



## Oxford Diocesan Schools Trust

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Company no: 8143249  
<http://www.odst.org.uk/>

**THE COMPANIES ACT 2006**  
**& COMPANIES (REGISTRATION) REGULATIONS 2008 (SI 2008/3014)**

A COMPANY LIMITED BY GUARANTEE

MEMORANDUM OF ASSOCIATION  
OF  
OXFORD DIOCESAN SCHOOLS TRUST

**Winckworth**  
Sherwood

THE COMPANIES ACT 2006  
& COMPANIES (REGISTRATION) REGULATIONS 2008 (SI 2008/3014)

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SCHEDULE 2

A COMPANY LIMITED BY GUARANTEE

Regulation 2(b)

MEMORANDUM OF ASSOCIATION OF

**Oxford Diocesan Schools Trust**

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company.

*Name of each subscriber    Authentication by each subscriber*

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The Right Reverend Alan Thomas Lawrence Wilson (Bishop of Buckingham)

The Reverend Mary Ann Harwood

Oxford Diocesan Board of Education (by hand of its Director, Mrs Anne Davey)

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Department  
for Education

Dated 13 July 2012





**Oxford Diocesan Schools Trust**  
**(A company limited by guarantee)**

**Annual Report and Financial Statements**  
**For the year ended 31 August 2017**

**Registered number: 08143249**

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## **Oxford Diocesan Schools Trust**

### **Reference and Administrative Details of the Academy, its Trustees and Advisers**

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#### **Members**

Oxford Diocesan Board of Education  
 The Revd M A Harwood  
 The Right Revd A Wilson  
 Mrs K M Winrow

#### **Trustees**

Ms S Appleby (appointed 1 October 2016)<sup>1</sup>  
 Sir C Booth, Chair of Finance Committee <sup>1</sup>  
 Dr P Chadwick  
 Revd Canon B D Clover  
 Mrs F Craig (appointed 1 July 2017)  
 Mrs J A Davey, Accounting Officer<sup>1</sup>  
 Revd D A Daffern (appointed 1 January 2017)  
 The Right Revd C Fletcher (appointed 1 October 2016)  
 Mr R Ireson (resigned 1 December 2017)<sup>1</sup>  
 Mrs P Pritchard  
 Revd Dr J Reader  
 Mrs A M A F Von Stackelberg  
 Mrs K M Winrow, Chair of Board of Trustees

<sup>1</sup> Member of Finance Committee

**Registered Company Number**  
 08143249

#### **Principal and Registered Office**

Church House Oxford  
 Langford Locks  
 Kidlington  
 Oxford  
 OX2 0NB

#### **Chief Executive Officer**

Mrs J A Davey

#### **Senior management team**

Mrs J A Davey, Chief Executive Officer  
 Mr D J Locke, Chief Operating Officer and Finance Director  
 Mr D Cousins, Director of Schools

#### **Independent Auditor**

haysmacintyre  
 26 Red Lion Square  
 London  
 WC1R 4AG

#### **Bankers**

Lloyds Bank plc  
 PO Box 1000  
 BX1 1LT

#### **Solicitors**

Lee Bolton Monier-Williams  
 1 The Sanctuary Westminster  
 London  
 SW1P 3JT

## Oxford Diocesan Schools Trust

### Trustees' Report for the year ended 31 August 2017

The Trustees (who are also the Directors of the Company under company law) present their Annual Report together with the audited financial statements of the Oxford Diocesan Schools Trust (the "Trust") for the period from 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a Strategic Report under company law.

At 31 August 2017, the Trust operates 27 primary Academies in the area covered by the Oxford Diocese (which covers Berkshire, Buckinghamshire, Oxfordshire and Milton Keynes), with a combined pupil capacity of 5,728 and 5,161 pupils currently enrolled based on the January 2017 school census.

#### Structure, governance and management

#### CONSTITUTION

The Oxford Diocesan Schools Trust (the "Trust") is a private company limited by guarantee with no share capital and is an exempt charity. The Trust's memorandum and articles of association are the primary governing documents of the Trust. Members of the Trust are the Diocesan Board of Education (acting corporately), the subscribers to the memorandum who were two individual Members of the Diocesan Board of Education and there may be up to five other persons appointed by the Diocesan Board of Education. In addition, the Members, with the consent of the Diocesan Board of Education, may agree unanimously to appoint additional Members.

Details of the Trustees who served during the period are included in the Reference and Administrative Details on Page 3.

The Oxford Diocesan Schools Trust was incorporated on 13 July 2012. It is a Multi-Academy Trust and has in place a Master Funding Agreement with the Department for Education and separate Supplemental Funding Agreements in respect of each academy within the Trust.

There were eighteen academies within the Trust at 31 August 2016 as follows.

- John Henry Newman Academy, Oxford
- Grove CE Primary School
- The Hendreds CE Primary School
- St Christopher's CE Primary School, Oxford
- Wheatley CE Primary School
- St Peter's CE Middle School, Old Windsor
- Burchetts Green CE Infants School
- St Luke's CE Primary School, Maidenhead
- St Peter's CE School, Alvescot
- St Christopher's CE Primary School, Langford
- The Blake, CE Primary School, Witney
- Bampton CE Primary School
- North Leigh CE Primary School
- Burford CE Primary School
- The Batt CE Primary School, Witney
- St Mary's Infants School, Witney
- Brize Norton Primary School
- Holyport CE Primary School, Maidenhead

During the 2016/17 year a further 9 academies joined the Trust:

- |  |                 |
|--|-----------------|
| • Dr South's CE Primary, Islip             | 1 January 2017  |
| • Tackley CE Primary                       | 1 January 2017  |
| • St Mary's CE Primary Academy, Datchet    | 1 January 2017  |
| • Leafield CE Primary                      | 1 February 2017 |
| • Wroxton CE Primary                       | 1 April 2017    |
| • Dr Radcliffe's CE Primary, Steeple Aston | 1 June 2017     |
| • South Moreton Primary                    | 1 June 2017     |
| • Deddington CE Primary                    | 1 July 2017     |
| • Kidmore End Primary                      | 1 August 2017   |



## **Oxford Diocesan Schools Trust**

### **Trustees' Report for the year ended 31 August 2017 (continued)**

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#### **MEMBERS' LIABILITY**

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

#### **TRUSTEES' INDEMNITIES**

Subject to the provisions of the Companies Act 2006, every Trustee or other officer or auditor of the Trust is indemnified out of the assets of the Trust against any liability incurred by him/her in that capacity in defending any proceeding whether civil or criminal, in which judgment is given in favour or in which relief is granted to him/her by the court from liability for negligence, default, breach of duty of trust in relation to the affairs of the Trust.

The Trust has opted into the Department of Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover insurable losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees' and officers' indemnity element from the overall cost of the RPA scheme.

#### **PRINCIPAL ACTIVITIES**

The Trust's principal activity during the period was the provision of schools both with and without a designated Church of England religious character, offering a broad and balanced curriculum. The schools serve children aged from 3 to 14.

#### **METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

Up to twelve Trustees are appointed to the Board by the Members. In addition, the Chief Executive Officer (CEO) and the Diocesan Director of Education (DDE) are trustees. The Trustees, with the consent of the Diocesan Board of Education, may appoint up to two Trustees for such term up to a maximum of four years and upon such conditions as they shall think fit. Trustees (with the exception of co-opted and ex officio Trustees, including the CEO) are appointed for a period of four years but are eligible for reappointment provided the necessary criteria are met in each case.

Each academy within the Trust has an advisory body, as required by the Master Funding Agreement. These are called Local Governing Bodies ("LGBs") and their functions are set out in a scheme of delegation by the Trust. Members of the LGBs are appointed primarily by the Trustees (with some exceptions allowing for the election of parent representatives etc.) and are accountable to the Trustees accordingly. The Trustees are also entitled to sit on the LGBs in an ex officio capacity.

Trustees are appointed by Members of the Charitable Company. A minimum of five and a maximum of twelve should be appointed.

- The skill set of existing Trustees is regularly recorded and audited;
- New Trustees are sourced from LGBs if possible and from the Diocesan area
- Members meet the Board of Trustees to consider recommendations

In addition, committees of the Board have co-opted members from LGBs.

The Trust has a Nominations Committee with a remit to scrutinise the skill set of existing trustees of the Board and to identify potential new trustees as appropriate, to recommend to Members for appointment. The Trust also has an Audit Committee, with some externally appointed members to ensure the highest standards of scrutiny.

## **Oxford Diocesan Schools Trust**

### **Trustees' Report for the year ended 31 August 2017 (continued)**

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#### **POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

All Trustees are provided with the Trust's governing documents (i.e. the Memorandum and Articles of Association) as well as access to the Master Funding Agreement and Supplemental Funding Agreements for the Academies. The Trustees are further provided with minutes, accounts, budgets and other documents relating to the Trust. In addition, relevant documentation issued by the Department for Education, the Charity Commission and their professional advisers as necessary are provided to enable the Trustees to meet their legal obligations and follow best practice in respect of their role as Trustees (and Company Directors,) for example the Academies Financial Handbook. Further, Trustees are encouraged to make visits to the Academies within the Trust, and to attend leadership briefings and the leadership conferences, so they can meet headteachers and local governing body members in both a formal and an informal context. This year the Board held a strategy day, facilitated externally and trustees have access to a governor-only area of the website and are offered regular opportunities for training, both internal and external.

#### **ORGANISATIONAL STRUCTURE**

The Board of Trustees governs the activities of the Trust and oversees the work of each academy's LGB. The structure consists of the Board and five subcommittees; Finance, Curriculum & Ethos, Academy Improvement, Pay & Personnel and Nominations. The Trustees are also ultimately responsible for the strategic direction of the Trust ensuring that its aims are met and its ethos maintained. Specifically, this includes setting general policy, adopting an annual plan and budget, monitoring the Trust's financial performance and educational outcomes. The Trustees are also responsible for setting general policy and making major decisions about the direction of the Trust.

As briefly outlined above, the LGBs oversee the work and outcomes of individual academies within the Trust. These are made up of a mix of local people including staff, parents and sponsor nominees acting as a critical support to the Principal and the academy. They will review the overall impact of each academy amongst the community it serves and ensures the Trust's ethos remains as the core value.

The Senior Leadership Team of the Trust are the CEO, the Director of Schools and the Chief Operating Officer and Finance Director. They lead and manage the Trust, setting strategy and implementing policy in conjunction with the Board of Trustees generally. Headteachers and Deputy Headteachers, as employees of the Trust, lead and manage the individual academies.

#### **ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL**

The trust is concerned to ensure that it recruits and retains high quality senior management whilst ensuring value for money. The Pay & Personnel committee regularly reviews the terms and conditions for senior management, benchmarking as appropriate against other comparative data for comparable employers. Senior management are also held accountable for achieving objectives that are in accordance with the plan and priorities agreed with the Board of Trustees.

#### **CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

Save as outlined below and as permitted by the Articles of Association, no Trustee received any remuneration in respect of their services as a Trustee during the year, nor for any other work undertaken on behalf of the Trust.

The Trustees are appointed in accordance with their skills and experience each can offer to the Trust. Some are drawn from sponsoring organisations, employers or other organisations which from time to time have dealings with the Trust in the course of their work, particularly in respect of other schools and academy trusts. All transactions between any Trustee's employers and/or organisations and the Trust were carried out at arm's length and all material transactions were at standard rates. A register of each Trustee's business interests is also maintained.

During the period, the Trust obtained a number of essential support services from the Oxford Diocesan Board of Education (a corporate member of the Trust) at a cost of £120,527 (2015/2016: £81,268 ). These services included the services of the CEO, education advisers and other support services which are procured in order to obtain the benefit of economies of scale from a larger organisation.

## **Oxford Diocesan Schools Trust**

### **Trustees' Report for the year ended 31 August 2017 (continued)**

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#### **Objectives and Activities**

##### **OBJECTS AND AIMS**

The Trust's object is specifically restricted to:

Advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balanced curriculum and which shall include:

- (a) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England including any trust deed governing the use of land used by an academy both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant Funding Agreement) and having regard to any advice and following directives issued by the Diocesan Board of Education; and
- (b) other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual character and respect the different background of each and its links to the local community which it serves.

##### **OBJECTIVES, STRATEGIES AND ACTIVITIES**

At the heart of the vision for academies in the Trust is a belief in educational excellence. It is the strategic objective of the Trust to create a family of outstanding academies. This covers a range of potential 'predecessor' schools: good schools looking for a group option (including schools from particular geographical areas which may be converting together,) schools which are graded by Ofsted as "Requires Improvement", schools which require more 'hands on' sponsorship and brand new schools.

In summary, the Trust is:

- dedicated to achieving excellence in education;
- inclusive and diverse, open and welcoming;
- promoting a rich and creative curriculum;
- creating rewarding places to work; and
- supporting communities.

##### **PUBLIC BENEFIT**

As set out in the objects in the Articles of Association, the Trust is dedicated to advancing education for the public benefit and in so doing it serves pupils, staff, parents and their local communities by providing academies with the highest levels of academic rigour and pastoral care, with opportunities provided for spiritual growth and intellectual enquiry.

The Trust seeks to embody the Christian experience of community by establishing and running academies which themselves become communities where gifts can be shared where the emphasis is on what can be contributed, rather than what can be received, and where each is given according to need. The Trust's academies are places where children and young people can learn the value of service and of human endeavour, where they can be sure they are valued for who they are and where they can be supported to be the best they can be.

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

## Oxford Diocesan Schools Trust

### Trustees' Report for the year ended 31 August 2017 (continued)

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#### Strategic Report

#### ACHIEVEMENTS AND PERFORMANCE

The Trust welcomed 9 new schools during the accounting period: These are:

- Dr South's CE Primary, Islip
- Tackley C EPrimary
- St Mary's CE Primary, Datchet
- Leaffield CE Primary
- Wroxton CE Primary
- Dr Radcliffe's CE Primary, Steeple Aston
- South Moreton School
- Deddington CE Primary
- Kidmore End Primary

These schools collectively educate around 1,450 pupils, so the total number of pupils in ODST schools at the end of the accounting period is approximately 5,300. We have, or are awaiting, academy orders for a further nine schools in 2017-18 and have prepared for this expansion with improved systems and additional central posts.

We have rolled out the implementation of a trust-wide HR management system which enables HR and payroll to be managed by a single provider, with the aim of greater efficiency. This system in phase one has improved our ability to scrutinise staff absence and expenses, thereby ensuring the Trust continues to deliver value for money.

We have expanded our CPD programme to support our teachers and leaders to drive school improvement.

During the accounting period we offered:

- Termly peer-to-peer networks allowing teachers to strengthen their English, mathematics, science and humanities teaching; moderation skills, and Early Years' leadership
- Termly leadership conferences which gave our 27 headteachers and their deputies a regular, focused chance to learn from each others' experience
- A Target Tracker 'champion' programme which trained one individual for every school, plus 20 EYFS leaders, 20 school leaders and 29 governors, to ensure a robust, best-practice-led approach to using progress and attainment data
- Our Aspirant Leaders course, in partnership with Oxford Brookes, which developed the leadership capabilities of 11 of our early-career teachers.

