

**Maltby Learning Trust**  
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended  
31 August 2014

Company Registration No. 07033915

# Maltby Learning Trust

## REFERENCE AND ADMINISTRATION DETAILS

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Members	J. Kenny CBE DL R. Belcher M. Beck P. Martin D. Horrigan A. Rushforth D. Sutton A. Pickles (left 31 <sup>st</sup> January 2014)
Directors	J. Kenny CBE DL (Chair of Board) P. Martin (Vice Chair) M. Beck A. Phillips S. Shepherd D. Horrigan A. Rushforth R. Belcher D. Sutton (CEO/Executive Principal) A Pickles (left 31 <sup>st</sup> January 2014) J. Jarvis (left 31 <sup>st</sup> January 2014) C. Simmonds (left 31 <sup>st</sup> January 2014) R. McRobbie (left 31 <sup>st</sup> January 2014) K Thompson (left 31 <sup>st</sup> January 2014) J. Fletcher ((left 31 <sup>st</sup> January 2014) R. McNabb (left 31 <sup>st</sup> January 2014) J. Fieldhouse (left 31 <sup>st</sup> January 2014) S. Clarkson (left 31 <sup>st</sup> January 2014)
Clerk to MLT Board	N. Bailey
Senior Leadership Team	
CEO/Executive Principal	D. Sutton
Associate Principal (MA)	R. Nash
Executive Principal (Primary)	D. Horrigan
Associate Principal (MRA)	R. Pease
Chief Financial Officer	G. Hayward
Principal and Registered Office	Braithwell Road Maltby Rotherham South Yorkshire S66 8AB
Company Registration Number	7033915 (England and Wales)
Independent Auditor	Baker Tilly UK Audit LLP 2 Whitehall Quay Leeds LS1 4HG
Bankers	Natwest PO Box 120 420 High Street Sheffield S1 2GE
Solicitors	Irwin Mitchell LLP Riverside East Sheffield S3 8DT

# Maltby Learning Trust

## DIRECTORS' REPORT

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The Directors have pleasure in presenting their report together with the financial statements and auditor's report of the company for the financial year 1 September 2013 to 31 August 2014.

### **Structure, Governance and Management**

#### *Constitution*

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

The Directors act as the Trustees for the charitable activities of Maltby Learning Trust and are also the Directors of the Company for the purposes of company law. The Company is known as Maltby Learning Trust.

Maltby Academy Trust converted into a Multi-Academy Trust in February 2014 and moved from being a 'Sponsored Academy Trust' to a 'Multi-Academy Trust with the potential to sponsor other Academies'. As part of the conversion process the Trust changed its name to 'Maltby Learning Trust'. At this point, the Trust included Maltby Academy (1,150 – secondary school) and Maltby Redwood Academy (127 – primary school). Maltby Redwood Academy joined the Trust as a 'good' school bringing additional expertise and capacity. Details of the directors who served on the newly formed Learning Trust throughout the year except as noted are included in the Reference and Administration details on page 1.

#### *Members Liability*

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

#### *Directors' Indemnities*

The Learning Trust have put in place with Zurich Municipal 'Governors' Liability Insurance of £2m to cover against:

- The investigation, defence, adjustment, settlement or appeal of any claim or criminal prosecution against any Director/Governor, or
- For the representation of any Director/Governor at any official examination, enquiry, investigation or other proceedings ordered or commissioned at the behest of a legally empowered official body to investigate the activities of the Director/Governor.

#### *Principal Activities*

The principal activities of the Company are to establish and maintain a number of academies in accordance with the requirements of the Master Funding Agreement in place with the Education Funding Agency ("EFA").

#### *Method of Recruitment and Appointment or Election of directors*

The Multi-Academy Trust was formed in February 2014 and as a result, the constitution of the Trust Board changed as outlined in the Articles of Association. The specific categories for the nine directors who serve on the Board are as follows:

- The Chief Executive Officer
- The Primary Executive Principal
- One Director who represents the LA/Community

# Maltby Learning Trust

## DIRECTORS' REPORT

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- Three Directors who represent Maltby Academy
- Three Directors who represent Maltby Redwood Academy

Every time the Trust seeks to appoint new directors, the Trust undertakes a skills audit to align specialist expertise and knowledge to the existing body and future Trust priorities. This was the case this year and the newly appointed directors brought an expertise from Corporate Business, including Business Management and Financial Control and Public Services.

