

## TRUSTEES' REPORT

The Trustees present their second annual report to members for the period ended 31 August 2019. Members are also presented with audited accounts for the period which show a satisfactory trading position, building reserves and a clean audit report.

The Trust operates 16 primary and secondary academies in Devon. Its academies have a combined pupil capacity of 5929 and had a roll of 4968 in the school census on 29 May 2019.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### Constitution

The Academy Trust was incorporated on 21 November 2017 and opened as an Academy on 1 January 2018, 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 Dartmoor Multi Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Dartmoor Multi Academy Trust.

Details of the Trustees who served throughout the period and their attendance at meetings are set out in the notes to the accounts.

### 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

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

## Method of recruitment and appointment or election of Trustees

The Academy Trust has adopted the following structures and processes in relation to its Trustees as set out in its Articles of Association and funding agreement:

- up to 9 Trustees who are appointed by members of Dartmoor Multi Academy Trust.
- up to 2 Diocese Trustees appointed by EDEN (Exeter Diocesan Education Network)
- the CEO who is treated for all purposes as being an ex officio Trustee.

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

The Diocese of Exeter is empowered under article 50A to appoint Trustees.

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 its development.

Vacancies are advertised widely and application forms with supporting references are required. A shortlisting process is the adopted and a panel of three trustees is formed to conduct formal interviews. Their preferred candidate is then recommended to trustees and members for approval as required in the Articles of Association and Scheme of Delegation.

## Policies and Procedures adopted for the Induction and Training of Trustees

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

A series of regular training events are held both for Trustees and Governors of the Local Governing Bodies

### Organisational Structure

The key elements of the Governance Structure are:

#### Board of Trustees & Committees

The Board of Trustees meets on a half-termly basis. The Board also has a School Improvement Committee, an Audit Committee, a Resources Committee and an Ethos Committee, which all meet on a half termly basis, to enable further scrutiny and challenge. The Governance Manager to the Trustees is responsible for setting the meeting timetable for all governance meetings for the academic year. The clerks to the Local Governing Bodies are given a timeframe within which their meetings must be arranged. This enables the Local Governing Body Committees, the Board of Trustees' Committees and the Board of Trustees' meetings all to interlink, which facilitates a reporting structure from bottom up and top down.

#### Chairs of Local Governing Bodies - Group

This group enables the Chairs of Local Governing Bodies and the Chair of the Trust to meet regularly to discuss the strategic direction of the Trust, enable the Chairs for all schools to meet and discuss cross school issues and enable the group to report to the Board and to the Local Governing Bodies. It is also used as a platform for the Executive Team to consult on proposals and for Chairs to make recommendations and raise issues or concerns. The group does not have any decision making power under the Scheme of Delegation, however meeting minutes go to the Board of Trustees for review. The Governance Manager and Clerks to Local Governing Bodies also attend these meetings.

#### Headteachers Group

This group enables the Chief Executive Officer, Executive Team and Headteachers of the schools within the Trust to meet, discuss and recommend the strategic direction for the Trust. The group does not have any decision

making power under the Scheme of Delegation. Recommendations from the group are taken to the appropriate Committee.

### Executive Team Meetings

The Executive Team meet weekly on a formal basis to support the delivery of the Trust Strategy. The delivery of the Trust Development Plan is also discussed along with Central Services, Trust Budgets, Financial Governance, and HR. The key actions are then raised in the one-to-one meetings between the Chief Executive Officer and the Chair of the Trust.

### Local Governing Body Committees

Each Local Governing Body is a Committee of the Board of Trustees and has delegated decision making powers in accordance with the Scheme of Delegation. Sub Committees replicate the Trust Committees.

Each Local Governing Body has a Link Trustee who attends meetings. Meeting minutes go to the relevant Trustee's Committee for approval.

The CEO is the Accounting Officer.

### Arrangements for setting pay and remuneration of key management personnel

The Trustees consider that the Board of Trustees and the Executive Team comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year. The Chief Executive Officer's remuneration is set and agreed by the Trustees.