We have reviewed and strengthened the internal financial controls operating at both individual academy and at central MAT level. This has included the introduction of a "traffic light" system for monitoring finances and health and safety in our school sites.

We have recruited additional personnel to our central staffing capacity, in light of the increased number of schools in the Trust. A new post of Senior Schools Adviser has been created, alongside additional finance and administrative roles. We have also now engaged our CEO on a full-time basis.

Pupil absence in our schools overall remains below the primary school national average of 4.0%, and we have continued to work with specific schools and communities to take action if there is a variance from this generally positive picture.

Academic performance in our schools remains strong on the whole, with 75% of our schools with a Year 6 cohort posting KS2 results which were higher in 2017 compared to 2016. We remain committed to improving pupil outcomes in all our schools. One of our infant schools, St Peter's in Alvescot, submitted a proposal to the Secretary of State and was granted consent to move to a full primary school status. It will admit its first KS2 pupils in Sept 2017. St Luke's Primary School in Maidenhead was likewise granted consent to admit nursery age children from Sept 2017. Four trust schools were subject to an Ofsted inspection during 2016-17, with two schools being judged up one grade from the previous inspection, and two schools given a lower rating than before. The Hendred's CE School was judged outstanding in all areas, for the first time in its history. The inspector commented:

*"The Oxford Diocesan Schools' Trust provides valuable support to the school. An audit of provision for the most able pupils ensured that senior leaders have the right emphasis on securing success for this group. Emerging*

## Oxford Diocesan Schools Trust

### Trustees' Report for the year ended 31 August 2017 (continued)

*middle leaders and aspiring senior leaders benefit from training that further strengthens the leadership of the school."*

#### GOING CONCERN

Based on the budget and cash flow, the Trustees have a reasonable expectation that the Trust and the academies currently within it have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trustees continue 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 Statement of Accounting Policies in note 1 to the financial statements.

The Balance Sheet also recognises a £10,587,000 (2016: £8,742,000) defined benefit pension scheme liability as required by the relevant accounting standards. This liability arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Trust. The Trust is not currently required to make accelerated payments to meet this liability, but, were arrangements to change, the Trust would have difficulty in making such payments without its public funding being adjusted to meet this liability and the Trust would then expect that cost to be covered by its public funding alongside all other reasonable costs of the education it provides. The Trustees, in any case, have noted that the Government has provided a guarantee that in the event of an academy closure, any outstanding Local Government Pension Scheme liabilities would be met by the Department for Education.

In judging therefore whether the Trust is a going concern, the Trustees note that at the end of the financial period, whilst the total funds of the Trust stood at £11,885,239 (2016: £9,649,953), the more relevant figure is the net current assets of the Trust (which exclude the fixed assets and the defined benefit pension scheme liability) of £3,124,312 (2016: £2,496,491).

The trustees are pleased to report that they believe the Trust is in good financial health and is an active going concern. They base this on the evidence of a positive cash flow (cash balance at year end of £3,435,339), and the setting of a balanced budget for 2017/18. The finance team regularly manage and update a rolling 12-month cash flow forecast, which supports this assessment.

#### KEY FINANCIAL PERFORMANCE INDICATORS

As well as monitoring educational improvement the Board also monitor other key performance indicators.

In terms of key financial indicators, the Board have monitored carefully the operational financial position (actual of 0.9% annual surplus vs > 0.3% budgeted annual deficit) and cash balances (actual of 1.4 months' operational expenditure compared to > 1.5 months target). The Board are pleased that actual performance is in line with targets set.

The Trustees' medium term aim is to balance the Trust's budget in year and to build sufficient reserves to protect its schools against the financial impact of unplanned costs such as urgent and unforeseen capital repairs. However, they are also mindful that this must be balanced by the responsibility to use the public funds delegated to them for the benefit of the pupils currently on roll in the Trust's schools, and to ensure that all balances held, whether by the Trust itself or by its schools, have a clearly identifiable, transparent and documented purpose.

The Trust's Funding Agreement is not subject to a specific carry forward limit on the amount of GAG funding, the main financial performance indicator is the level of reserves held at the balance sheet date and, in particular, the amount of GAG funding carried forward at the balance sheet date. At 31 August 2017, the balance of the GAG Restricted Fund was £292,464 (2016: £434,569 ).

After adjusting for the transfer of the Local Government Pension Scheme (LGPS) deficits inherited on conversion and the further FRS102 adjustments to the LGPS deficit in the period, the Trust made a deficit for the year on its restricted general funds of £611,501 (2016: deficit of £992,122). This deficit was then funded via a transfer of funds of from the Trust's unrestricted funds of £1,276,126, thereby giving a surplus carried forward on the restricted general funds, excluding the pension reserve, of £1,386,604. This surplus consists substantially of educational grants received in the year ended 31 August 2017. The expenditure that will be funded by these grants will fall largely in the 2016/17 financial year although some may be held over until the following year if the Trust's budget plans require it.



## Oxford Diocesan Schools Trust

### Trustees' Report for the year ended 31 August 2017 (continued)

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#### Financial review

#### REVIEW OF ACTIVITIES

The Trustees approved an overall budget for the period from 1 September 2016 to 31 August 2017. The Trust monitors finances on a regular basis to ensure budgets are achieved. It also ensures that measures are in place to verify that all funds and grants are used for the purposes for which they were applied for or given, and to ensure the ongoing viability of the Trust and its academies.

The Trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during the year ended 31 August 2016. While the Statement of Financial Activities sets out the income and expenditure of these various funds for the year, this includes a number of one-off items of income and expenditure associated with those Academies that joined the Trust during the year as well as FRS102 pension costs adjustments and depreciation charges. In terms of the operational result of the Trust for the year ended 31 August 2017, the total operational income, being total income excluding income recognised on new schools joining the academy trust, was £22,947,090 (2015/2016: £17,541,223) and the total operational expenditure, being total expenditure less amounts recognised in respect of transfers from existing academy trusts and capital expenditure treated as grants to Site Trustees in the year, was £22,917,382 (2015/2016: £17,478,318), thereby giving rise to an operational surplus for the year of £29,708 (2015/2016: surplus £62,905)

#### Restricted General Fund

The majority of the Trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Trust's charitable activities, being its educational operations. General Restricted Fund income for the year was £19,023,845 (2015/16: £14,555,619); expenditure against these funds was £23,190,346 (2015/2016: £17,070,741), giving a restricted revenue fund deficit for the year of £4,166,501 (2015/2016: deficit of £2,515,122) before transfers to the Restricted Fixed Asset Fund and actuarial gains and losses on the defined benefit pension scheme. This deficit includes net defined benefit pension scheme liabilities transferred to the Trust from the Academies that joined the Trust during the year of £2,450,000 (2016: £1,083,000) and a further pension cost adjustment under FRS102 of £1,105,000 (2016: £440,000). Excluding these pension scheme liabilities and adjustments, the deficit on the General Restricted Fund for the year was £611,501 (2016: deficit of £992,122).

#### Unrestricted Funds

Income received into the Unrestricted Fund was £1,914,102 (2016: £1,496,192), of which £378,391 (2016: £397,687) related to funds inherited from the Local Authorities on conversion. Expenditure against the fund was £81,917 (2016: £185,091) for the period, which was reduced by £165,600 in respect of funds acquired from an existing academy trust, giving an Unrestricted Fund surplus for the year of £1,832,185 (2016: £1,311,101).

#### Restricted Fixed Asset Fund

The Restricted Fixed Asset Fund balance is reduced by the annual depreciation charge over the expected useful life of the assets concerned in line with the Trust's depreciation policy and capital expenditure treated as grants to Site Trustees at church schools. Income received into the fund included the value of the assets transferred from the academies that have joined the Trust this year was £4,384,706 (2016: £5,379,192). There is a £2,859,602 (2016: £6,004,051) Restricted Fixed Asset Fund period end surplus after transfers between funds.

The total fund balances as at 31 August 2017 were £11,885,239 (2016: £9,649,953). This comprises £1,663,522 (2016: £1,107,463) in Unrestricted Funds, £9,200,396 deficit (2016: deficit of £8,020,021) in Restricted General Funds (after accounting for defined benefit pension scheme deficit of £10,587,000 (2016: £8,742,000), and £19,422,113 (2016: £16,562,511) in Restricted Fixed Asset Funds.

The Trust's assets were predominantly used for providing education to school pupils and for extended services.

## **Oxford Diocesan Schools Trust**

### **Trustees' Report for the year ended 31 August 2017 (continued)**

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The net book value of the Trust's tangible fixed assets was £19,347,927 (2016: £15,895,462) at 31 August 2017 and the movement in this account is detailed in note 12 to the financial statements. The majority of this is represented by the value of the assets transferred to the Trust from the Academies joining the Trust since its incorporation.

The Trust occupies land and buildings which are provided to it and owned by various land trustees ('the Site Trustees'). The Trust occupies this land and buildings under the terms of Church Land Supplemental Agreements between the Oxford Diocesan Board of Education, the Site Trustees and the Trust, which provide the Trust with the right to use the land and buildings of the Academies for an indefinite period, subject to a 2-year termination notice period, which amounts to a mere licence. The National Society of the Church of England and others have challenged this guidance and the ESFA have responded by saying Trustees should review the ESFA guidance in reaching their own conclusions and must then provide enhanced disclosure. The Trustees continue to consider that prudence requires the exclusion from the balance sheet of land and buildings that are not beneficially owned. An enhanced disclosure has been given in the note 12 of the financial statements.

On conversion the land and buildings occupied by South Moreton School were assigned to the academy trust under 125 year leases. The fair value of the associated land and buildings totaling £2,359,351 were recognised in accordance with estimated values approved by the Trustees.

The Trust also has 125 year leases from Oxfordshire County Council and the Royal Borough of Windsor and Maidenhead for the playing fields of the various academies, which were transferred to the Trust on conversion. The Trustees have made an assessment of the value of this land on conversion based on the valuations commissioned by the Education Funding Agency and on the basis of estimated values approved by the Trustees.

Cash in hand at 31 August 2017 was £3,435,339 (2016: £2,616,749).

#### **FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

Our financial objectives include ensuring that every academy within the Trust and the Trust's central administration set and maintain viable budgets to ensure long term financial stability of the Trust. Budget plans for the Trust's central activities are planned on a five year rolling basis, and are monitored and amended to ensure continuing viability under changing circumstances.

Budget plans for academies within the Trust are monitored and amended in consultation with the Finance Director to ensure viability over a three-year rolling timescale, taking into account changes in funding levels arising from pupil number changes or other funding factors. Cash flow is monitored monthly at a Trust and individual academy level. An internal Financial Procedures Manual has been published and issued to the Trust's academies which requires compliance with procedures designed to manage and protect the Trust's funds, and ensure that they are authorised at appropriate levels and used appropriately.

#### **RISK MANAGEMENT**

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the development of new buildings, the opening of academies, teaching, provision of facilities, and other operational areas of the academies and their finances. The risk register is reviewed regularly by the Trustees and key members of staff. The Trustees take insurance against many of the financial risks impacting the Trust. The Trustees approach is set out in a separate Financial Handbook which is undergoing further review and development.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

##### **Principal Risks and Uncertainties**

The Board of Trustees has a risk management process to identify and monitor those risks faced by the Trust. A risk register with greater emphasis directed towards higher risk areas is in place and reviewed regularly. The principal risks and uncertainties facing the trust are identified as being:

## **Oxford Diocesan Schools Trust**

### **Trustees' Report for the year ended 31 August 2017 (continued)**

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#### **School Standards**

The continuing success and reputation of the Trust are predicated on continuing to improve outcomes for children and young people, and to enable all our pupils to make progress in their learning.

To mitigate the risk that we may fail to achieve our aims, the Trustees ensure that they themselves have sufficient skills and experience to hold the Trust to account; we ensure that the central school improvement function is well resourced both by officers and an appropriate revenue budget and that its effectiveness is monitored both in detail at committee level and at the full Board. We encourage trustees to know and visit schools.

We ensure that pupil outcomes are at the heart of all decision making and we set the highest expectations. We have robust systems, high quality staff and mechanisms for direct intervention should this be needed. Trustees monitor standards using a range of soft and more formal measures. The support, training and development of current and future leaders are also a key activity, and Trustees work to plan for the succession of key posts where possible.

#### **Finances**

Trustees understand that the Trust's effectiveness is ultimately limited by its funding. We are almost wholly reliant on government funding through the ESFA (in 2016-17: 90%) of the Trust's incoming resources was government funded (excluding amounts transferred on school conversion from local authorities.) Trustees recognise the importance of a flexible and dynamic approach to budgeting to be able to respond to unexpected local events, changes to government policy or practice, and to develop in the most effective way to make the greatest difference. We also recognise there is no assurance that government funding levels will continue on the same terms or at the same level. We mitigate risk by working to build up small surpluses when possible at both local and central budget levels, and to analyse costs carefully at all times, to ensure value for money; taking advantage of the economies of scale possible in a large and growing trust, whilst empowering local management of delegated funds to encourage careful husbandry in individual cases. Due diligence is completed on each school applying to join the Trust, to ensure no school joins needing funds the Trust cannot provide, and strong financial controls, using an integrated finance package, are in place to ensure existing schools are supported with proper budget monitoring. Trustees regularly review central staffing levels as the Trust grows to ensure central finance staffing remains sufficient to support schools effectively. Trustees also ensure insurance arrangements are in place.

There are a series of controls in place to minimise the risk of fraud or financial mismanagement at a transactional level; each school is required to adhere to the processes outlined in the Financial Procedures Manual and the central team actively check this is complied with when visiting school sites. This activity is reported regularly to the Finance committee. Regular training is provided to finance staff to keep them up-to-date and develop their skills.

#### **Health & Safety and Safeguarding Risks**

Trustees continue to ensure the maintenance of high standards in the area of selection and monitoring of staff, maintenance of single central records, the setting of policies and operation of procedures in the area of safeguarding and child protection, and take both legal and HR advice regularly as appropriate.

The physical safety and suitability of sites is monitored annually and Trustees ensure the appropriate follow-up actions are carried out should any causes for concern be identified. Capital funding decisions are made mindful of the need to minimise risk in this area. Contingency and emergency plans are in place and regularly reviewed for a number of eventualities.

#### **RESERVES POLICY**

The Trust's budget plan has been developed to ensure that reserves are maintained within the reserve policy guidelines agreed with the Finance Committee and Board. Reserves are maintained to provide an appropriate level of working capital, to invest appropriately in infrastructure for the future and to provide a contingency against unforeseen cost and liabilities that might arise. The level of reserves held will be reviewed annually by the Board of Trustees to ensure that it is adequate but not excessive. It is assessed that in the medium term liquid reserves should be developed to equate to at least two months of budgeted operating expenditure. At the year-end liquid reserves were equal to 1.5 months (2016: 1.6 months) months of budgeted operating expenditure.

