	-
	21,105	16,915

10. OTHER RESOURCES EXPENDED

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Impairment charge to land and buildings	-	-	-	411,929

11. RESOURCES EXPENDED

	Staff costs 2015 £	Premises 2015 £	Non Pay Expenditure Other 2015 £	Total 2015 £	Total 2014 £
Costs of generating voluntary income	-	-	1,265	1,265	2,320
COSTS OF GENERATING FUNDS	-	-	1,265	1,265	2,320
Direct costs	4,251,756	123,831	657,176	5,032,763	4,343,883
Support costs	563,110	431,772	417,876	1,412,758	1,223,476
CHARITABLE ACTIVITIES	4,814,866	555,603	1,075,052	6,445,521	5,567,359
GOVERNANCE	4,685	-	16,420	21,105	16,915
Impairment charge to land and buildings	-	-	-	-	411,929
	4,819,551	555,603	1,092,737	6,467,891	5,998,523

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	199,097	554,436
Auditors' remuneration	4,550	4,550
Auditors' remuneration - non-audit	11,020	12,365
Operating lease costs	102,892	124,923
	<u>199,097</u>	<u>554,436</u>

13. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,511,448	3,104,652
Social security costs	247,107	230,761
Other pension costs (Note 27)	543,745	459,967
	<u>4,302,300</u>	<u>3,795,380</u>
Supply staff costs	514,161	143,129
Other staff costs	3,090	10,000
	<u>4,819,551</u>	<u>3,948,509</u>

b. Staff severance payments

Included in other staff costs above are non-statutory/non-contractual severance payments totalling £3,090 (2014: £10,000). The payments in 2015 were made to three individuals (2014: one individual).

c. Staff numbers

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

	2015 No.	2014 No.
Teachers	47	58
Administration and support	48	38
Management	18	3
	<u>113</u>	<u>99</u>

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

13. STAFF (continued)

d. Higher paid staff

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

	2015	2014
	No.	No.
In the band £60,001 - £70,000	1	0
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

Contributions to pension schemes in respect of the above staff members during the year were £20,902 (2014: £10,504).

14. CENTRAL SERVICES

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

- Finance and administration
- IT services and software
- Insurance
- Payroll and HR
- Health and safety
- Leadership management
- Settlement of other shared costs

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

The full cost of the provision of central services, net of income received centrally, is recharged to the academies proportionately, based on pupil admission numbers for the period.

The actual amounts charged during the year were as follows:

	2015
	£
Restormel	55,472
Penwith	55,472
North Cornwall	41,604
Nine Maidens	69,340
Glynn House	41,604
Caradon	55,472
CHES	97,077
Total	416,041

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. TRUSTEES' REMUNERATION AND EXPENSES

The Principal only receives remuneration in respect of services he provides undertaking the role of Principal and not in respect of his services as Trustee. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits in the period was as follows: Mr R J Gasson: Remuneration between eighty-five thousand and ninety thousand pounds (2014: between seventy-five thousand and eighty thousand pounds), Employer's pension contributions between ten thousand and fifteen thousand pounds (2014: between ten thousand and fifteen thousand pounds).

During the year, no Trustees received any benefits in kind (2014: £434).

During the year ended 31 August 2015, expenses totalling £5,797 (2014: £5,873) were reimbursed to 2 Trustees (2014: 1).

16. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £2,650 (2014: £2,650). The cost of this insurance is included in the total insurance cost.

17. OTHER FINANCE INCOME

	2015	2014
	£	£
Expected return on pension scheme assets	41,000	34,000
Interest on pension scheme liabilities	(44,000)	(36,000)
	(3,000)	(2,000)

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Leasehold improve- ments £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST						
At 1 September 2014	6,093,987	118,405	38,974	120,000	142,800	6,514,166
Additions	-	187,323	-	8,301	62,890	258,514
Disposals	-	-	(8,974)	-	-	(8,974)
At 31 August 2015	6,093,987	305,728	30,000	128,301	205,690	6,763,706
DEPRECIATION						
At 1 September 2014	572,871	2,806	10,684	29,000	32,976	648,337
Charge for the year	113,254	18,017	7,500	24,340	35,986	199,097
On disposals	-	-	(1,309)	-	-	(1,309)
At 31 August 2015	686,125	20,823	16,875	53,340	68,962	846,125
NET BOOK VALUE						
At 31 August 2015	5,407,862	284,905	13,125	74,961	136,728	5,917,581
At 31 August 2014	5,521,116	115,599	28,290	91,000	109,824	5,865,829

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

19. DEBTORS

	2015 £	2014 £
Trade debtors	235,711	136,533
VAT recoverable	50,023	58,940
Other debtors	7,120	5,472
Prepayments and accrued income	123,027	157,461
	<u>415,881</u>	<u>358,406</u>

**20. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	67,367	42,976
Other taxation and social security	74,942	67,234
Other creditors	196,718	249,277
Accruals and deferred income	90,190	98,653
	<u>429,217</u>	<u>458,140</u>

DEFERRED INCOME

Deferred income at 1 September 2014	34,850
Resources deferred during the year	3,065
Amounts released from previous years	<u>(34,850)</u>
Deferred income at 31 August 2015	<u>3,065</u>

Deferred income in 2014 represented the EFA refund for Insurance received in full for the year to 31 May 2015. The amount deferred in 2015 relates to pupil premium received in advance.