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

The pay of key management personnel is reviewed annually.

The Trustees benchmark against pay levels in other Trusts of a similar size.

## Related Parties and other Connected Charities and Organisations

OCRA has use of Okehampton College's leisure facilities and there is a lettings contract between it and the Academy.

There are no related parties which either control or significantly influence the decisions and operations of Dartmoor Multi Academy Trust.

## **OBJECTIVES AND ACTIVITIES**

### Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a number of schools, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on co-operative and church values.

To provide the highest possible quality of education for all local children, in order to ensure pupils from all backgrounds are able to succeed.

The Trust is cross phased; from pre-school to age 19. We educate the whole child through a rich and deep curriculum, with each child thriving and succeeding creatively, emotionally and academically. We believe that education should be community based and fully inclusive and we respect and retain the ethos of each school including our five church schools.

The Trust is underpinned by a high quality Teaching School (The Dartmoor Teaching School Alliance): we are intent on building a strong capacity to develop all our staff. All of the Trust's schools in the are members of the Teaching School Alliance.

The cross phase approach maximises the opportunities for staff to work alongside colleagues from differing phases to address the 'progress dip' that has potential to occur on all transitions. We believe in the benefits to the community of local schools and therefore always attempt to maintain rural schools subject to their continuing educational and financial viability.

## Objectives, Strategies and Activities

*The key strategic priorities for 2018 – 19 were:*

1. Improving academic standards in schools.
2. To further develop leadership and governance throughout the Trust.
3. To establish robust financial controls and monitoring across the Trust.
4. To establish a healthy MAT (staff and pupil wellbeing).
5. To focus on communication across the MAT.

*The key strategic priorities for 2019 – 20 are:*

1. To create positive environments within all of our schools.
2. To ensure all of our young people have the skills to tackle challenges they face and their personal development.
3. High quality Leadership & Management.
4. High quality Teaching & Learning.
5. Sound Financial Management.
6. Compliance with all Statutory Requirements.
7. A broad and challenging curriculum relevant for the communities they serve.
8. To continue to focus on communication across the Trust.

## 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 Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

## **STRATEGIC REPORT**

### **ACHIEVEMENTS AND PERFORMANCE**

Boasley Cross Primary School continues to be more secure in terms of pupil numbers and staffing.

Black Torrington C of E Primary School is a small rural isolated school, numbers remain constant.

Bridgerule C of E Primary School serves a rurally isolated community. Approval has been given to lower the age range and open a Foundation stage unit from September 2019.

Bradford Primary School is a small rural school with two successive requires improvement OFSTED judgements. Standards and performance have noticeably improved and we are confident this school should be judged good at next inspection.

Bridestowe Primary School enjoys a secure catchment and maintains good pupil numbers.

Chagford C of E Primary School continues to enjoy its new premises. A restructure of staffing has taken place and a new Head of School starts in September 2019, under the Leadership of an Executive Head.

Exbourne C of E Primary School has premises that are restricted in size as is its outdoor play space. It is starting to see a decline in pupil numbers, which will need close monitoring.

Highampton Primary School joined the Trust in September 2018. A small very rural school, with no housing developments in the area means it is vulnerable to potential falling numbers. There has been some long-term sickness absence at the school.

Lydford Primary School is a very small isolated school within Dartmoor National Park. It is vulnerable due to the lack of new housing development in the area.

Northlew & Ashbury Parochial C of E Primary School is a small school, with small cohorts. There has been some long-term staff absence which has resulted in some budget challenges. The Head of School has made a good start and results are starting to be seen.

North Tawton Primary School. A Head of School is in place under an Executive Headteacher serving three schools and she is making excellent progress in enhancing the school's reputation in the local community.

Okehampton Primary School It is the largest primary school in Devon. With the opening of a new free school in Okehampton (St James), the school needs to continue to carefully monitor pupil numbers and future intakes.