The Trust also proposes to look at setting aside reserves to enable it to support schools which have unexpected and exceptional needs. This will be considered as part an on-going budget review process.



## **Oxford Diocesan Schools Trust**

### **Trustees' Report for the year ended 31 August 2017 (continued)**

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#### **INVESTMENTS POLICY**

The Trust has no investments other than balances held in current accounts at Lloyds bank for the Trust itself and its schools. We do not anticipate having sufficient surplus funds for investment in the next year, and so we are developing a formal investment policy for implementation during 2018-19 and onwards. At that time full consideration will be given to the extent to which social and ethical considerations will influence investment decisions.

#### **Plans for future periods**

#### **FUTURE DEVELOPMENTS**

The Trust Board intends to develop further its hub system for schools. The aim of this is to support schools more effectively to work in regional groups, and thus raise pupil outcomes. It also enables best practice to be shared and so helps to develop staff. We also want to explore how to support schools to get the best value from a large regional organisation, whilst retaining close personal relationships at a more local level and will make seed-corn funding available from the central budget to enable the initial development phase. There will be subsequent review and modelling and a second phase of development in future years.

We also intend to roll out of phase two of the HR management system to enable an integrated approach to performance management of staff. Further developments are intended in the central staffing structure to ensure the continued expansion plans of the Trust can be well supported by appropriate infrastructure. We are intending to implement a computerised asset management system to streamline our fixed asset register, and to undertake further development work on our health and safety systems. This is intended to simplify processes at school level and enable better scrutiny of health and safety issues by Trustees, thus delivering best value for money.

We intend to continue to improve our CPD offer to ODST staff, and plan to employ a communications and events officer to coordinate this work.

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

Neither the Trust nor its Trustees are acting as custodian trustee on behalf of others.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

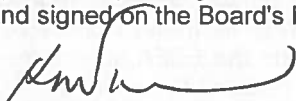
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as each Trustee is aware, there is no relevant audit information of which the Trust's auditor is unaware, and
- that each Trustee has taken all the steps that ought to have been taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

#### **AUDITORS**

haysmacintyre continue to be appointed auditors to the charitable Trust in accordance with section 487(2) of the Companies Act 2006.

This report, incorporating the Strategic Report, was approved by order of the Board of Trustees on 4 December 2017 and signed on the Board's behalf by:



**Mrs K M Winrow**  
**Chair of the Board of Trustees**

## Oxford Diocesan Schools Trust

### Governance Statement

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In accordance with the Articles of Association, the Charitable Trust has adopted a scheme of governance approved by the Secretary of State for Education. The scheme of governance specifies, amongst other things, the criteria for appointing local governors and that the curriculum should comply with the substance of the national curriculum.

#### SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the 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:

Trustees	Meetings Attended	Out of a Possible
Ms S Appleby	5	6
Sir C Booth	5	6
Dr P Chadwick	2	6
Revd Cannon B D Clover	6	6
Revd Dr M Daffern	2	4
Mrs J A Davey	4	6
The Rt Revd C Fletcher	2	5
Mr R Ireson	2	2
Mrs P Pritchard	5	6
Revd Dr J Reader	6	6
Mrs A M A F Von Stackelberg	4	6
Mrs K M Winrow	6	6

#### Governance Reviews

The Trust intends to review the impact and effectiveness of the Board of Trustees during the 2016/2017 financial year. The previous review was undertaken during the 2015/16 financial year.

The Local Governing Bodies will be reviewed through an annual cycle of visits and, where governance is causing concerns, the Trust will consider the need to support governance through the appointment of additional governors and alternative governance arrangements.

The Finance Committee is a subcommittee of the main Board of Trustees. Its purpose is to review the Trust's financial position closely and to provide delegated strategic financial direction. The Finance Committee also incorporates the duties of the Audit Committee. At present the Trust has, as allowed by ESFA, not appointed a separate Audit Committee. However, following a review of the terms of reference and governance arrangements, in accordance with best practice a separate Audit Committee was set up and established in 2016/17.

The role of the Finance Committee includes preparing and approving annual budgets, monitoring financial performance against the budget, reviewing delegated authorities, ensuring all transactions are conducted in accordance with good practice as directed by the Charity Commission and the ESFA, to ensure best value is achieved in all financial transactions and to receive and (where relevant) respond to annual audit reports on the Trust and its use of public funds.

## Oxford Diocesan Schools Trust

### Governance Statement

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Attendance at meetings in the year was as follows:

Trustees	Meetings Attended	Out of a Possible
Ms S Appleby	4	5
Sir C Booth	4	5
Mrs J A Davey	3	5
Mr R Ireson	2	2
Revd Dr J Reader	1	1
Mrs K M Winrow	1	1
Mrs C Jones	3	5

#### Review of Value for Money

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

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

- *School meals* – during the year the Trust facilitated a catering tender exercise for a number of schools. This resulted in improved value for money and menu choice.
- *Fixed Asset management system* – following review of different options a new fixed asset and facility management was selected and is being implemented. This will help schools to manage their assets including efficient contract management

Going forward, the Board has agreed to a rolling three year programme of reviewing value for money and procurement areas. Competitive tendering is undertaken for significant procurement; a competition for audit services was held in 2015/16 and one for legal services took place in the summer of 2017. The objective is to optimise maximum efficiency and effectiveness for our academies to ensure resources are released and targeted in order to achieve improved pupil outcomes.

#### THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

#### CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

## Oxford Diocesan Schools Trust Governance Statement

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### THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance 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, the priority in 2016/76 was to look at the internal audit function for schools and to put in place a 3 year programme which is monitored and reviewed by the Finance Committee. Next year, the Trust will look at the central team and the Audit Committee will explore the key risks.

The external auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. No major control issues were identified. However, the work did identify improvements which could be made to the control system and these are being implemented by the Finance Committee and management.

The committee recognises that as the Trust grows there is a plan to strengthen the capacity of the central finance function to support and scrutinise transactions at a school level. This will be introduced in a phased manner.

### REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- 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.

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

Approved by order of the members of the Board of Trustees on 4 December 2017 and signed on its behalf, by:



**Mrs K M Winrow**  
Chair of the Board of Trustees



**Mrs J A Davey**  
CEO and Accounting Officer

## **Oxford Diocesan Schools Trust**

### **Statement on Regularity, Propriety and Compliance**

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As Accounting Officer I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2016).

I confirm that I and the Trust Board of Trustees are able to identify any material, irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook (2016).

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



**Mrs J A Davey**  
**CEO and Accounting Officer**

Date: 4 December 2017

## Oxford Diocesan Schools Trust

### Statement of Trustees Responsibilities

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The Trustees (who are also 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 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP and the Academies Accounts Direction 2016 to 2017;
- state whether applicable UK accounting standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust 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 Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 4 December 2017 and signed on its behalf by:



**Mrs K M Winrow**  
Chair of the Board of Trustees



## **Oxford Diocesan Schools Trust**

### **Independent Auditor's Report to the Members of Oxford Diocesan Schools Trust**

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We have audited the financial statements of Oxford Diocesan Schools Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities including Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable Company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

#### **BASIS OF OPINION**

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

#### **CONCLUSIONS RELATING TO GOING CONCERN**

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

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

#### **OTHER INFORMATION**

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

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

We have nothing to report in this regard.

**Oxford Diocesan Schools Trust**  
**Independent Auditor's Report to the Members of Oxford Diocesan Schools Trust**

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**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report including the Strategic Report for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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.

**RESPONSIBILITIES OF TRUSTEES**

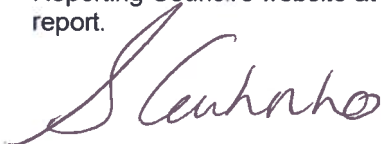
As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such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

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

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's report.



Samantha Coutinho (Senior Statutory Auditor) for and on behalf of

**haysmacintyre,**  
**Statutory Auditor**  
 26 Red Lion Square  
 London  
 WC1R 4AG

4 December 2017



## **Oxford Diocesan Schools Trust**

### **Independent Reporting Accountant's Assurance Report on Regularity to Oxford Diocesan Schools Trust and the Education Funding Agency**

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In accordance with the terms of our engagement letter dated 29 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Oxford Diocesan Schools Trust during the period 1 September 2016 to 31 August 2017 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 the Oxford Diocesan Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Oxford Diocesan Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Oxford Diocesan Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Oxford Diocesan Schools Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the Oxford Diocesan Schools Trust's funding agreement with the Secretary of State for Education dated 31 August 2012, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion included:

- A review of internal control policies and procedures implemented by the Academy and an evaluation of their design and effectiveness to understand how the Academy has complied with the framework of authorities;
- A review of the minutes of meetings of the trustees, relevant sub-committees and Local Governing Bodies and other evidence made available to us, relevant to our consideration of regularity; and
- Detailed testing of the income and expenditure of the Academy based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**Oxford Diocesan Schools Trust**  
**Independent Reporting Accountant's Assurance Report on Regularity to Oxford Diocesan**  
**Schools Trust and the Education Funding Agency**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

**haysmacintyre**  
26 Red Lion Square  
London  
WC1R 4AG

4 December 2017

# Oxford Diocesan Schools Trust

## Statement of Financial Activities For the year ended 31 August 2017 (including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2017	Total 2016
	Note	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	2	334,626	-	889,534	1,224,160	1,019,112
Transfer from local authority on conversion	25	378,391	(1,498,000)	3,495,172	2,375,563	4,737,125
Charitable activities:						
Funding for the academy trust's educational operations	5	575,522	20,521,845	-	21,097,367	16,050,629
Other trading activities	3	623,268	-	-	623,268	489,314
Investments	4	2,295	-	-	2,295	2,168
<b>Total</b>		<b>1,914,102</b>	<b>19,023,845</b>	<b>4,384,706</b>	<b>25,322,653</b>	<b>22,278,348</b>
<b>Expenditure on:</b>						
Transfer from existing academy trust	26	(165,600)	952,000	(202,231)	584,169	-
Raising Funds	6	247,517	-	-	247,517	185,091
Charitable activities:						
Academy trust educational operations	7	-	22,238,346	1,727,335	23,965,681	17,293,227
<b>Total</b>		<b>81,917</b>	<b>23,190,346</b>	<b>1,525,104</b>	<b>24,797,367</b>	<b>17,478,318</b>
<b>Net income / (expenditure)</b>		<b>1,832,185</b>	<b>(4,166,501)</b>	<b>2,859,602</b>	<b>525,286</b>	<b>4,800,030</b>
<b>Transfers between funds</b>	15	<b>(1,276,126)</b>	<b>1,276,126</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains / (losses)</b>						
Actuarial gains / (losses) on defined benefit pension schemes	23	-	1,710,000	-	1,710,000	(3,987,000)
<b>Net movement in funds</b>		<b>556,059</b>	<b>(1,180,375)</b>	<b>2,859,602</b>	<b>2,235,286</b>	<b>813,030</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,107,463	(8,020,021)	16,562,511	9,649,953	8,836,923
<b>Total funds carried forward at 31 August 2017</b>	15	<b>1,663,522</b>	<b>(9,200,396)</b>	<b>19,422,113</b>	<b>11,885,239</b>	<b>9,649,953</b>

The notes on pages 26 to 45 form part of these accounts

## Oxford Diocesan Schools Trust

Balance Sheet  
As at 31 August 2017

	Notes	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Tangible assets	12		19,347,927		15,895,462
<b>Current assets</b>					
Debtors	13	1,619,037		1,080,984	
Cash at bank and in hand		<u>3,435,339</u>		<u>2,616,749</u>	
		5,054,376		3,697,733	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14	<u>(1,930,064)</u>		<u>(1,201,242)</u>	
<b>Net current assets</b>			<u>3,124,312</u>		<u>2,496,491</u>
<b>Total assets less current liabilities</b>			22,472,239		18,391,953
Defined benefit pension scheme liability	23	<u>(10,587,000)</u>		<u>(8,742,000)</u>	
<b>Net assets including pension scheme liability</b>		<u>11,885,239</u>		<u>9,649,953</u>	
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	15	19,422,113		16,562,511	
General fund	15	1,386,604		721,979	
Pension reserve	15	<u>(10,587,000)</u>		<u>(8,742,000)</u>	
<b>Total restricted funds</b>			10,221,717		8,542,490
<b>Unrestricted income funds</b>	15		<u>1,663,522</u>		<u>1,107,463</u>
<b>Total funds</b>			<u>11,885,239</u>		<u>9,649,953</u>

The financial statements on pages 23 to 45 were approved by the trustees, and authorised for issue on 4 December 2017 and are signed on their behalf by



Mrs K M Winrow

Chair of the Board of Directors

Company registration no: 08143249 (England & Wales)

## Oxford Diocesan Schools Trust

### Cash Flow Statement For the year ended 31 August 2017

	Notes	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	210,046	685,988
<b>Cash flows from investing activities</b>	20	608,544	191,811
<b>Change in cash and cash equivalents in the reporting period</b>		<u>818,590</u>	<u>877,799</u>
<b>Cash and cash equivalents at 1 September 2016</b>		2,616,749	1,738,950
<b>Cash and cash equivalents at 31 August 2017</b>	21	<u>3,435,339</u>	<u>2,616,749</u>

## Oxford Diocesan Schools Trust

### Notes to the Financial Statements For the year ended 31 August 2017

#### 1 Statement of Accounting Policies

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

##### (a) Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Oxford Diocesan Schools Trust meets the definition of a public benefit entity under FRS 102.

##### (b) 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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### (c) Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably. For legacies, entitlement is the earlier of the academy trust being notified of an impending distribution or the legacy being received.

##### Grants

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

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

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

##### Donations

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

##### Other Income

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

##### Donated goods, facilities and services

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

##### Transfer on conversion

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer from local authority on conversion within Donations and capital grant income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transactions taking place in the period are set out in note 25.

##### Transfer of existing academies into the trust

Where assets are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the Transfer of an existing academy into the trust within Donations and capital grant income.

##### (d) Expenditure

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

##### Expenditure on Raising Funds

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

##### Charitable Activities

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

# Oxford Diocesan Schools Trust

## Notes to the Financial Statements (continued) For the year ended 31 August 2017

### 1 Statement of Accounting Policies (continued)

#### (d) Expenditure (continued)

##### Governance Costs

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

All resources are inclusive of irrecoverable VAT.