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	729,112	3,329,729	(3,083,021)	(201,464)	-	774,356
Fixed assets purchased from unrestricted funds	-	-	(16,287)	168,239	-	151,952
	<u>729,112</u>	<u>3,329,729</u>	<u>(3,099,308)</u>	<u>(33,225)</u>	<u>-</u>	<u>926,308</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	13,456	2,947,667	(2,994,348)	33,225	-	-
Donations	-	740	(740)	-	-	-
Pupil premium	-	39,311	(39,311)	-	-	-
Capacity building grant	78,275	-	(78,275)	-	-	-
PE and sport funding	-	5,000	(5,000)	-	-	-
Named Pupil Allowance (NPA)	-	48,100	(48,100)	-	-	-
Pension reserve	(335,000)	-	(20,000)	-	7,000	(348,000)
	<u>(243,269)</u>	<u>3,040,818</u>	<u>(3,185,774)</u>	<u>33,225</u>	<u>7,000</u>	<u>(348,000)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	5,714,115	-	(166,453)	-	-	5,547,662
DfE/EFA Capital grants	221,939	29,721	(16,356)	-	-	235,304
	<u>5,936,054</u>	<u>29,721</u>	<u>(182,809)</u>	<u>-</u>	<u>-</u>	<u>5,782,966</u>
Total restricted funds	<u>5,692,785</u>	<u>3,070,539</u>	<u>(3,368,583)</u>	<u>33,225</u>	<u>7,000</u>	<u>5,434,966</u>
Total of funds	<u>6,421,897</u>	<u>6,400,268</u>	<u>(6,467,891)</u>	<u>-</u>	<u>7,000</u>	<u>6,361,274</u>

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

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

Pupil Premium - Pupil premium represents funding received from the EFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between its disadvantaged pupils.

Capacity building grant – This represents funding received from the DfE to help fund the post of a

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS (continued)

business manager / accountant / bursar for such services for a maximum period of two years.

PE and sport funding - The PE and sport funding is designed to help primary schools improve the quality of the PE and sport activities they offer their pupils.

Named Pupil Allowance (NPA) - This represents funding received from the Local Authority for "Looked After Children", to be used for the benefit of the looked after child's needs as described in their personal education plan.

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

DfE/EFA Capital Grants - These funds are received for direct expenditure on fixed asset projects. It includes Devolved formula capital, which represents funding from the EFA to cover the maintenance and purchase of the Academy Trust's assets. It also includes any Condition Improvement Funds awarded.

Fixed assets transferred on conversion – This represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy Trust.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Restormel	(95,559)
Penwith	124,670
North Cornwall	82,565
Nine Maidens	178,923
Glynn House	189,654
Caradon	86,912
CHES	359,143
Total before fixed asset fund and pension reserve	926,308
Restricted fixed asset fund	5,782,966
Pension reserve	(348,000)
Total	6,361,274

The following academy is carrying a net deficit on its portion of the funds as follows:

Name of academy	Amount of deficit £
Restormel AP	95,559

The reason that the above Academy is carrying a deficit is due to several factors. The building previously occupied by the Academy was not fit for purpose, required constant repairs and maintenance and was not able to cope with the student numbers so provision for primary and secondary pupils was split across 2 sites, hence increasing costs. The Academy had to use third party providers in order to deliver adequate provision which was extremely costly. The Trust considered both academic and financial performance and agreed to move sites during 2014/15 to a site fit for purpose. This enabled an increase in provision and a

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. STATEMENT OF FUNDS (continued)

reduction in costs overall.

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

Increasing pupil places by 10 and reducing third party provider costs over the next 2 years.

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding deprecia- tion £	Total £
Restormel	669,390	24,329	141,273	127,147	962,139
Penwith	540,984	27,704	43,235	98,021	709,944
North Cornwall	344,696	22,991	59,544	149,215	576,446
Nine Maidens	795,718	36,950	60,820	180,719	1,074,207
Glynn House	412,703	21,096	57,340	66,519	557,658
Caradon	590,088	23,527	92,406	135,233	841,254
CHES	781,636	23,143	25,851	95,911	926,541
Central services	111,572	148,013	46,146	247,416	553,147
	<u>4,246,787</u>	<u>327,753</u>	<u>526,615</u>	<u>1,100,181</u>	<u>6,201,336</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	729,112	3,329,729	(3,099,308)	(33,225)	-	926,308
Restricted funds	(243,269)	3,040,818	(3,185,774)	33,225	7,000	(348,000)
Restricted fixed asset funds	5,936,054	29,721	(182,809)	-	-	5,782,966
	<u>6,421,897</u>	<u>6,400,268</u>	<u>(6,467,891)</u>	<u>-</u>	<u>7,000</u>	<u>6,361,274</u>