### *Policies and Procedures Adopted for the Induction and Training of Directors*

The training and induction provided for new directors will depend on their existing experience. Where necessary, induction will provide training on charity and educational, legal and financial matters. All new directors will meet with the Chief Executive Officer/Chair of the Board prior to their first formal meeting. In addition, new directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors. All Directors/Governors undertake a skills audit annually to determine training requirements at an individual, local Governing Body and Trust level. Induction tends to be done informally and is tailored specifically to the individual. New directors are often 'buddied' with a more experienced director to provide support and advice as appropriate.

The Trust has committed to developing a calendar of training opportunities for Directors/Governors based on their particular needs and the changing educational landscape.

During the period in which we are reporting, specific learning/training activities included:

- Multi Academy Trusts – Implications for Governing Bodies
- Revised Ofsted Framework
- Using Academy Data to Effectively Monitor and Evaluate Schools' Performance

### *Organisational Structure*

The Governance/Leadership and Management structure consists of four levels, the Board of Directors, the Local Governing Bodies, the Executive Leadership Team and the respective Academy Senior Leadership Teams. The aim of this structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Directors are responsible for shaping general policy, setting an annual budget plan aligned to the agreed Trust priorities, monitoring the Trust by use of results and budgets and making major decisions about the direction of the Trust, capital expenditure and senior leadership appointments.

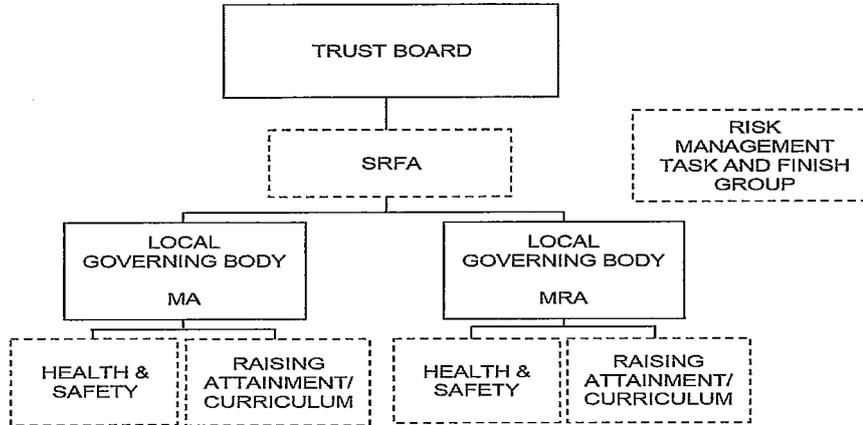
The Local Governing Bodies act as advisory bodies to the Maltby Learning Trust (MLT) Board. Certain responsibilities are devolved to this body as agreed.

The Executive Leadership Team comprises the Chief Executive Officer, Primary Executive Principal, Associate Principal (Maltby Academy), Associate Principal (Maltby Redwood Academy) and Chief Financial Officer.

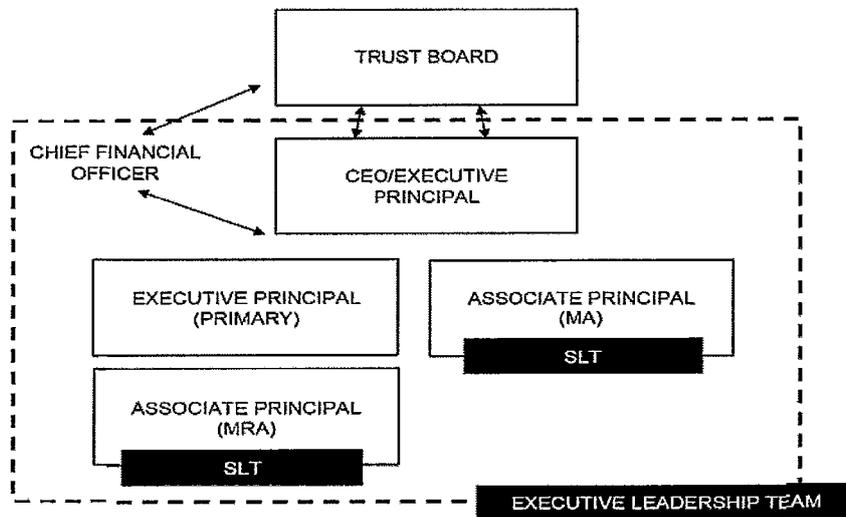
The Chief Executive Officer is the Accounting Officer.