#### (e) Tangible Fixed Assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

The academy trust occupies land and buildings which are provided to it and owned by various land Trustees ('the Site Trustees'). The academy trust occupies this land and buildings under the terms of Supplemental Agreements between the Oxford Diocesan Board of Education, the Site Trustees and the academy trust, which provide the academy trust with the right to use the land and buildings of the Academies for an indefinite period, subject to a 2 year termination notice period, which amounts to a mere licence. Having considered the fact that the academy trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence, which transfers to the academy trust no rights or control over the sites save that of occupying it at the will of the Site Trustees under the terms of the relevant site trust, the Directors have concluded that the value of the land and buildings occupied by the academy trust will not be recognised on the balance sheet of the academy trust.

As it is the academy trust's policy that land and buildings occupied under Supplemental Agreements do not constitute fixed assets, capital expenditure incurred by the academy trust on new buildings, improvements and significant additions are not capitalised. Any such expenditure is recognised within support costs for educational operations as "capital expenditure treated as grants to Site Trustees". Where this expenditure has been funded by specific grants, it is charged directly to the restricted fixed asset funds in the Statement of Financial Activities.

The academy trust also occupies land being school playing fields, under 125 year leases with Oxfordshire County Council and Royal Borough of Windsor and Maidenhead, which has been accounted for as long leasehold property and included in the balance sheet based on the trustees' valuations as set out in Note

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

Fixtures and fittings	5 years
Office equipment	5 years
IT infra-structure and systems	5 years
Computer equipment	3 years
Long leasehold buildings	50 years
Long leasehold improvements	20 years

#### (f) Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### (g) Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### (h) Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

#### (i) Financial Instruments

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.



# Oxford Diocesan Schools Trust

## Notes to the Financial Statements (continued) For the year ended 31 August 2017

### 1 Statement of Accounting Policies (continued)

#### (j) 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 part 11, chapter 3 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.

#### (k) 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 quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

#### (l) Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

#### (m) Critical accounting estimates and areas of judgement

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

##### *Critical accounting estimates and assumptions*

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

##### Local government pension scheme actuarial assumptions

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### Estimation of fair values of assets transferred to the academy trust on conversion from local authorities

As detailed in Note 1(c), the academy trust is required to measure assets and liabilities received by the academy trust on conversion at fair value as income and as assets and liabilities in the balance sheet at the point when the risks and rewards of ownership pass to the trust. These assets include 125 year leases with the local authorities for school playing fields and for land and buildings occupied by schools. The government has a regular programme of valuations undertaken on the assets occupied by academy trusts undertaken by a firm of chartered surveyors for the purposes of its own accounts. When these values are made available the academy trust these are utilised as they are considered a reliable estimate of fair value for financial reporting purposes. As these values are not available at the time this report has been approved, management have estimated fair value based on the values attributed to similar assets adjusted for known local factors and the geographical size of the land and playing fields. The trustees have reviewed the methodology applied and have confirmed their agreement that this is a reasonable approximation of fair value.

In the current year, the fair value of the leasehold interest in school playing fields transferred to the academy trust on conversion from local authorities has been estimated at £1,620,000. In addition the fair value of the leasehold interest in the school land and buildings at South Moreton Primary School has been estimated at £1,679,351. While the trustees consider these valuations to be appropriate, if more reliable evidence is obtained in the future that indicates that the values adopted are materially incorrect than these will be restated. Any restatement would impact on the previously reported gain or loss on transfer of academy trust on conversion from local authorities, the carrying value of those assets in the balance sheet and in the restricted fixed asset fund.



## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 2 Donations and capital grants

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
Donations	334,626	-	-	334,626	215,013
Capital Grants	-	-	889,534	889,534	804,099
	<u>334,626</u>	<u>-</u>	<u>889,534</u>	<u>1,224,160</u>	<u>1,019,112</u>

### 3 Other trading activities

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
Hire of facilities	48,178	-	-	48,178	47,257
Extended services	316,145	-	-	316,145	160,697
Other income	258,945	-	-	258,945	261,360
	<u>623,268</u>	<u>-</u>	<u>-</u>	<u>623,268</u>	<u>469,314</u>

### 4 Investment Income

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
Short term deposits	2,295	-	-	2,295	2,168
	<u>2,295</u>	<u>-</u>	<u>-</u>	<u>2,295</u>	<u>2,168</u>

### 5 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
<b>DfE / ESFA grants</b>					
General Annual Grant (GAG)	-	17,854,533	-	17,854,533	13,667,490
Start Up Grants	-	250,000	-	250,000	175,000
Other DfE/ESFA grants	-	1,696,503	-	1,696,503	1,308,846
	<u>-</u>	<u>19,801,036</u>	<u>-</u>	<u>19,801,036</u>	<u>15,151,336</u>
<b>Other Government grants</b>					
Local authority grants	-	720,809	-	720,809	485,283
	<u>-</u>	<u>720,809</u>	<u>-</u>	<u>720,809</u>	<u>485,283</u>
Catering income	259,022	-	-	259,022	179,413
Other income from educational operations	316,500	-	-	316,500	234,597
	<u>575,522</u>	<u>-</u>	<u>-</u>	<u>575,522</u>	<u>414,010</u>
	<u>575,522</u>	<u>20,521,845</u>	<u>-</u>	<u>21,097,367</u>	<u>16,050,629</u>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 6 Expenditure

	Staff Costs £	Non Pay Expenditure Premises £	Other £	Total 2017 £	Total 2016 £
Expenditure on raising funds	209,622	-	37,895	247,517	185,091
Academy's educational operations					
Direct costs	13,071,791	-	1,161,445	14,233,236	11,081,941
Allocated support costs	3,794,905	1,197,588	4,739,952	9,732,445	6,211,286
	<u>17,076,318</u>	<u>1,197,588</u>	<u>5,939,292</u>	<u>24,213,198</u>	<u>17,478,318</u>

Net income/(expenditure) for the period includes:

	2017 £	2016 £
Operating lease rentals	21,342	26,247
Depreciation	431,519	222,486
Fees payable to auditor for:		
Audit	28,000	20,800
Other services	<u>15,000</u>	<u>6,400</u>

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Unrecoverable debts	527	-	-

### 7 Charitable Activities

	Total 2017 £	Total 2016 £
Direct costs - educational operations	14,233,236	11,081,941
Support costs - educational operations	<u>9,732,445</u>	<u>6,211,286</u>
	<u>23,965,681</u>	<u>17,293,227</u>

#### Analysis of support costs

	Educational operations £	Total 2017 £	Total 2016 £
Support staff costs	3,794,905	3,794,905	2,445,301
Capital expenditure treated as grants to Site Trustees	1,295,816	1,295,816	-
Depreciation	431,519	431,519	222,486
Technology costs	381,114	381,114	280,057
Premises costs	1,197,588	1,197,588	1,091,738
Other support costs	2,485,674	2,485,674	2,068,962
Governance costs	145,829	145,829	102,742
	<u>9,732,445</u>	<u>9,732,445</u>	<u>6,211,286</u>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 8 Staff

#### a. Staff costs

Staff costs during the period were:

	2017 £	2016 £
Wages and salaries	12,608,556	9,942,176
Social security costs	956,847	648,149
Operating costs of defined benefit pension schemes	1,992,153	1,809,532
Apprenticeship Levy	23,164	-
	<u>15,580,720</u>	<u>12,399,857</u>
Supply staff costs	515,598	438,923
Staff restructuring costs	-	54,608
	<u>16,096,318</u>	<u>12,893,388</u>

Staff restructuring costs comprise:

Termination (including severance) payments	-	54,608
	<u>-</u>	<u>54,608</u>

#### Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2016: £54,608).

#### b. Staff numbers

The average number of persons employed by the academy during the period was as follows:

	2017 No.	2016 No.
Teachers	251	214
Management, Administration & Support staff	464	378
	<u>715</u>	<u>592</u>

#### c. Higher paid staff

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

	2017 No.	2016 No.
£60,001 - £70,000	2	2
	<u>2</u>	<u>2</u>

#### d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team. The total amount of benefits payable in respect of the services provided by the three paid key management personnel to the academy trust was £224,825 (2016: £224,225).

## Oxford Diocesan Schools Trust

### Notes to the Financial Statements (continued) For the year ended 31 August 2017

#### 9 Central Services

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

Educational services and school improvements;  
Human resources support;  
Governance support;  
Accountancy support

The trust charges for these services on the following basis:

5% of the Academy's GAG for the period to 31 August 2017

The actual amounts charged during the year were as follows:

	2017 £	2016 £
John Henry Newman CE England Academy	72,098	75,380
Grove CE Primary School	34,809	32,131
Hendreds CE Primary School	28,230	22,815
St Christopher's CE Primary School	79,652	76,131
Wheatley CE Primary School	62,697	57,775
St Peter's Middle School, Old Windsor	51,234	52,561
Burchetts Green CE Infants School	19,195	19,635
St Luke's CE Primary School	58,892	55,979
The Blake CE Primary School	72,736	70,865
St Christopher's CE Primary School, Langford	27,576	25,173
St Peter's CE Infant School, Alvescot	15,110	16,397
North Leigh CE Primary School	33,578	33,991
Bampton CE Primary School	28,684	26,861
The Batt CE Voluntary Aided Primary School	58,030	51,814
Burford Primary School	23,098	20,342
Brize Norton Primary School	23,835	11,523
Holyport CE Primary School	67,749	16,943
St Mary's CE Controlled Infant School	20,367	13,681
Deddington CE Primary School	6,191	-
Dr South's CE Primary School	14,929	-
Datchet St Mary's CE Primary Academy	32,847	-
Kidmore End CE Primary School	3,237	-
Leafield CE Primary School	12,264	-
South Moreton School	7,986	-
Dr Raddcliffes CE School	9,432	-
Tackley CE Primary School	16,137	-
Wroxton CE Primary School	9,448	-
	<b>890,041</b>	<b>679,997</b>

#### 10 Related Party Transactions - Trustees' Remuneration & Expenses

The trustees did not receive any payments, other than expenses, from the academy trust during the period in respect of their role as trustees. During the period ended 31 August 2017, travel and subsistence expenses totalling £3,475 were reimbursed or paid directly to 4 trustees. (2016: £3,305 to 5 trustees).

#### 11 Trustees' and Officers' Insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 12 Tangible Fixed Assets

	Long Leasehold Land £	Long Leasehold Buildings £	Plant and Machinery £	Computer Equipment £	IT infra- structure and systems £	Total £
<b>Cost</b>						
At 1 September 2016	13,307,000	2,079,594	539,300	411,232	-	16,337,126
Transfer on conversion	1,790,750	1,679,351	74,692	55,906	-	3,600,699
Additions	-	77,373	60,534	103,046	42,332	283,285
At 31 August 2017	<u>15,097,750</u>	<u>3,836,318</u>	<u>674,526</u>	<u>570,184</u>	<u>42,332</u>	<u>20,221,110</u>
<b>Depreciation</b>						
At 1 September 2016	-	35,382	201,682	204,600	-	441,664
Charged in year	-	58,129	169,354	198,361	5,675	431,519
At 31 August 2017	<u>-</u>	<u>93,511</u>	<u>371,036</u>	<u>402,961</u>	<u>5,675</u>	<u>873,183</u>
<b>Net book values</b>						
At 31 August 2017	<u>15,097,750</u>	<u>3,742,807</u>	<u>303,490</u>	<u>167,223</u>	<u>36,657</u>	<u>19,347,927</u>
At 31 August 2016	<u>13,307,000</u>	<u>2,044,212</u>	<u>337,618</u>	<u>206,632</u>	<u>-</u>	<u>15,895,462</u>

The trust's transactions relating to land and buildings included:

The academy trust occupies land and buildings which are provided to it and owned by various land Trustees ('the Site Trustees'). The academy trust occupies this land and buildings under the terms of Supplemental Agreements between the Oxford Diocesan Board of Education, the Site of Trustees and the academy trust, which provide the academy trust with the right to use the land and buildings of the Academies for an indefinite period, subject to a 2 year termination notice period, which amounts to a mere licence. Having considered the fact that the academy trust occupies the land and such buildings as may be or may come to be erected on it by a mere licence, which transfers to the academy trust no rights or control over the sites save that of occupying it at the will of the Site Trustees under the terms of the relevant site trust, the Trustees have concluded that the value of the land and buildings occupied by the academy trust will not be recognised on the balance sheet of the academy trust.

On conversion the land and buildings occupied by South Moreton Primary School were assigned to the academy trust under 125 year leases. The fair value of the associated land and buildings totalling £2,359,351 was recognised on the basis of an estimated valuation.

The academy trust also occupies school playing fields, under 125 year leases with Oxfordshire County Council and Royal Borough of Windsor and Maidenhead, which has been accounted for as long leasehold property and included in the balance sheet based on the Trustees' valuation.

### 13 Debtors

	2017 £	2016 £
Trade debtors	25,252	33,252
VAT recoverable	617,694	149,679
Other debtors	52,435	113,560
Prepayments and accrued income	923,656	784,493
	<u>1,619,037</u>	<u>1,080,984</u>

### 14 Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	697,588	442,207
Taxation and social security	286,443	225,983
Other creditors	320,061	29,848
Accruals and deferred income	625,972	503,204
	<u>1,930,064</u>	<u>1,201,242</u>

#### Deferred income

	2017 £	2016 £
Deferred income at 1 September 2016	329,288	192,988
Released from previous years	(329,288)	(192,988)
Resources deferred in the year	470,293	329,288
Deferred income at 31 August 2017	<u>470,293</u>	<u>329,288</u>

The majority of the balance of the deferred income at 31 August 2017 relates to funds received in 2017 for Universal Infant Free School Meals grants which will be utilised in the year ended 31 August 2017.

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 15 Funds

	Balance at 1 September 2016	Income	Expenditure	Gains, Losses & Transfers	Balance at 31 August 2017
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	434,569	17,854,533	(19,272,764)	1,276,126	292,464
Other DfE/ESFA grants	68,391	1,696,503	(883,602)	-	881,292
Start Up Grant	195,970	250,000	(248,000)	-	197,970
School Improvement grant	21,049	-	(6,171)	-	14,878
CAF Church of England CEO Development grant	2,000	-	(2,000)	-	-
Local Authority grants	-	720,809	(720,809)	-	-
Pension reserve	(8,742,000)	(1,498,000)	(2,057,000)	1,710,000	(10,587,000)
	<u>(8,020,021)</u>	<u>19,023,845</u>	<u>(23,190,346)</u>	<u>2,986,126</u>	<u>(9,200,396)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion and from existing trusts	15,607,271	3,398,468	(15,261)	-	18,990,478
DfE/ESFA capital grants transferred on conversion	-	96,704	-	(96,704)	-
DfE/ESFA capital grants	687,467	737,534	-	(1,362,815)	62,186
Other capital grants	-	152,000	-	(140,000)	12,000
Capital expenditure treated as grants to Site Trustees	-	-	(1,295,816)	1,295,816	-
Fixed assets purchased with capital grants	248,802	-	(195,056)	303,703	357,449
Capital expenditure from GAG and other unrestricted funds	18,971	-	(18,971)	-	-
	<u>16,562,511</u>	<u>4,384,706</u>	<u>(1,525,104)</u>	<u>-</u>	<u>19,422,113</u>
<b>Total restricted funds</b>	<u><b>8,542,490</b></u>	<u><b>23,408,551</b></u>	<u><b>(24,715,450)</b></u>	<u><b>2,986,126</b></u>	<u><b>10,221,717</b></u>
<b>Unrestricted funds</b>					
Unrestricted funds	1,107,463	1,914,102	(81,917)	(1,276,126)	1,663,522
<b>Total unrestricted funds</b>	<u><b>1,107,463</b></u>	<u><b>1,914,102</b></u>	<u><b>(81,917)</b></u>	<u><b>(1,276,126)</b></u>	<u><b>1,663,522</b></u>
<b>Total funds</b>	<u><b>9,649,953</b></u>	<u><b>25,322,653</b></u>	<u><b>(24,797,367)</b></u>	<u><b>1,710,000</b></u>	<u><b>11,885,239</b></u>

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

#### General annual grant

This is used for educational purposes in line with the academy trust's objectives and its funding agreements.