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	151,952	-	5,765,629	5,917,581	5,865,829
Current assets	1,203,573	-	17,337	1,220,910	1,349,208
Creditors due within one year	(429,217)	-	-	(429,217)	(458,140)
Pension scheme liability	-	(348,000)	-	(348,000)	(335,000)
	<u>926,308</u>	<u>(348,000)</u>	<u>5,782,966</u>	<u>6,361,274</u>	<u>6,421,897</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(67,623)	16,629
Returns on investments and servicing of finance	(335)	(148)
Impairment of tangible fixed assets	-	411,929
Depreciation of tangible fixed assets	199,097	142,506
Deficit on disposal of tangible fixed assets	3,171	-
Capital grants from DfE	(12,384)	(89,849)
(Increase)/decrease in debtors	(61,048)	357,454
Decrease in creditors	(20,856)	(346,277)
Defined benefit pension scheme adjustments	20,000	(2,000)
NET CASH INFLOW FROM OPERATIONS	<u>60,022</u>	<u>490,244</u>

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>335</u>	<u>148</u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(258,514)	(100,936)
Capital grants from DfE	<u>12,384</u>	<u>59,363</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	<u>(246,130)</u>	<u>(41,573)</u>

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	990,802	(185,773)	805,029
NET FUNDS	990,802	(185,773)	805,029

26. MEMBERS' LIABILITY

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

27. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall Council. Both are 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 of the LGPS 31 March 2013.

Contributions amounting to £70,268 were payable to the scheme at 31 August 2015 (2014: £59,657) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

27. PENSION COMMITMENTS (continued)

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

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

The pension costs paid to TPS in the period amounted to £633,819 (2014: £565,146).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £194,439, of which employer's contributions totalled £154,651 and employees' contributions totalled £39,788. The agreed contribution rates for future years are 17.1% for employers and 5.5% - 7.5% for employees.

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

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

27. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.80	400,000	6.20	399,000
Bonds	3.80	488,000	3.20	301,000
Property	3.80	68,000	4.50	45,000
Cash	3.80	20,000	3.30	8,000
Total market value of assets		<u>976,000</u>		<u>753,000</u>
Present value of scheme liabilities		<u>(1,324,000)</u>		<u>(1,088,000)</u>
(Deficit)/surplus in the scheme		<u><u>(348,000)</u></u>		<u><u>(335,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,324,000)	(1,088,000)
Fair value of scheme assets	<u>976,000</u>	<u>753,000</u>
Net liability	<u><u>(348,000)</u></u>	<u><u>(335,000)</u></u>

The amounts recognised in the Statement of financial activities are as follows:

	2015 £	2014 £
Current service cost	(172,000)	(121,000)
Interest on obligation	(44,000)	(36,000)
Expected return on scheme assets	<u>41,000</u>	<u>34,000</u>
Total	<u><u>(175,000)</u></u>	<u><u>(123,000)</u></u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,088,000	717,000
Current service cost	172,000	121,000
Interest cost	44,000	36,000
Contributions by scheme participants	40,000	32,000
Actuarial (Gains)/losses	<u>(20,000)</u>	<u>182,000</u>
Closing defined benefit obligation	<u><u>1,324,000</u></u>	<u><u>1,088,000</u></u>

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

27. PENSION COMMITMENTS (continued)

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

	2015	2014
	£	£
Opening fair value of scheme assets	753,000	527,000
Expected return on assets	41,000	34,000
Actuarial gains and (losses)	(13,000)	35,000
Contributions by employer	155,000	125,000
Contributions by employees	40,000	32,000
	976,000	753,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £-117,000 (2014: £-124,000).

The Academy Trust expects to contribute £165,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
European equities	41.00 %	53.00 %
European bonds	50.00 %	40.00 %
Property	7.00 %	6.00 %
Cash	2.00 %	1.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	4.80 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

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

	2015	2014
Retiring today		
Males	22.2	22.2 years
Females	24.4	24.4 years
Retiring in 20 years		
Males	24.4	24.4 years
Females	26.8	26.8 years

ACORN ACADEMY CORNWALL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

27. PENSION COMMITMENTS (continued)

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(1,324,000)	(1,088,000)	(717,000)
Scheme assets	976,000	753,000	527,000
Deficit	(348,000)	(335,000)	(190,000)
Experience adjustments on scheme liabilities	20,000	(182,000)	41,000
Experience adjustments on scheme assets	(13,000)	35,000	(18,000)

28. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
EXPIRY DATE:				
Within 1 year	-	14,000	777	-
Between 2 and 5 years	80,000	-	11,634	-
After more than 5 years	33,212	88,892	-	-

29. RELATED PARTY TRANSACTIONS

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

During the year, the Academy Trust sold a motor vehicle to one of its the headteachers, Mr D Black, for £4,120. This was considered to be at arms' length transaction by the Board of Trustees.

No other related party transactions took place in the year.