The following diagrams capture the Governance and Leadership and Management arrangements across the Maltby Learning Trust.

### Governance Structure



### Leadership & Management



#### *Connected Organisations, including Related Party Relationships*

The Trust works closely with the feeder primary and special schools in the area. This collaborative arrangement is informal at this point but still allows the schools to share staffing and resources, offer joint professional development opportunities and benefit from some economies of scale.

U-Explore and RMBC moved from lead and co-sponsors of Maltby Academy to key business partners in February 2014.

In addition, Sheffield Hallam University is a key professional learning partner for the Trust providing successful Initial Teacher Training (ITT), and Assessment Only (AO) opportunities for new entrants to the teaching profession. The institutions also work closely together to deliver some exciting cross-curricular learning programmes for students in the Trust. The University shares its specialism as a centre of teacher

# Maltby Learning Trust

## DIRECTORS' REPORT

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training excellence and contributes to the Trust's strategy to enable all staff to develop and keep up to date with excellent pedagogical practice.

### *Objectives and Activities*

The principal object and activity of the Company is to develop education for the public benefit within and beyond the Maltby Learning Community. This will be achieved by establishing, maintaining and developing its academies, offering a broad and balanced curriculum, whilst placing a strong emphasis on preparing young people for their next stage of learning or employment. In setting our objectives and planning our activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

### *Maltby Learning Trust Strategic Intent*

*The Trust is committed to 'Maximising achievement and making a difference for all children'.*

The ongoing strategic objectives include:

- Building a strong network of academies which are considered centres of excellence for teaching and learning
- Attracting, retaining and developing quality people
- Ensuring that all academies keep progress and learning at the top of their agenda; establishing 'outstanding' schools for the local community
- Accelerating pupil progress to exceed the national average; in doing so, ensuring a shared accountability for the outcomes of all children across the Trust
- Building and maintaining quality relationships within the Trust and with external agencies
- Ensuring good value for money.

### *Maltby Academy*

*Strategic Intent – To develop outstanding learners by securing outstanding teaching in an outstanding Learning Community*

### **STRATEGIC PRIORITIES:**

1. To increase the proportion of outstanding teaching (+40%) and secure 100% consistently good or better teaching across all key stages and all subjects
2. To ensure all learners make at least good and sustained progress in all subjects and across all key stages (no underperforming cohorts)
3. To raise achievement in the Sixth Form and reduce variation between subjects (Sig+ Value Added)
4. To improve the attendance of all groups to at least 95%
5. To establish a student culture of confidence, resilience and independence

### *Achievement*

1. To secure a rapid and sustained improvement in performance at KS5
2. To accelerate progress, raise and sustain all achievement measures at least (10%) above average in all subjects (increase CPS and KS2-4 Value Added )
3. To close the achievement gap and accelerate the progress of key cohorts (KS3-5):
  - High Attaining students on entry (L5+ KS2, A\*-A/G&T)
  - Pupil Premium, SA+, High/Mid ability Boys/Low ability girls
  - Learners on Intervention Pathways
  - PA students
4. To increase the proportion of KS3 students making good or better progress in Eng/Maths
5. To secure a rapid and sustained improvement in Science; raising achievement to exceed NA.