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 2017.

#### Other DfE/ESFA grants

This represents revenue grants and other income which are used to provide additional support in specific areas in the school as set out by the terms of the respective grants and funders.

#### Primary Chain Development and Start Up Grants

These were used to cover the costs incurred in establishing the additional Academies that joined the academy trust during the year and to fund the ongoing development of the academy trust.

#### Charities Aid Foundation grant

This was a grant awarded to Oxford Diocesan Schools Trust towards the cost of the finance director attending a Church of England CEO Development Course.

#### Local Authority grants

These were used to cover repairs and maintenance to the building and to supply Special Needs support and Nursery places for 3-4 year olds.

#### Pension reserve

This represents the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

#### Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and monies transferred from the GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

#### Transfers between funds

Transfers from the General Annual Grant Fund to the fixed asset fund relate to fixed assets purchased from these funds.

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

## 15 Funds (continued)

## Comparative funds note

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, Losses & Transfers £	Balance at 31 August 2016 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	197,781	13,667,490	(14,686,221)	1,255,519	434,569
Other DfE/ESFA grants	42,635	1,308,846	(1,283,090)	-	68,391
Start Up Grant	90,786	175,000	(69,816)	-	195,970
School Improvement grant	36,000	-	(14,951)	-	21,049
Primary Chain Development grant	70,180	-	(70,180)	-	-
CAF Church of England CEO Development grant	-	2,000	-	-	2,000
Local Authority grants	21,200	485,283	(506,483)	-	-
Pension reserve	(3,232,000)	(1,083,000)	(440,000)	(3,987,000)	(8,742,000)
	<u>(2,773,418)</u>	<u>14,555,619</u>	<u>(17,070,741)</u>	<u>(2,731,481)</u>	<u>(8,020,021)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	10,272,372	5,422,438	(87,539)	-	15,607,271
DfE/ESFA capital grants	182,701	804,099	-	(299,333)	687,467
Fixed assets purchased with capital grants	-	-	(50,531)	299,333	248,802
Capital expenditure from GAG and other unrestricted funds	103,387	-	(84,416)	-	18,971
	<u>10,558,460</u>	<u>6,226,537</u>	<u>(222,486)</u>	<u>-</u>	<u>16,562,511</u>
<b>Total restricted funds</b>	<u><b>7,785,042</b></u>	<u><b>20,782,156</b></u>	<u><b>(17,293,227)</b></u>	<u><b>(2,731,481)</b></u>	<u><b>8,542,490</b></u>
<b>Unrestricted funds</b>					
Unrestricted funds	1,051,881	1,496,192	(185,091)	(1,255,519)	1,107,463
<b>Total unrestricted funds</b>	<u><b>1,051,881</b></u>	<u><b>1,496,192</b></u>	<u><b>(185,091)</b></u>	<u><b>(1,255,519)</b></u>	<u><b>1,107,463</b></u>
<b>Total funds</b>	<u><b>8,836,923</b></u>	<u><b>22,278,348</b></u>	<u><b>(17,478,318)</b></u>	<u><b>(3,987,000)</b></u>	<u><b>9,649,953</b></u>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 15 Funds (continued)

#### Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
John Henry Newman CE Academy	203,234	57,758
Grove CE Primary School	(6,288)	(21,492)
Hendreds CE Primary School	226,564	150,212
St Christopher's CE Primary School	162,912	119,638
Wheatley CE Primary School	130,747	118,426
St Peter's Middle School, Old Windsor	(9,934)	(26,460)
Burchetts Green CE Infant School	141,383	104,774
St Luke's CE Primary School	123,454	155,187
The Blake CE Primary School	93,058	13,942
St Christopher's CE Primary School, Langford	114,433	148,771
St Peter's CE Infant School, Alvescot	44,011	142,489
North Leigh CE Primary School	158,184	145,488
Bampton CE Primary School	85,477	81,809
The Batt CE Voluntary Aided Primary School	87,206	93,764
Burford Primary School	90,547	90,265
Brize Norton Primary School	62,269	55,342
Holyport CE Primary School	118,885	68,563
St Mary's CE Controlled Infant School	32,376	38,275
Tackley CE Primary School	86,928	-
Dr South's CE Primary School	31,238	-
Datchet St Mary's Primary School	134,719	-
Leaffield CE Primary School	78,485	-
Wroxton CE Primary School	23,546	-
Dr Raddcliffe's CE Primary School	55,640	-
South Moreton Primary School	53,541	-
Deddington CE Primary School	20,200	-
Kidmore End CE Primary School	62,893	-
Central services	644,418	292,691
<b>Total before fixed assets and pension reserve</b>	<b>3,050,126</b>	<b>1,829,442</b>
Restricted fixed asset fund	19,422,113	16,562,511
Pension reserve	(10,587,000)	(8,742,000)
<b>Total</b>	<b>11,885,239</b>	<b>9,649,953</b>

Grove CE Primary School is carrying a net deficit of £6,288 at the end of 2016/17 against a planned surplus position. This is due to additional support being provided for year 6 SATS pupils which has resulted in an overspend. The school has set a surplus budget for 2017/18 which also incorporates savings made due to the removal of the Education Services Grant.

St Peter's Middle School, Old Windsor is carrying a historical deficit of £9,934 due to additional expenditure on school improvement and the provision of leadership and school improvement services from Churchmead Secondary school.

The school is working towards a staffing structure which will bring the budget back into balance within three years. In the meantime, the academy trust's central services is preparing to meet some costs of extra support to take the pressure off the school's budget.

The Director of Schools and the Finance Director are working with the school's leadership team to ensure all measures being taken to improve standards are affordable in the context of the school's budget.



## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

## 15 Funds (continued)

## Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding depreciation) £	Total 2017 £	Total 2016 £
John Henry Newman CE Academy	989,590	193,783	18,649	453,534	1,655,556	1,924,540
Grove CE Primary School	518,870	103,622	20,534	126,790	769,816	786,216
Hendreds CE Primary School	358,004	40,480	9,708	172,483	580,675	524,440
St Christopher's CE Primary School	1,341,130	168,870	52,805	321,605	1,884,410	1,886,918
Wheatley CE Primary School	901,292	187,158	30,252	305,218	1,423,920	1,313,527
St Peter's Middle School, Old Windsor	649,389	102,194	20,162	310,672	1,082,417	1,211,151
Burchetts Green CE Infant School	253,873	46,125	18,334	102,615	420,947	401,613
St Luke's CE Primary School	816,071	150,005	32,198	408,947	1,407,221	1,230,515
The Blake CE Primary School	1,165,657	196,768	30,348	317,007	1,709,780	1,674,526
St Christopher's CE Primary School, Langford	447,622	67,844	16,198	175,324	706,988	584,492
St Peter's CE Infant School, Alvescot	268,109	32,338	6,396	134,522	441,365	354,875
North Leigh CE Primary School	508,858	75,630	13,950	184,275	782,713	714,060
Bampton CE Primary School	497,704	98,761	15,268	251,016	862,749	713,110
The Batt CE Infant School	955,033	109,198	33,789	270,253	1,368,273	1,189,300
Burford Primary School	375,798	99,824	17,800	91,479	584,901	509,548
Brize Norton Primary School	372,357	57,192	13,791	103,016	546,356	255,708
Holyport CE Primary School	1,038,358	167,679	26,247	223,781	1,456,065	351,183
St Mary's CE Controlled Infant School	289,914	55,048	10,936	109,988	465,886	340,574
Tackley CE Primary School	207,180	27,446	4,791	78,768	318,185	-
Dr South's CE Primary School	267,365	41,003	6,943	84,460	399,771	-
Datchet St Mary's Primary School	520,248	131,857	16,470	187,865	856,440	-
Leafield CE Primary School	195,318	24,528	6,350	66,802	292,998	-
Wroxton CE Primary School	142,405	18,434	5,059	39,150	205,048	-
Dr Radcliffe's CE Primary School	174,203	26,470	1,374	27,078	229,125	-
South Moreton Primary School	109,703	22,133	5,262	32,278	169,376	-
Deddington CE Primary School	96,973	11,642	1,739	18,823	129,177	-
Kidmore End CE Primary School	38,764	7,449	540	6,617	53,370	-
Central services	573	1,521,475	55	1,456,048	2,978,151	1,289,536
Academy Trust	13,500,361	3,784,956	435,948	6,060,414	23,781,679	17,255,832

## 16 Analysis of Net Assets between Funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	19,347,927	19,347,927
Current assets	3,593,586	1,386,604	74,186	5,054,376
Current liabilities	(1,930,064)	-	-	(1,930,064)
Pension scheme liability	-	(10,587,000)	-	(10,587,000)
Total net assets	1,663,522	(9,200,396)	19,422,113	11,885,239

Fund balances at 31 August 2016 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	15,895,462	15,895,462
Current assets	2,308,705	721,979	667,049	3,697,733
Current liabilities	(1,201,242)	-	-	(1,201,242)
Pension scheme liability	-	(8,742,000)	-	(8,742,000)
Total net assets	1,107,463	(8,020,021)	16,562,511	9,649,953

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 17 Financial instruments

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost	<u>77,687</u>	<u>146,812</u>
Financial liabilities measured at amortised cost	<u>1,017,649</u>	<u>472,055</u>
Cash and cash equivalents	<u>3,435,339</u>	<u>2,616,749</u>
Financial assets include trade debtors and other debtors. Financial liabilities include trade creditors and other creditors.		

### 18 Commitments under operating leases

#### Operating Leases

At 31 August 2017 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts due within one year	8,069	11,244
Amounts due between one and five years	<u>6,919</u>	<u>12,912</u>
	<u>14,988</u>	<u>24,156</u>

### 19 Reconciliation of Net Income to Net Cash Flow from Operating Activities

	2017 £	2016 £
Net income for the reporting period (as per the Statement of Financial Activities)	525,286	4,800,030
Adjusted for:		
Depreciation charges (note 12)	431,519	222,486
Capital grants from DfE and other capital income	(889,534)	(804,099)
Interest receivable (note 4)	(2,295)	(2,168)
Fixed assets transferred from Local Authority on conversion	(3,398,468)	(5,379,192)
Fixed assets transferred from existing academy trust	(202,231)	-
Defined benefit pension scheme cost less contributions paid (see note 23)	896,000	295,000
Defined benefit pension scheme finance costs (see note 23)	209,000	145,000
LGPS deficit transferred on conversions and from existing academy trusts	2,450,000	1,083,000
(Increase)/decrease in debtors	(538,053)	34,978
Increase in creditors	728,822	290,953
<b>Net Cash provided by Operating Activities</b>	<u>210,046</u>	<u>685,988</u>

## Oxford Diocesan Schools Trust

### Notes to the Financial Statements (continued) For the year ended 31 August 2017

<b>20</b>	<b>Cash flow from Investing Activities</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Dividends, interest and rents from investments	2,295	2,168
	Purchase of tangible fixed assets	(283,285)	(244,386)
	Capital grants from DfE/ESFA	889,534	434,029
	<b>Net cash provided by Investing Activities</b>	<b>608,544</b>	<b>191,811</b>
<b>21</b>	<b>Analysis of cash and cash equivalents</b>	<b>At 31 August</b>	<b>At 31 August</b>
		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Cash in hand and at bank	3,435,339	2,616,749
		<b>3,435,339</b>	<b>2,616,749</b>

### 22 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.

### 23 Pension and Similar Obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Schemes (LGPS) for non-teaching staff, consisting of the Oxfordshire County Council Pension Fund which is managed by Oxfordshire County Council and the Royal County of Berkshire Pension Fund which is managed by the Royal Borough of Windsor and Maidenhead. Both are multi-employer defined benefit pension schemes.

The LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained schools and new employees who were eligible to, and did, join the Scheme in the year/period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor schools and the academy trust at the balance sheet date.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £301,845 (2016: £4,381) were payable to the schemes at 31 August 2017 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:

- 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%.

## Oxford Diocesan Schools Trust

### Notes to the Financial Statements (continued) For the year ended 31 August 2017

#### 23 Pension and Similar Obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £1,220,049 (2016: £934,096).

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

Under the definitions set out in FRS 102, the TPS is 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 Schemes

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £1,099,000 (2016: £729,000), of which employer's contributions totalled £833,000 (2016: £536,000) and employees' contributions totalled £266,000 (2016: £193,000). The agreed minimum employer contribution rate in respect of the Oxfordshire County Council Pension Fund is 19.3% and in respect of the Royal County of Berkshire Pension fund is 16.6%.

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

Principal Actuarial Assumptions	Oxfordshire County Council		Royal County of Berkshire	
	At 31 August 2017	At 31 August 2016	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	4.20%	4.10%	4.20%	4.10%
Rate of increase for pensions in payment/inflation	2.70%	2.30%	2.70%	2.30%
Discount rate for scheme liabilities	2.60%	2.20%	2.60%	2.20%
Inflation assumption (CPI)	2.70%	3.20%	2.70%	3.20%
Commutation of pensions to lump sums	50.00%	50.00%	50.00%	50.00%

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

	At 31 August 2017	At 31 August 2016	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>				
Males	23.4	23.3	23.0	22.9
Females	25.5	25.8	25.1	26.2
<i>Retiring in 20 years</i>				
Males	25.7	25.5	25.2	25.2
Females	27.9	28.0	27.4	28.5

Sensitivity analysis	Impact on present value of pension liabilities		Impact on projected service cost	
	At 31 August 2017 £'000's	At 31 August 2016 £'000's	At 31 August 2017 £'000's	At 31 August 2016 £'000's
Discount rate +0.1%	(452)	(372)	(43)	(40)
Discount rate -0.1%	464	384	44	41
Mortality assumption -1 year increase	625	342	58	37
Mortality assumption -1 year decrease	(606)	(335)	(56)	16
Adjustment to long term salary increases +0.1%	91	62	-	1
Adjustment to long term salary increases -0.1%	(90)	(62)	-	(1)
Adjustment to pension increases and deferred revaluation +0.1%	371	320	43	40
Adjustment to pension increases and deferred revaluation -0.1%	(362)	(310)	(43)	(39)

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 23 Pension and Similar Obligations (continued)

	Oxfordshire County Council		Royal County of Berkshire	
	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
The academy's share of the assets in the scheme were:				
Equities	4,421,000	2,437,000	844,000	463,000
Gilts	1,067,000	470,000	-	15,000
Other bonds	346,000	133,000	266,000	130,000
Property	466,000	267,000	232,000	123,000
Cash	276,000	130,000	195,000	40,000
Target Return Portfolio	-	-	90,000	151,000
Commodities	-	-	30,000	22,000
Infrastructure	-	-	119,000	46,000
Longevity insurance	-	-	(83,000)	(39,000)
LLPs	233,000	135,000	-	-
Diversified Growth Fund	352,000	153,000	-	-
Alternative assets	7,000	-	-	-
<b>Total market value of assets</b>	<b>7,168,000</b>	<b>3,725,000</b>	<b>1,693,000</b>	<b>951,000</b>

The actual return on scheme assets (combined) was £745,000 (2016: £531,000).