South Tawton Primary School has a new Head of School appointed. Along with Chagford and North Tawton Primary School they are now overseen by an Executive Headteacher. Pupil numbers are potentially vulnerable, due to the opening of St James CofE Primary school and Nursery in east Okehampton.

Okehampton College is a growing secondary school that enjoys a good reputation in the area. A new 6th Form Centre was opened in September 2019, which will mean the school can focus on retaining a high number of pupils in to the 6th form.

Tavistock College has enjoyed increased pupil numbers over the last couple of years and these appear to be continuing. Trustees recognise the challenging nature of some of the buildings in this school and careful monitoring is needed.

Holsworthy College is a particular area of focus for Trustees. There have been some significant changes and the school is beginning to have a much more positive feel. Results saw a slight improvement this year. The challenge will be maintaining this upward trend for the next academic year.

The Trust has well established close links with St James Academy Trust which operates the new school in east Okehampton and approval has been given for the school to join the Trust once legal paperwork is complete

### Key Performance Indicators

On commencement of the Trust, all schools were at different positions with regard to financial performance and the Trust challenged all schools to have a balanced in year budget. The Trust also scrutinises end of year positions for three years ahead. Each school will be expected to set balanced budgets each year, with a target of one months revenue costs as free reserves. The Trust will be setting financial KPIs to monitor financial performance for the next academic year. Oversight of budgets is carried out at Local Governing Body level with ultimate responsibility falling at trustees' level.

## Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

## FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the annual accounts resented to members concurrently with this report.

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund.

During the year ended 31 August 2019, the Trust received total income of £29,514,520 and incurred total expenditure of £30,562,368. The excess of expenditure over income for the year was £1,047,848. The Trust received revenue income (excluding balances on conversion) of £27,810,957 and incurred revenue expenditure, including fixed assets purchased with revenue funds, of £26,943,732. The excess of revenue income over revenue expenditure, and the movement in funds, for the year was £867,225.

At 31 August 2019 the net book value of fixed assets was £61,813,890; these assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The balance of Highampton Primary School's in year schools' budget share (£63,634) was transferred across on conversion

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

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including

financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

### Reserves Policy

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

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. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods. Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. 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 Chief Executive Officer and Chief Financial Officer within strict guidelines approved by the Board of Trustees.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

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

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

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 85% of the Trust 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.

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

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

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

Fraud and mismanagement of funds - The Trust has appointed an independent internal auditor (Thompson Jenner) 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 Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including robust internal controls. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of monthly management accounts and regular update reports at all Board and Resources

Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity. The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is considered acceptable.

## **FUNDRAISING**

The Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds.

The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

## **PLANS FOR FUTURE PERIODS**

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

The Trust will continue to work with partner schools and other trusts in its continuing efforts to improve the educational opportunities for its students in the wider community.

Full details of our plans for the future are given in our Trust Development Plan, which is available from the Governance Manager.

## **FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

## **EQUAL OPPORTUNITIES EMPLOYER**

The Trust is an Equal Opportunity employer.

### Disability

The Trust Board is committed to the elimination of discrimination and strives to ensure equal treatment in employment. This applies to all stages of employment including recruitment, selection, learning and training, pay, working relationships, carer development, redundancy and retirement. This commitment is clearly demonstrated and referred to in the many of the Trust policies. No one will unlawfully be disadvantaged on the grounds of age, race or ethnicity, disability, gender and marital status, gender identity, sexual orientation, religion or belief under the operation of any Trust policy.

### Staff Consultation

The Trust Board has worked tirelessly to ensure that staff of the Trust are consulted at all times on fundamental issues impacting upon their employment and condition of service. This is considered to be central to our Co-Operative ethos.

The Executive Team meet with unions and have established regular Joint Consultative Committee (JCC) meetings.

A series of staff conferences have been held.

Ian Courtney MBE  
Chair of Trustees  
January 2020