# Maltby Learning Trust

## DIRECTORS' REPORT

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### *Quality of Teaching and Learning*

- To enhance the use of assessment for and of learning for all
- To promote high quality dialogue for learning
- To provide highly positive experiences to promote the Spiritual, Social, Moral & Cultural (SMSC) development of students
- To enhance crucial skills for learning and establish a culture in which learners demonstrate confidence, resilience and independence

### *Leadership*

- To enhance the personalised professional learning culture and improve performance through research and development groups, peer coaching and mentoring support
- To secure a curriculum offer which is fit for purpose, reflects the national agenda, secures an effective assessment model and provides young people with positive progression routes for all
- To strengthen collaborative partnerships which enhance provision and facilitate the raising attainment agenda
- To secure the effective leadership of provision and outcomes in all subject areas within the Sixth Form

### *Behaviour and Safety*

- To increase attendance and punctuality of all groups to at least 95%
- To extend student and parental engagement in the broader Academy provision
- To 6ummariz new learning environments and new technologies to raise aspiration and facilitate continual improvement in student outcomes

Maltby Academy secured further sponsorship from the Football Foundation £338,295 to put in place a full size synthetic pitch to supplement the new sports facilities developed through the Capital building programme.

### *Maltby Redwood Academy*

Maltby Redwood Academy aims to provide quality education for all its pupils, delivering a broad and balanced curriculum for the development of the whole child in a safe, supportive and happy environment. The School aims to provide high standards of teaching and learning to ensure that every child is an achiever.

The School's vision is to best prepare pupils to become 21<sup>st</sup> century learners and adults. It aims to foster good social skills, respect for those who are different and a sense of the importance of both individuality and teamwork. The School believes it is important for staff working with pupils to also be lifelong learners. All stakeholders have high standards for both 6ummariz and ethics and aim to widen pupils' horizons beyond their immediate surroundings. All at Maltby Redwood are proud of the children and young people and consider them to be caring, polite and courteous

### *Progress & Attainment*

- Improve maths attainment across the School
- Development of and embedding structured approaches to writing
- Develop FS provision to secure improved outcomes for all children
- Develop assessment systems at FS to ensure accurate assessments can be made
- Develop teaching of higher level skills in order to stretch the more able children
- Ensure that vulnerable groups make progress in line with expectations

# Maltby Learning Trust

## DIRECTORS' REPORT

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### *Teaching & Learning*

- To ensure gender gap between girls/boys attainment in maths and writing closes
- To ensure that teaching profile across the school continues to improve
- To ensure that marking and feedback is consistently used to develop pupil's understanding
- For parental engagement with the TL process for the most vulnerable learners to improve

### *Curriculum/Community*

- To ensure that a proper balance between subjects is delivered across the curriculum
- To ensure the School is ready for implementation of the new curriculum
- To develop ICT resources to ensure new computing strand can be delivered effectively
- To enrich the curriculum through:
  - provision of expert visitors/ themed weeks/ family learning
  - Links with Maltby Academy and specialist staff
- To ensure curriculum has a strong multi-cultural theme
- To ensure that children are aware of different forms of bullying and how to stay safe
- To ensure children develop ambitions and aspirations

### *Leadership & Management*

- To ensure that the School is prepared for the implementation of new NC
- To further develop the leadership of SEN through the academy links
- To further develop the provision for vulnerable groups of young people
- To develop co-ordinator teams to ensure effective monitoring of subject areas

### *Public Benefit*

In exercising its powers and duties the Trust has complied with its duty to have due regard to the Charity Commission's guidance on Public Benefit. The main public benefit delivered by the Trust is the provision of a high quality education to its students. This has been evidenced through the results achieved and feedback from external assessments.

### *Maltby Academy*

Maltby Academy was inspected under section 5 of the Education Act 2005 on 30-31 May 2012. OFSTED judged Maltby to be a 'good' and 'rapidly improving' Academy. 'Outstanding' leadership was considered to have brought about the rapid rise in achievement, the improved 7ummariz and higher attendance. The Academy was deemed to have outstanding capacity for further improvement. The Academy was awarded National Support School status in September 2012 and proceeded to build capacity through the development of System Leaders. In February 2014 the Academy was subject to an OFSTED Subject Survey in Mathematics and the judgement was that the Academy was 'Outstanding' in all categories.