Amounts recognised in the statement of financial activities	2017 £	2016 £
Current service cost (net of employee contributions)	1,727,000	829,000
Net interest cost	209,000	145,000
Admin expenses	2,000	2,000
Loss on assumption of net liabilities on settlements	2,450,000	1,083,000
<b>Total operating charge</b>	<b>4,388,000</b>	<b>2,059,000</b>

Remeasurement of net defined benefit obligation	2017 £	2016 £
Return on fund assets in excess of interest	605,000	391,000
Other actuarial gains/(losses) on assets	(117,000)	-
Change in financial assumptions	656,000	(4,378,000)
Change in demographic assumptions	(137,000)	-
Experience gain/(loss) on defined benefit obligation	703,000	-
<b>Actuarial gain/(loss) on defined benefit pension schemes</b>	<b>1,710,000</b>	<b>(3,987,000)</b>

Changes in the present value of defined benefit obligations were as follows:	2017 £	2016 £
<b>At 1 September</b>	<b>13,418,000</b>	<b>5,938,000</b>
Current service cost	1,727,000	829,000
Interest cost	349,000	285,000
Change in financial assumptions	(656,000)	4,378,000
Change in demographic assumptions	137,000	-
Experience gain on defined benefit obligation	(703,000)	-
Employee contributions	266,000	193,000
Estimated benefits paid net of transfers in	579,000	(12,000)
Liabilities assumed on settlements	4,331,000	1,807,000
<b>At 31 August</b>	<b>19,448,000</b>	<b>13,418,000</b>

Changes in the fair value of academy's share of scheme assets:	2017 £	2016 £
<b>At 1 September</b>	<b>4,676,000</b>	<b>2,706,000</b>
Interest on assets	140,000	140,000
Return on assets less interest	605,000	391,000
Other actuarial gains/(losses)	(117,000)	-
Administration expenses	(2,000)	(2,000)
Contributions by employer including unfunded	833,000	536,000
Contributions by scheme participants and other employers	266,000	193,000
Estimated benefits paid plus unfunded net of transfers in	579,000	(12,000)
Settlement prices received	1,881,000	724,000
<b>At 31 August</b>	<b>8,861,000</b>	<b>4,676,000</b>

	2017 £	2016 £
Present value of defined benefit obligations	(19,448,000)	(13,418,000)
Fair value of share of scheme assets	8,861,000	4,676,000
<b>Deficit in the schemes</b>	<b>(10,587,000)</b>	<b>(8,742,000)</b>

## Oxford Diocesan Schools Trust

### Notes to the Financial Statements (continued) For the year ended 31 August 2017

#### 24 Related Party Transactions

Owing to the nature of the academy trust's operations and the composition of the being drawn from local public and private sector organisations, transactions may take place with board of trustees organisations in which the academy trust 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. The following related party transactions took place in the period of account:

Mrs K M Winrow is an unpaid director of the academy trust and also an unpaid director of the Oxford Diocesan Board of Education ("ODBE"). During the year ended 31 August 2017, the academy trust paid £120,527 (2016: £81,268) to the ODBE for various support services, including the services of the CEO.

Mrs J A Davey is the CEO and a director of the academy trust and also an employee of ODBE. Lee Bolton Monier Williams ("LBMW"), the firm acting as the academy trust's solicitors is considered to be a related party as Mr H Dellar, an equity partner of LBMW is her domestic partner. During the year LBMW invoiced fees for academy conversions, HR and related advice totalling £41,358 (2016: £29,406). No decisions relating to the provision of legal services are made by the CEO, and the services are provided at direct cost.

The academy trust contracted with Mrs J Cousins, the wife of Mr D Cousins, a member of the senior management team of the academy trust, to provide training and consultancy services for academy headteachers and schools up to December 2016. The total amounts invoiced to the academy trust in the year were £1,750 (2016: £2,917). After December 2016, her services were supplied to the academy trust via ODBE.

SBM Financial Services is a company controlled by Mrs S Bremner-Milne which provided financial services to the academy trust, in particular Mrs S Bremner-Milne was a member of the senior management team of the academy trust until Dec 2015. During the previous year amounts invoiced totalled £47,215 up to 31 December 2015. A number of schools contracted the services of SBM Financial Services, both before converting to an academy trust and continuing afterwards. No financial decisions relating to the procurement of bursar services to schools were made by the central senior management team, as these decisions are fully delegated to headteachers and local governing body members.

Mr D Locke is the Chief Operating Officer and Finance Director of the academy trust and is also a trustee and Finance Director of Berkshire Schools Trust. During the year the academy trust received income of £5,000 (2016: £nil) from Berkshire Schools Trust for the provision of this service.

The Oxford Academy is a single academy trust sponsored by the Diocese. During the year, The Oxford Academy charged the trust £40,922 (2016: £nil) for providing leadership services. No amounts were due to The Oxford Academy at the year end (2016: £nil).

#### 25 Conversion to an academy trust

The following schools converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the academy trust for £nil consideration.

School name	Date of conversion	Local authority
Tackley CE Primary School	01 January 2017	Oxfordshire County Council
Dr South's CE Primary School	01 January 2017	Oxfordshire County Council
Leafield CE Primary School	01 February 2017	Oxfordshire County Council
Wroxton CE Primary School	01 April 2017	Oxfordshire County Council
Dr Radcliffe's CE Primary School	01 June 2017	Oxfordshire County Council
South Moreton Primary School	01 June 2017	Oxfordshire County Council
Deddington CE Primary School	01 July 2017	Oxfordshire County Council
Kidmore End CE Primary School	01 August 2017	Oxfordshire County Council

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as the net income in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred on the conversion of the schools and an analysis of their recognition in the SOFA:

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets				
Leasehold land and buildings	-	-	3,299,351	3,299,351
Other tangible fixed assets	-	-	99,117	99,117
Budget surplus / (deficit) on LA funds	378,380	-	96,704	475,084
Budget surplus / (deficit) on other school funds	-	-	-	-
LGPS pension deficit	-	(1,498,000)	-	(1,498,000)
Other identified assets and liabilities	11	-	-	11
<b>Net assets/(liabilities)</b>	<b>378,391</b>	<b>(1,498,000)</b>	<b>3,495,172</b>	<b>2,375,563</b>

# Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

## 25 Conversion to an academy trust (continued)

The following tables set out the fair values of the identifiable assets and liabilities transferred on conversion of the schools on a school-by-school basis:

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Funds £	Total £
<b>Tackley CE Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	150,000	150,000
Other tangible fixed assets	-	-	14,477	14,477
Budget surplus / (deficit) on LA funds	55,314	-	9,984	65,298
LGPS pension deficit	-	(180,000)	-	(180,000)
<b>Net assets/(liabilities)</b>	<b>55,314</b>	<b>(180,000)</b>	<b>174,461</b>	<b>49,775</b>
<b>Dr South's CE Primary School</b>				
Tangible fixed assets				
Other tangible fixed assets	-	-	22,716	22,716
Budget surplus / (deficit) on LA funds	6,000	-	7,445	13,445
LGPS pension deficit	-	(189,000)	-	(189,000)
<b>Net assets/(liabilities)</b>	<b>6,000</b>	<b>(189,000)</b>	<b>30,161</b>	<b>(152,839)</b>
<b>Leaffield CE Primary School</b>				
Tangible fixed assets				
Other tangible fixed assets	-	-	15,391	15,391
Budget surplus / (deficit) on LA funds	88,073	-	2,526	90,599
LGPS pension deficit	-	(194,000)	-	(194,000)
<b>Net assets/(liabilities)</b>	<b>88,073</b>	<b>(194,000)</b>	<b>17,917</b>	<b>(88,010)</b>
<b>Wroxton CE Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	150,000	150,000
Other tangible fixed assets	-	-	1,372	1,372
Budget surplus / (deficit) on LA funds	24,742	-	-	24,742
LGPS pension deficit	-	(141,000)	-	(141,000)
<b>Net assets/(liabilities)</b>	<b>24,742</b>	<b>(141,000)</b>	<b>151,372</b>	<b>35,114</b>
<b>Dr Radcliffe's CE Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	150,000	150,000
Other tangible fixed assets	-	-	1,202	1,202
Budget surplus / (deficit) on LA funds	59,364	-	-	59,364
LGPS pension deficit	-	(260,000)	-	(260,000)
<b>Net assets/(liabilities)</b>	<b>59,364</b>	<b>(260,000)</b>	<b>151,202</b>	<b>(49,434)</b>
<b>South Moreton Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	2,359,351	2,359,351
Other tangible fixed assets	-	-	7,596	7,596
Budget surplus / (deficit) on LA funds	62,045	-	25,450	87,494
LGPS pension deficit	-	(125,000)	-	(125,000)
<b>Net assets/(liabilities)</b>	<b>62,045</b>	<b>(125,000)</b>	<b>2,392,397</b>	<b>2,329,441</b>
<b>Deddington CE Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	150,000	150,000
Other tangible fixed assets	-	-	2,406	2,406
Budget surplus / (deficit) on LA funds	43,020	-	21,000	64,020
LGPS pension deficit	-	(186,000)	-	(186,000)
<b>Net assets/(liabilities)</b>	<b>43,020</b>	<b>(186,000)</b>	<b>173,406</b>	<b>30,426</b>



## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

### 25 Conversion to an academy trust (continued)

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Funds £	Total £
<b>Kidmore End CE Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	170,000	170,000
Other tangible fixed assets	-	-	24,357	24,357
Budget surplus / (deficit) on LA funds	50,658	-	11,242	61,900
LGPS pension deficit	-	(223,000)	-	(223,000)
<b>Net assets/(liabilities)</b>	<b>50,658</b>	<b>(223,000)</b>	<b>205,599</b>	<b>33,257</b>

Included in 'donations - transfer on conversion from local authorities' are amounts relating to previous years, where estimated figures have been updated and further information has been made available, in respect of the following schools: St Peter's CE Infant School, Alvescot; North Leigh CE Primary School; Bampton CE Primary School; and Holyport CE Primary School. The impact in the Statement of Financial Activities is as follows:

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets				
Leasehold land and buildings	-	-	170,000	170,000
Other tangible fixed assets	-	-	9,600	9,600
Budget surplus / (deficit) on LA funds	(10,835)	-	19,058	8,223
Other identified assets and liabilities	11	-	-	11
<b>Net assets/(liabilities)</b>	<b>(10,824)</b>	<b>-</b>	<b>198,658</b>	<b>187,834</b>

### 26 Transfer of existing academy trusts to ODST

On 1 January 2017, the entire operations of Datchet St Mary's Church of England Primary Academy was transferred to Oxford Diocesan Schools Trust.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as the net income in the Statement of Financial Activities as Donations - transfer from existing academy trust.

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
<b>Tangible fixed assets</b>			
Long leasehold land	170,750	-	170,750
Leasehold improvements	273,071	(273,071)	-
Furniture and equipment	11,399	-	11,399
Computer equipment	20,082	-	20,082
<b>Current assets</b>			
Debtors	42,060	3,101	45,161
Cash at bank and in hand	165,537	-	165,537
<b>Liabilities</b>			
Creditors due in less than one year	(45,098)	-	(45,098)
<b>Pensions</b>			
Pensions - pension scheme assets	535,000	-	535,000
Pensions - pension scheme liabilities	(1,487,000)	-	(1,487,000)
<b>Net liabilities</b>	<b>(314,199)</b>	<b>(269,970)</b>	<b>(584,169)</b>

Amounts recognised in the financial statements of Datchet St Mary's Church of England Primary Academy in respect of leasehold improvements have assumed at nil value as these assets relate to land occupied by the school under the terms of the Supplemental Agreement and in accordance with Note 1(e) are not considered to constitute fixed assets by the trustees of the academy trust.

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2017

## 27 Prior year comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
<b>Income and endowments from:</b>				
Donations and capital grants	213,013	2,000	804,099	1,019,112
Transfer from local authority on conversion	397,687	(1,083,000)	5,422,438	4,737,125
Charitable activities:				
Funding for the academy trust's educational operations	414,010	15,636,619	-	16,050,629
Other trading activities	469,314	-	-	469,314
Investments	2,168	-	-	2,168
<b>Total</b>	<b>1,496,192</b>	<b>14,555,619</b>	<b>6,226,537</b>	<b>22,278,348</b>
<b>Expenditure on:</b>				
Raising Funds	185,091	-	-	185,091
Charitable activities:				
Academy trust educational operations	-	17,070,741	222,486	17,293,227
<b>Total</b>	<b>185,091</b>	<b>17,070,741</b>	<b>222,486</b>	<b>17,478,318</b>
<b>Net income / (expenditure)</b>	<b>1,311,101</b>	<b>(2,515,122)</b>	<b>6,004,051</b>	<b>4,800,030</b>
<b>Transfers between funds</b>	<b>(1,255,519)</b>	<b>1,255,519</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains / (losses)</b>				
Actuarial losses on defined benefit pension schemes	-	(3,987,000)	-	(3,987,000)
<b>Net movement in funds</b>	<b>55,582</b>	<b>(5,246,603)</b>	<b>6,004,051</b>	<b>813,030</b>





Department  
for Education

# **Academy and free school: master funding agreement**

**March 2018 v4**

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## SUMMARY SHEET

### Information about the Academy Trust:

<b>Name of Academy Trust</b>	
<b>Address</b>	
<b>Company Number</b>	
<b>Contact details for the Chair of Charity Trustees</b>	

Please confirm whether additional clauses have been included (e.g., PFI clauses which will be supplied by your project lead if needed)

Descriptor	Clause No.	Applied	Not used



# 1. INTRODUCTION

## Introduction and definitions

- 1.1 This Agreement is between the Secretary of State for Education (the “**Secretary of State**”) and [NAME] (the “**Academy Trust**”), and is an academy agreement as defined by section 1 of the Academies Act 2010.
- 1.2 The Academy Trust is a company limited by guarantee incorporated in England and Wales with company number [xxxxxxx]. The Academy Trust is a charity and its directors are the Charity Trustees of the Academy Trust.
- 1.3 In order for the Academy Trust to establish and run a number of Academies in England, according to the provisions of the Academies Act 2010, and in order for the Secretary of State to make payments to the Academy Trust, the Academy Trust must meet the requirements in this Agreement and in each **Supplemental Agreement** that has been entered into by the Academy Trust and the Secretary of State in respect of each Academy.
- 1.4 In this Agreement, and (except as expressly provided otherwise) in each Supplemental Agreement, the capitalised words and expressions listed below will have the following meanings:-

### Definitions of types of Academies:

An “**Academy**” is a school or educational institution established and run in accordance with the Academies Act 2010, and where this Agreement refers collectively to “**Academies**” run by the Academy Trust, this may include any of the following types of school or educational institution:

A “**Free School**” means an Academy which is a new educational institution within the meaning of section 9(1)(a) of the Academies Act 2010;

A “**Mainstream Academy**” means an Academy or a Free School which meets the requirements set out in section 1A(1) of the Academies Act 2010;

An “**Alternative Provision Academy**” means an Academy or a Free School which meets the requirements set out in section 1C(1) of the Academies Act 2010;

A “**Special Academy**” means an Academy or a Free School which meets the criteria set out in section 1A(2) of the Academies Act 2010;

A “**Sponsored Academy**” will be (unless otherwise stated) a Mainstream Academy which is established pursuant to an Academy Order under section 4 of the Academies Act 2010, which will be designated as a Sponsored Academy within the Supplemental Agreement applicable to that Academy, and as such certain conditions may apply to it;

“**Studio School**” means a type of Mainstream Academy, principally for pupils and students aged between 14 and 19, which places an emphasis on such pupils and students obtaining employability skills through project-based learning;

“**University Technical College**” means a type of Free School, principally for pupils and students aged between 14 and 19, which provides technical education with the emphasis on a particular industry or scientific sector;

A “**16-19 Academy**” means an Academy or a Free School which meets the requirements set out in section 1B(1) of the Academies Act 2010.

**Other defined terms:**

“**16-19 Funding Guidance**” means the guidance published by the ESFA and amended from time to time, on behalf of the Secretary of State.

“**Academies Financial Handbook**” means the document with that title published by the ESFA and amended from time to time, on behalf of the Secretary of State.

“**Academy Financial Year**” means the year from 1 September to 31 August, or a different period notified in writing by the Secretary of State.

“**Articles**” means the Academy Trust’s articles of association.

“**Business day**” means any day other than a Saturday, Sunday, Christmas Day, Good Friday or any day which is a bank holiday with the meaning given to that expression in the Banking and Financial Dealings Act 1971.

**“Charity Trustees”** means the directors of the Academy Trust who are responsible for the general control and management of the administration of the Academy Trust.

**“Chief Inspector”** means Her Majesty’s Chief Inspector of Education, Children’s Services and Skills.

**“Commissioner”** means LAs and/or schools referring pupils to an Alternative Provision Academy for admission under the legal powers set out in the relevant Supplemental Agreement.

**“Control”** means the power of an organisation or individual (‘A’) to ensure that the affairs of a another organisation are conducted in accordance with A’s wishes, whether through share ownership or voting power, by agreement, because of powers conferred by articles of association or any other document, or otherwise; and **“Controls”** will be construed accordingly.

**“DfE”** and the expression **“Department”** means the Department for Education or any successor Department which has responsibility for schools”

**“ESFA”** means the Education and Skills Funding Agency.

**“Guidance”** means guidance issued by or on behalf of the Secretary of State, as amended from time to time.

**“Independent School Standards”** means the independent school standards prescribed under section 157 of the Education Act 2002.

**“LA”** means a local authority.

**“Local Governing Body”** means the committee (if any) established by the Academy Trust in relation to an Academy or Academies, within the Academy Trust, in accordance with the Articles.

**“Parents”** means parents<sup>1</sup> or guardians.

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<sup>1</sup> Parent has the meaning set out in section 575 of the Education Act 1996

**“Predecessor School”** means the school which the Academy in question replaced, where applicable.

**“Publicly Funded Assets”** means (a) assets or property funded wholly or partly using payments made by or on behalf of the Secretary of State, and (b) publicly funded land as defined in paragraph 22(3) of Schedule 1 to the Academies Act 2010.

**“Pupil Premium”** means an amount equivalent to the pupil premium as defined in the School and Early Years Finance (England) Regulations 2013

**“Pupil Referral Unit”** means any school established in England and maintained by an LA which is specially organised to provide education for children falling within section 19(1) of the Education Act 1996.

Any reference to **“Secretary of State”** includes a reference to the ESFA acting on the Secretary of State’s behalf.

**“Secretary of State’s consent”** means the Secretary of State’s specific, prior written consent, which will not be unreasonably withheld or delayed.

**“SEN”** means Special Educational Needs and the expressions **“special educational needs”** and **“special educational provision”** have the meaning set out in sections 20(1) and 21(2) of the Children and Families Act 2014.

**“Start-up Period”** has the meaning as defined in the relevant Supplemental Agreement.

**“Supplemental Agreement”** means an agreement supplemental to this Agreement for any Academy which the Academy Trust agrees to establish and maintain and the Secretary of State agrees to fund, which is substantially in the form of the supplemental funding agreement entered into by both parties at the time that this Agreement is signed.

**“Teaching Staff”** means teachers and the principal or head teacher employed at the Academy.

**“Termination Notice”** means a notice sent by the Secretary of State to the Academy Trust, terminating this Agreement and each Supplemental Agreement on the date specified in the notice.

- 1.5 The Interpretation Act 1978 applies to this Agreement as it applies to an Act of Parliament.
- 1.6 A reference in this Agreement to any party or body includes its successors.
- 1.7 Any words following the terms ‘include’, ‘including’ or ‘in particular’ are by way of illustration, not limitation.
- 1.8 A reference in this Agreement to land includes any buildings or structures on the land.
- 1.9 A reference in this Agreement to pupils includes students at a 16-19 Academy.
- 1.10 Where any legislation, legal requirement or published guidance is referred to, unless otherwise stated, the following terms should be interpreted as follows:
  - a) “school” refers to the relevant Mainstream Academy, Alternative Provision Academy, or Special Academy, and “educational institution” refers, where the context so admits, to a 16-19 Academy;
  - b) the “head teacher” may refer to the Academy’s head teacher or principal;
  - c) references to the “governing body” or “responsible authorities” will be taken to refer to the Academy Trust; and
  - d) references to registered pupils will be treated as references to registered pupils at the Academy.
- 1.11 References in this Agreement or any Supplemental Agreement to any named legislation, legal requirement or published guidance should be taken to include any amendment to or replacement of it.

- 1.12 If any questions arise about how this Agreement should be interpreted, the answer will be decided by the Secretary of State, after discussion with the Academy Trust.

### **General Obligations of the Academy Trust**

- 1.13 In order for the Academy Trust to establish and run independent schools and/or educational institutions in England, according to the terms of the Academies Act 2010, and in order for the Secretary of State to make payments to the Academy Trust, the Academy Trust must meet the conditions and requirements set out in this Agreement, and in each Supplemental Agreement for an Academy for which payments are claimed. In particular, the Academy Trust must ensure the Academies it runs meet the applicable requirements as follows:
- a) for **Mainstream Academies**, those specified in Section 1A of the Academies Act 2010;
  - b) for **Alternative Provision Academies**, those specified in Section 1C of the Academies Act 2010;
  - c) for **16-19 Academies**, those specified in Section 1B of the Academies Act 2010;
  - d) for **Special Academies**, those specified in section 1A(2) of the Academies Act 2010, and:
    - i. the Academy Trust must ensure special educational provision is made at each of the Special Academies for one or more categories of SEN. These categories may include, but are not limited to: Specific Learning Difficulties, Moderate Learning Difficulties, Severe Learning Difficulties, Profound and Multiple Learning Difficulties, Behaviour Emotional Social and Development Needs, Speech Language and Communication Needs, Autistic Spectrum Disorder, Visual Impairment, Hearing Impairment, Multi-Sensory Impairment, Physical Disability;

- ii. the Academy Trust may not refuse to admit a child whose statement of SEN names one of the Special Academies on the sole basis that some, or all, of the child's SEN do not feature in the categories referred to in clause 1.13(d)(i) of this agreement.
- iii. the Academy Trust must comply with all of the obligations imposed upon special academies by legislation, and with the obligations imposed upon the governing bodies of maintained special schools in Chapter 1 of Part 4 of the Education Act 1996.
- iv. the Academy Trust must ensure that each Special Academy's website includes details of the arrangements for the admission of disabled pupils; the steps taken to prevent disabled pupils from being treated less favourably than other pupils; the facilities provided to assist access to the Academy by disabled pupils; and the plan prepared by the Academy Trust under paragraph 3 of Schedule 10 to the Equality Act 2010. Disabled pupils in this paragraph mean pupils who are disabled for the purposes of the Equality Act 2010.

1.14 To the extent that it is compatible with the Academy Trust fulfilling its charitable purpose of advancing education in the United Kingdom for the public benefit, the Academy Trust must ensure that each of its Academies is at the heart of its community, promoting community cohesion and sharing facilities with other schools and/or other educational institutions and the wider community.

1.15 The Academy Trust must conduct its Academies within the terms and requirements of:

- a) the Articles;
- b) any legislation or legal requirement that applies to academies, including the Independent School Standards and legislation about meeting the needs of pupils with SEN and disabilities;



- c) the Academies Financial Handbook, as stated in clauses 4.6 to 4.8;  
and
  - d) this Agreement, and any and all Supplemental Agreements.
- 1.16 The Academy Trust must, as soon as is reasonable, establish an appropriate mechanism for the receipt and management of donations for the purpose of its aims as specified in the Articles.
- 1.17 The Academy Trust must obtain the Secretary of State's consent before applying to have an Academy designated as a school with religious character. The Secretary of State may at his discretion refuse or consent to the Academy Trust making such an application.
- 1.18 Unless an Academy operated by the Academy Trust is designated as a school with a religious character under the Religious Character of Schools (Designation Procedure) (Independent Schools) (England) Regulations 2003, it agrees to be bound by the prohibition against discrimination in section 85 of the Equality Act 2010.
- 1.19 The Academy Trust is not required to publish information under this Agreement, or any Supplemental Agreement, if to do so would breach its obligations under the Data Protection Act 1998.
- 1.20 The Academy Trust must ensure that its Academies meet the needs of individual pupils, including pupils with SEN and disabilities.

## **Governance**

- 1.21 The Academy Trust will be governed by a board comprising the Charity Trustees of the Academy Trust (the **"Board of Charity Trustees"**).
- 1.22 The Board of Charity Trustees must have regard to any Guidance on the governance of academy trusts.
- 1.23 The Academy Trust must ensure that it engages with the relevant Local Governing Body (if any) or representatives of each Academy, and that arrangements are in place for matters relating to the functioning of each

Academy to be brought to the attention of the Charity Trustees of the Academy Trust.

- 1.24 The Academy Trust must provide to the Secretary of State the names of all new or replacement members of the Academy Trust, stating the date of their appointment and, where applicable, the name of the member they replaced as soon as is practicable and in any event within 14 days of their appointment.
- 1.25 The Academy Trust must not appoint any new or replacement members until it has first informed them, and they have agreed, that their names will be shared with the Secretary of State to enable him to assess their suitability.
- 1.26 If the Academy Trust establishes and maintains a Free School, it must, in addition to its obligations under clauses 1.24 and 1.25:
  - a) provide to the Secretary of State the names of all new or replacement Charity Trustees of the Academy Trust, stating whether they have been appointed or elected, the date of their appointment or election and, where applicable, the name of the Charity Trustees they replaced as soon as is practicable and in any event within 14 days of their appointment or election; and
  - b) not appoint or elect any new or replacement Charity Trustees until it has first informed them, and they have agreed, that their names will be shared with the Secretary of State to enable him to assess their suitability.
- 1.27 The Academy Trust must not amend or remove the provisions in its Articles relating to the appointment or election or the resignation or removal of Charity Trustees or members ("the Governance Articles") without the Secretary of State's consent.
- 1.28 Before any change to the Governance Articles is proposed the Academy Trust must give notice to the Secretary of State of:
  - a) the proposed amendment or removal; and;

b) the reason for it.

- 1.29 If the Secretary of State consents to the proposed changes, the Academy Trust shall approve any changes to the Articles as soon as reasonably practicable and provide the Secretary of State with a copy of the amended Articles and the resolution(s) approving them.

## **2. RUNNING OF THE ACADEMIES**

### **Length of school day and year**

- 2.1 The length of the school day and year will be the responsibility of the Academy Trust and for the purpose of this paragraph “school” also means a **16 to 19 Academy**.

### **Teachers and staff**

- 2.2 In complying with the Independent School Standards, the Academy Trust must require enhanced Disclosure and Barring Service (“DBS”) certificates as appropriate for members of staff, supply staff, members of the Academy Trust, individual Charity Trustees and the chair of the Board of Charity Trustees.
- 2.3 The Academy Trust must promptly submit to the Secretary of State, on request, the information contained in any enhanced DBS certificate that it receives.
- 2.4 The Academy Trust must designate a staff member at each Academy as responsible for promoting the educational achievement of registered pupils at the Academy who are being looked after by an LA, or are no longer looked after by an LA because of an adoption, special guardianship or child arrangements order, or because they have been adopted from ‘state care’ outside England and Wales, and in doing so must comply with the law, regulations and guidance that apply to maintained schools. The Academy Trust must ensure the designated person undertakes appropriate training and has regard to any guidance issued by the Secretary of State.

- 2.5 Teachers' pay and conditions of service at the Academies are the responsibility of the Academy Trust.
- 2.6 The Academy Trust must ensure that all teachers employed in each Academy have access to the Teachers' Pension Scheme and, in so doing, must comply with the requirements of the scheme and with Fair Deal for staff pensions guidance published by HM Treasury.
- 2.7 The Academy Trust must ensure that all affected staff employed in the Academy other than teachers have access to the Local Government Pension Scheme in line with that Scheme's main regulations being the Local Government Pension Scheme Regulations 2013 and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014. Access to the Scheme must also be in accordance with HM Treasury's published guidance on New Fair Deal which sets out how pensions issues are to be dealt with when staff are compulsorily transferred from the public sector to independent providers. These requirements don't apply if an individual chooses to opt out of the Scheme in line with the relevant legal provisions.
- 2.8 Where a member of the teaching staff employed at an Academy applies for a teaching post at another academy, a maintained school or a further education institution, the Academy Trust must at the request of the board of governors or academy trust of that other educational institution:
- a) advise in writing whether or not, in the previous two years, there has been any formal capability considerations or proceedings for that teacher at the Academy or the Predecessor School;
  - b) give written details of the concerns which gave rise to any such consideration of that teacher's capability, the duration of the proceedings and their outcome.