# Maltby Learning Trust

## DIRECTORS' REPORT

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### *Maltby Redwood Academy*

Maltby Redwood Academy joined the Maltby Learning Trust (MAT) in February 2014. This formal relationship was formed with Maltby Academy in order to further expand the curriculum offer, increase the resource base and improve the overall quality of provision. In December 2011 the school moved out of a 'special measures' category and was judged 'good' with strong capacity for further improvement. Good leadership and governance ensured that much needed improvements to the quality of teaching and the curriculum were successfully made, resulting in a rapid rise in pupils' attainment at all key stages and consistently good progress across the school. The addition of Maltby Redwood Academy to the Trust provided specialist expertise in the primary phase of education and made further leadership capacity available to support work beyond the Trust.

### **Strategic Report**

#### *Key Performance Indicators*

The Maltby Learning Trust use a range of National data sources to set aspirational targets for all children. The approach adopted ensures that all young people are provided with the appropriate stretch and challenge through their individual targets and that all schools in the trust achieve or exceed National performance in most attainment and progress measures.

In addition the Trust use National benchmarking data for similar size schools against budget forecasting information across the Trust. When forecasting and subsequently setting the budget, the Trust considers the allocation of resources across key budget heads taking account of workforce census and other comparative data.

# Maltby Learning Trust

## DIRECTORS' REPORT

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### Achievements and Performance

#### *Maltby Academy*

In 2014 Maltby Academy achieved or exceeded National averages in most of the key thresholds. A summary of the results is included below.

#### Maltby Academy Achievements and Performance

##### *Key Stage 4 Results Summary*

		2014 Actual	2014 National	2013 Actual
	5A*-C Inc E/M	63	53	71
	5A*-G Inc E/M	96	89	98
	5A*-G	97	89	98
	1A*-G	99	98	100

Eng		2014 Actual	2014 National	2013 Actual
	A*-A	21	17	19
	A*-C	83	72	81
	APS	42.4		41.9
	3+ LP	90	74	89
	4+ LP	48		42

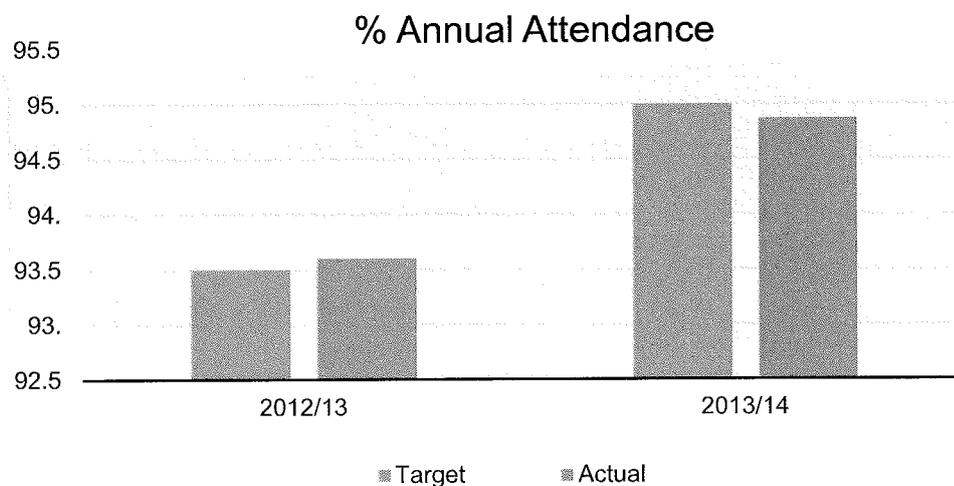
Ma		2014 Actual	2014 National	2013 Actual
	A*-A	20	18	18
	A*-C	75	69	79
	APS	39.9		41.0
	3+ LP	71	69	82
	4+ LP	32		37

	2014 A2 Actual	2013 A2 Actual
A*-A	13.1	22.5
A*-B	37.6	39.5
A*-C	75.5	73.5
A*-E	99.6	100

# Maltby Learning Trust

## DIRECTORS' REPORT

### *Student Attendance*



### **Staffing Breakdown (Secondary)**

*Compared with 2012/13 Workforce Census Data*

	Maltby Academy		National Secondary Academies	% Good or Better Teaching (MA)
Mainscale	55.7%		20.2%	84%
Upper Pay Range (Including Leading Practitioners)	40.8%		58.4%	91%
Teaching and Learning Responsibilities	No TLR	55.9%	60.1%	
	TLR1	4.8%	6%	
	TLR2	28.6%	15.5%	
	TLR3	10.7%	18.3%	
Other	3.5%		1.4%	
Recruitment and Retention	0%		4.3%	

# Maltby Learning Trust

## DIRECTORS' REPORT

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### *Staffing Profile*

To ensure that standards are continually raised, the Academy operates a programme of QA/SE, including observation of lessons, work sampling and student interviews. The most recent staffing profile is summarized below.

	2013/14	2012/13
% Lessons judged good or better	89%	82%

### **Achievements and Performance**

#### *Maltby Redwood Academy*

##### Attainment at L4+

Year	Reading	Writing	Maths	Combined
2013	100%	82%	100%	82%
2014	96%	85%	96%	85%

##### Attainment at L5+

Year	Reading	Writing	Maths	Combined
2013	29%	24%	41%	18%
2014	48%	26%	44%	22%

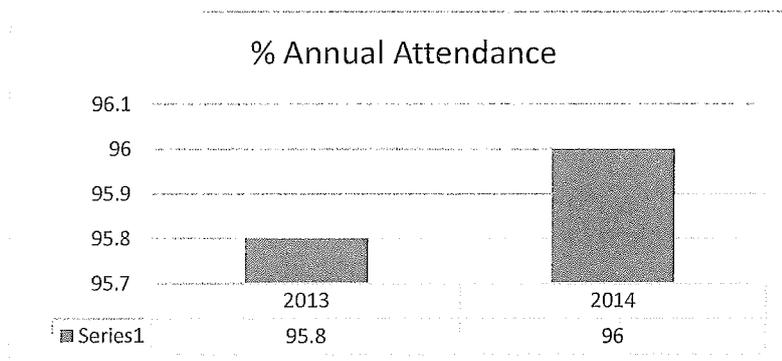
##### Progress 2 levels +

Year	Reading	Writing	Maths
2013	94%	94%	100%
2014	96%	96%	100%

##### Progress 3 levels +

Year	Reading	Writing	Maths
2013	35%	41%	71%
2014	15%	35%	31%

### *Students' Attendance*



# Maltby Learning Trust

## DIRECTORS' REPORT

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### Staffing Profile

Percentage of teaching as of October 2014

Good with RI	Good	Secure outstanding	w/ RI	Inadequate
14%	58%	28%	0%	0%

### Going Concern

After making appropriate enquiries, the directors have a reasonable expectation that the 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 Accounting Policies.

### Financial Review

The majority of the Trust's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to the objectives of the organisation. The grants received from the EFA are shown in the Statement of Financial Activities for the year ending 31<sup>st</sup> August 2014. Additional income sources included LA receipts for the high needs block, early year's provision and the transfer of assets amounting to £11,056,000 following conversion of Maltby Redwood Academy. The total incoming resources for the period amounted to £19,010,000.

During the financial period, the total resources expended amounted to £8,290,000 covered by the recurrent grant funding from the EFA. The net movement for the financial year before transfers has resulted in a surplus of £10,720,000.

The Trust has total funds carried forward at the 31<sup>st</sup> August 2014 of £14,098,000; this being made up of: £546,000 Unrestricted Funds; £355,000 Restricted General Funds; £12,697,000 Restricted Fixed Asset Funds and £500,000 Academy Endowment Funds.

The Trust has considered its current financial position and has earmarked some of its surplus in support of the Academies, securing their outcomes and providing capacity to support the transfer of three additional schools to the Trust. Surpluses will also be used to match funding in support of a 3G Football Turf Pitch, in Partnership with Community Groups and the Football Foundation.

### Reserves Policy

The directors review the reserve levels of the Trust annually. This review considers the nature of income and expenditure streams, the need to match income commitments and the nature of reserves.

The directors have determined that the appropriate level of free reserves should be at least the equivalent to four weeks expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide for unexpected emergencies.

### Investment Policy

The Trust's Investment Strategy was agreed by the Board; additional discussions have followed during the year to review investment opportunities.

In essence the strategy is to:

1. Regularly monitor Cash Flow and Current a/c balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments. In practice a working balance of up to £300,000 is likely to be maintained.

# Maltby Learning Trust

## DIRECTORS' REPORT

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2. The Trust will seek to avoid its current account going overdrawn.
3. Identify funds surplus to immediate cash requirements and transfer to the Trust Deposit Account bearing a higher interest rate or other risk free investments available at the time.
4. Periodically review interest rates and compare with other investment opportunities.
5. The Trust's current policy is to only invest funds in risk free and accessible deposit accounts. E.g. 95 day Notice Accounts.

The Trust may consider investing in other deposit accounts such a Stepped Fixed Rate Deposit, providing the accounts can be accessed at any time and are risk free.

### *Plans for Future Periods*

The Maltby Learning Trust will continue to strive to improve levels of performance for all children by recruiting and retaining a talented workforce across all its Academies and providing Personalised Professional Learning and Development (PPLD) for all teaching and support staff in the Trust.

As a potential sponsor of academies with plans for further growth over the next academic year, capacity building in advance of need is key. The Trust will continue to review potential capacity across the Academies and engage with new partners as appropriate to supplement the experience and expertise.

As the Learning Trust continues to grow, the opportunity to share specialist resources and staffing will increase resulting in potential economies of scale. The Trust Board are committed to working within a 3/5 year budget forecast considering projected student numbers, staffing profile and the changing National funding framework.

### *Funds held as Custodian Trustee on behalf of others*

The Trust does not hold any funds on behalf of other organisations.

### *Auditor*

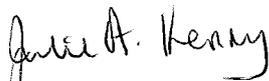
Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

### *Statement as to disclosure of information to auditors*

In so far as the Directors are aware:

- There is no relevant audit information of which the company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Directors of the Trust on 11 December 2014 and signed on its behalf by:



**J. Kenny CBE DL**  
Chair of Board

# Maltby Learning Trust

## GOVERNANCE STATEMENT

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### *Scope of Responsibility*

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

The Board has delegated the day-to-day responsibility to the 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 Maltby Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

### *Governance*

The information on governance included here supplements that described in the Directors' Report and in the Directors' Responsibilities Statement. The Board has formally met six times during the year. Attendance during the year at meetings of the Board was as follows:

### *Board Membership*

Director	Meetings Attended	Out of a possible
J. Kenny	6	6
P. Martin	4	4
M. Beck	5	6
A. Phillips	2	4
R. Belcher	6	6
S. Shepherd	3	4
A. Rushforth	3	6
D. Horrigan	4	4
D. Sutton	6	6
A. Pickles	2	2
S. Clarkson	1	2
K. Thompson	1	2
J. Fletcher	2	2
R. McNabb	1	2
J. Jarvis	2	2
C. Simmonds	2	2
R. McRobbie	2	2

# Maltby Learning Trust

## GOVERNANCE STATEMENT

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The Staffing, Resources, Finance and Audit Committee reports directly to the Board. Its purpose is to meet on six occasions during the financial period to monitor and evaluate the Trust's budget, staffing establishment and general resources expenditure. The committee is also established to receive internal and external audit information prior to this being discussed at the Board meetings.

Specific responsibilities of the committee include:

### *Staffing*

To consider all staffing and personnel issues, working with the Executive Principal and other leaders to determine the staffing structure to meet the respective Academy's needs. To review the appointment of new staff, including Director/Governor representation on appointment panels and review all policies regarding staffing.

### *Resources*

To support the respective local governing bodies in ensuring that the procurement of goods and services in support of its buildings, ICT, other equipment and educational resources meets the requirements set out in the financial handbook.

### *Finance*

To consider the respective Academy's indicative funding, receive initial draft budgets and review management accounts on a monthly basis. Consider service level agreements with third party suppliers and make recommendations on behalf of the Board/Local Governing Body about on-going arrangements.

### *Audit*

To consider the external and internal audit reports and report to the full Governing Body key actions required to make improvement.

### SRFA Membership

Governor	Meetings Attended	Out of a possible
J. Kenny	3	6
C. Simmonds	5	6
J. Jarvis	5	6
J. Fletcher	6	6
R. Belcher	2	3
D. Sutton	6	6
S. Hosier	2	3
A. Phillips	1	3

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage

# Maltby Learning Trust

## GOVERNANCE STATEMENT

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them efficiently, effectively and economically. The system of internal control has been in place in the Maltby Learning Trust for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

### ***Capacity to Handle Risk***

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

### ***Risk Management***

The Trust has procedures and systems in place for the review of risks, they put in place a 'Task and Finish' Group to review the individual Academy Risk Registers and consolidated Trust Risk Register. This arrangement put in place a separation of duties from the remit of the SRFA Committee, prior to the establishment of a separate Audit Committee following the transfer of additional schools into the Trust during 2014-15.

Risks are reviewed at Leadership and committee level before being considered by the Trust. The Trust considered a number of risks and mitigation to reduce the Trust to exposure. Significant risks to the Trust include:

- Loss of key personnel from within the individual organisations;
- Financial risk associated with changes in government funding and fall in demographics;
- Recruitment of students into post-16 education to ensure the breadth of the curriculum offer;
- Funding levels for Maltby Redwood Academy, due to the pension deficit and small number on roll at transfer;
- Lack of funding available to meet the Academy's vision for the development of Block B2 (former Grammar School building)

### ***The Risk and Control Framework***

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

- the appointment of an Accounting Officer;
- the appointment of a Chief Financial Officer;
- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board ;
- regular reviews by the Staffing, Resource, Finance and Audit 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.

# Maltby Learning Trust

## GOVERNANCE STATEMENT

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### *Financial and Risk Management Objective and Policies*

The Trust has considerable reliance on continued government funding through the Education Funding Agency (EFA). In the financial period 2013/14, the majority of the Trust's revenue funding was public funded and is expected to continue in this way. There is no assurance that the current levels of funding will be maintained at the same levels. This risk is mitigated in a number of ways:

- Ensuring that the Trust continues to provide a high quality education;
- Consideration of Government consultation and likely impact of any changes to funding formula;
- Continual review of student numbers, considering future demographics;
- Effective budget forecasting, with Directors putting in place 5-year plans;
- Review of comparative information, using the EFA Abbreviated Accounts Return (AAR) benchmarking data to support the decision making process.

The Trust's key financial objectives are to:

- Achieve a slight annual operating surplus;
- Pursue alternative sources of funding;
- To generate sufficient levels of income to support the Trust's principal objectives;
- To fund continued capital investment opportunities

### *Principal Risks and Uncertainties*

The Trust has undertaken further work during the year to develop and embed systems of control, including financial, operational and risk management which is designed to protect the Trust's assets and reputation. To support this process the Board has put in place a 3 year internal audit plan and commissioned the services of Baker Tilly Risk Advisory Services LLP to undertake a review of practices and procedures. During the financial period, Baker Tilly RAS undertook a review of the following priorities identified by the Board:

1. Follow up to previous Internal Audit recommendations
2. Data protection and security of assets
3. Strategic financial planning and budget setting

Directors and Governors undertake periodic review of the risks to which the Trust and its Academies are exposed. They identify systems and procedures, including specific preventable actions to mitigate any potential impact on the Trust. A risk register is maintained by each Academy and is currently reviewed by Committees and the Trust.

In the financial period, Maltby Academy continued to work with RMBC, Capital Project Manager, and appointed contractor, BAM Construction Ltd., to review risks associated with the capital building programme.

### *Review of Effectiveness*

As accounting officer, the CEO/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 internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

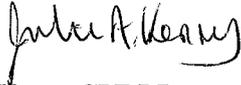
# Maltby Learning Trust

## GOVERNANCE STATEMENT

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

Approved by order of the Directors of the Board on 11 December 2014 and signed on its behalf by:



**J. Kenny CBE DL**  
Chair of MLT Board



**D.L. Sutton**  
Accounting Officer

# Maltby Learning Trust

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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As accounting officer of Maltby Learning Trust I have considered my responsibility to notify the Trust Board 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 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 Trust Board are able to identify any material irregular or improper use of funds by the trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy 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.



**D. L. Sutton**  
Accounting Officer

**11 December 2014**