### **School meals**

- 2.9 Subject to clause 2.12, the Academy Trust must provide school lunches and free school lunches in accordance with the provisions of sections 512(3) and

512ZB(1) of the Education Act 1996 as if references in sections 512 and 512ZB to a local authority were to the Academy Trust and as if references to a school maintained by a local authority were to any of its Academies.

- 2.10 The Academy Trust must comply with school food standards legislation as if its Academies were maintained schools.
- 2.11 Where the Academy Trust provides milk to pupils, it must be provided free of charge to pupils who would be eligible for free milk if they were pupils at a maintained school.
- 2.12 Clauses 2.9 to 2.11 do not apply to 16-19 Academies. For **16-19 Academies**, the Academy Trust must comply with any Guidance in relation to free meals in the further education sector, as far as it applies to those Academies.

### **Pupil Premium**

- 2.13 For all of its Academies eligible for Pupil Premium, and for each Financial Year, the Academy Trust must publish, on the Academy's website, information about:
  - a) the amount of Pupil Premium allocation that it will receive during the Academy Financial Year;
  - b) what it intends to spend the Pupil Premium allocation on;
  - c) what it spent its Pupil Premium allocation on in the previous Academy Financial Year;
  - d) the impact of the previous year's Pupil Premium allocation on educational attainment.
- 2.14 For all of its Academies eligible for Year 7 literacy and numeracy catch-up premium funding, and for each Academy Financial Year, the Academy Trust must publish, on the Academy's website, information about:
  - a) the amount of Year 7 literacy and numeracy catch-up premium grant that it will receive during the Academy Financial Year;

- b) what it intends to spend its Year 7 literacy and numeracy catch-up premium grant on;
- c) what it spent its Year 7 literacy and numeracy catch-up premium grant on in the previous Academy Financial Year;
- d) the impact of the previous year's Year 7 literacy and numeracy catch-up premium grant on educational attainment, and how that effect was assessed.

## **Charging**

- 2.15 For all its Academies except 16 to 19 Academies, the Academy Trust must comply with sections 402, 450-457 and 459-462 of the Education Act 1996 with regard to public examinations, charging, providing information, inviting voluntary contributions and recovering civil debts, as if its Academies were maintained schools.
- 2.16 There must be no charge for admission to or attendance at any of the Academies, and the Academies will only charge pupils where the law allows maintained schools to charge.
- 2.17 Clause 2.16 does not prevent the Academy Trust receiving funds from an LA or a charity in respect of the admission and attendance of a pupil with SEN to an Academy.
- 2.18 Notwithstanding clause 2.16, the Academy Trust may charge people who are not registered pupils at one of its Academies for education or use of facilities.
- 2.19 Where an Academy provides a pupil with board and lodging, the Academy Trust must not charge the parent of that pupil more than the cost to the Academy Trust of providing the board and lodging, except as required by the Fees, Charges and Levies guidance in HM Treasury's publication 'Managing Public Money'.

## Exclusions

2.20 In respect of **Mainstream Academies, and Special Academies which admit pupils without statements of SEN**, the Academy Trust must, if asked to by an LA, enter into an agreement which has the effect that where:

a) the Academy admits a pupil who has been permanently excluded from a maintained school, the Academy itself or another academy with whom the LA has a similar agreement; or

b) the Academy Trust permanently excludes a pupil from the Academy, the arrangements for payment will be the same as if the Academy were a maintained school, under Regulations made under section 47 of the Schools Standards and Framework Act 1998.

## Curriculum

2.21 The curriculum is the responsibility of the Academy Trust.

2.22 The Academy Trust must ensure that the curriculum provided in each Academy to pupils up to the age of 16 is balanced and broadly based. In respect of **Mainstream, Special Academies, UTCs and Studio Schools**, the Academy Trust must ensure that the curriculum includes English, mathematics, science and (subject to the provisions in clause 2.V of the Mainstream academy and free school: supplemental funding agreement), (subject to the provisions in clause 2.V of the UTC and Studio School supplemental funding agreement) and (subject to the provisions in clause 2.HH-JJ of the Special School: supplemental funding agreement) religious education. In respect of **Alternative Provision Academies** the Academy Trust must ensure that the curriculum includes English, mathematics and science.

2.23 The Academy Trust must publish information in relation to the current curriculum provision at each Academy on that Academy's website, including:

a) the content of the curriculum;



- b) its approach to the curriculum;
- c) if applicable, the GCSE options and other Key Stage 4 qualifications offered by each Academy and, if applicable, any other qualifications offered by each Academy;
- d) the names of any phonics or reading schemes in operation for Key Stage 1 if applicable; and
- e) how parents (including parents of prospective pupils) and Commissioners (if applicable) can obtain further information about that Academy's curriculum.

2.24 The Academy Trust must not allow any view or theory to be taught as evidence-based if it is contrary to established scientific or historical evidence and explanations. This clause applies to all subjects taught at an Academy.

2.25 The Academy Trust must provide for the teaching of evolution as a comprehensive, coherent and extensively evidenced theory. In respect of any **Alternative Provision Academies** and **16-19 Academies**, the Academy Trust must do this where relevant to the curriculum.

2.26 The Academy Trust must ensure the Academy actively promotes the fundamental British values of democracy, the rule of law, individual liberty, and mutual respect and tolerance of those with different faiths and beliefs.

2.26A The Academy Trust must ensure the Academy promotes principles that support equality of opportunity for all.

2.27 The Academy Trust must ensure that careers guidance is provided at each of its Academies, in accordance with the requirements on maintained schools in the Education Act 1997.

## Assessment

2.28 The Academy Trust must:

- a) ensure that pupils and students at each of its Academies are entered for examinations, in line with the requirements on maintained schools in section 402 of the Education Act 1996;
- b) comply with the relevant Guidance, as it applies to maintained schools, in respect of each **Mainstream Academy**, and each **Special Academy** to ensure that pupils take part in assessments, and in teacher assessments of pupils' performance; and must do so for each **Alternative Provision Academy** unless there are exceptional reasons to do otherwise;
- c) ensure that students at each **16 to 19 Academy** take part in assessments of students' performance appropriate to the qualifications offered;
- d) report on assessments as the Secretary of State requires, or provide any information on assessments, on the same basis that maintained schools are required to provide the information;
- e) for all Key Stages, allow monitoring and moderation of the Academy's assessment arrangements as required by the Secretary of State.

2.29 Unless specifically approved in writing by the Secretary of State, the Academy Trust must not use General Annual Grant (GAG) to offer any course of education or training which leads to a qualification, if that qualification is not approved by the Secretary of State for the purpose of section 96 of the Learning and Skills Act 2000.

2.30 Unless informed by the Secretary of State that alternative information must be published, the Academy Trust must ensure that the following information is published on the relevant Academy's website for each **Mainstream Academy**, for each **Alternative Provision Academy**, and where relevant for

each **Special Academy**, and in respect of sub-paragraph b) where relevant for each **Studio School**:

- a) if applicable, the Academy's most recent Key Stage 2 results as published by the Secretary of State in the School Performance Tables:
  - i. "% achieving Level 4 or above in reading, writing and maths";
  - ii. "% making expected progress in reading", "% making expected progress in writing", and "% making expected progress in maths";
  - iii. in relation to reading, "% achieving Level 5 or above"; and
  - iv. in relation to writing, "% achieving Level 5 or above"; and
  - v. in relation to maths, "% achieving Level 5 or above";
- b) if applicable, the Academy's most recent Key Stage 4 results as published by the Secretary of State under the following column headings in the School Performance Tables:
  - i. "% achieving 5 + A\* - C GCSEs (or equivalent) including English and maths GCSEs";
  - ii. "% achieving the English Baccalaureate"; and
  - iii. "% of pupils making expected progress";
- c) information about where and how parents (including parents of prospective pupils) can access the most recent report about the Academy published by the Chief Inspector; and
- d) information as to where and how parents (including parents of prospective pupils) can access the School Performance Tables published by the Secretary of State.

2.31 The Academy Trust must ensure that, in relation to any **16-19 Academies**, any performance information requested by the Secretary of State is published on the Academy's website.

- 2.32 The Secretary of State may direct any Academy to participate in international education surveys, under the Education Act 1996, as if it were a maintained school.

### 3. **GRANT FUNDING**

#### **Recurrent Expenditure Grants**

- 3.1 The Secretary of State will pay grants towards Recurrent Expenditure, and may pay grants towards Capital Expenditure, for each Academy.
- 3.2 “**Recurrent Expenditure**” means any money spent on the establishment, conduct, administration and maintenance of an Academy which does not fall within Capital Expenditure.
- 3.3 In respect of Recurrent Expenditure, the Secretary of State will pay **General Annual Grant (“GAG”)** and may additionally pay **Earmarked Annual Grant (“EAG”)**. These are two separate and distinct grants.
- 3.4 Except with the Secretary of State’s consent, the Academy Trust must not make commitments to spending which will have substantial implications for future grant. No decision by the Academy Trust will commit the Secretary of State to paying any particular amount of grant.

#### **Capital Grant**

- 3.5 The Secretary of State may pay a grant (“**Capital Grant**”) to the Academy Trust for the purpose of spending on items of Capital Expenditure.
- 3.6 “**Capital Expenditure**” means expenditure on:
- a) acquiring land and buildings;
  - b) erecting, enlarging, improving or demolishing any building including fixed plant, installation, wall, fence or other structure, or any playground or hard standing;

- c) installing electrical, mechanical or other services other than necessary repairs and maintenance due to normal wear and tear;
- d) buying vehicles;
- e) installing and equipping premises with furnishings and equipment, other than necessary repairs and maintenance due to normal wear and tear;
- f) installing and equipping premises with computers, networking for computers, operating software and ICT equipment, other than necessary updates or repairs and maintenance due to normal wear and tear;
- g) providing and equipping premises, including playing fields and other facilities for social activities and physical recreation other than necessary repairs and maintenance due to normal wear and tear;
- h) works of a permanent character other than the purchase or replacement of minor day-to-day items;
- i) any major repairs or replacements which are specified as capital expenditure in any grant letter relating to them;
- j) such other items (whether like or unlike any of the foregoing) of a substantial or enduring nature which the Secretary of State agrees are capital expenditure for the purposes of this Agreement;
- k) professional fees properly and reasonably incurred in connection with the provision of any of the above;
- l) VAT and other taxes payable on any of the above.

3.7 Any Capital Grant funding that may be made available to the Academy Trust will be notified to it by the Secretary of State.

3.8 The Academy Trust must spend Capital Grant only on items of Capital Expenditure approved by the Secretary of State and in accordance with conditions specified by the Secretary of State. Further, the Academy Trust

must provide evidence that it has obtained all planning and other consents required for any proposed building and infrastructure development to be funded using Capital Grant.

- 3.9 In order to receive payments of Capital Grant, the Academy Trust must provide supporting invoices and certificates in the format specified by the Secretary of State.
- 3.10 The Academy Trust must provide an account of Capital Grant received and associated spending on Capital Expenditure using Capital Grant in the Academy Trust's financial statements and any financial reports or returns that the Secretary of State may require.
- 3.11 If in its use of Capital Grant the Academy Trust does not comply with this Agreement or any of the conditions specified by the Secretary of State, or the project does not accord with the original specification or has not been completed, the Secretary of State may at his discretion not make any further payments of Capital Grant and require the Academy Trust to repay all or part of the Capital Grant.

### **General Annual Grant (GAG)**

- 3.12 The Secretary of State will pay GAG to the Academy Trust towards the normal running costs or capital expenditure of each of its Academies, including:
  - a) teachers' salaries and related costs (including pension contributions, full and part-time teaching staff and payments in respect of seconded teachers);
  - b) non-teaching staff salaries and related costs (including pension contributions);
  - c) employees' expenses;
  - d) buying, maintaining, repairing and replacing teaching and learning materials and other educational equipment, including books and stationery;

- e) buying, maintaining, repairing and replacing other assets including ICT equipment and software, sports equipment and laboratory equipment and materials;
- f) examination fees;
- g) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc.); maintenance of grounds (including boundary fences and walls); insurance; cleaning materials and contract cleaning; water and sewerage; fuel and light (including electricity and gas); rents; rates; purchase, maintenance, repairs and replacement of furniture and fittings;
- h) medical equipment and supplies;
- i) staff development (including in-service training);
- j) curriculum development;
- k) the costs of providing school meals for pupils (including the cost of providing free school lunches to pupils who are eligible to receive them), and any discretionary grants to pupils to meet the cost of pupil support, including support for pupils with SEN or disabilities;
- l) administration; and
- m) establishment expenses and other institutional costs.

3.13 GAG for each Academy Financial Year for each **Mainstream Academy** and **Special Academy** will include:

- a) funding equivalent to that which would be received by a maintained school with similar characteristics, determined by the Secretary of State and taking account of the number of pupils at the Academy;
- b) funding to cover necessary functions which would be carried out by the relevant LA if the Academy were a maintained school;



- c) payment of any additional specific grants made available to maintained schools, where the Academy meets the criteria for those grants, and at the Secretary of State's discretion; and
- d) funding for any other costs to the Academy which the Secretary of State considers necessary.

3.14 The Academy Trust must use GAG only for maintaining, carrying on, managing and developing the Academies in accordance with this Agreement and the relevant Supplemental Agreement, except where the Secretary of State has given specific consent for the Academy Trust to use GAG for another charitable purpose.

3.15 In particular (but without limitation) the Academy Trust must not use GAG for:

- a) education and training for adults who are not pupils of the Academy, other than staff professional development and governance training and development;
- b) nursery provision for which parents are charged a fee;
- c) nursery provision to children outside of the relevant Academy's age range as stated in the applicable Supplemental Agreement;
- d) Children's Centres;
- e) any additional cost of providing sport and leisure facilities for a purpose not permitted in clause 3.14.

### **Earmarked Annual Grant (EAG)**

3.16 The Secretary of State may pay EAG to the Academy Trust for specific purposes, agreed between the Secretary of State and the Academy Trust, and as described in the relevant funding letter. The Academy Trust must spend EAG only in accordance with that letter.

- 3.17 Where the Academy Trust is seeking a specific EAG for any Academy Financial Year, it must send a letter outlining its proposals and the reasons for the request to the DfE.

### **Arrangements for paying GAG and EAG**

- 3.18 Before each Academy Financial Year, the Secretary of State will notify the Academy Trust of the GAG and EAG amounts in respect of each Academy which, subject to parliamentary approval, the Secretary of State plans for that Academy Financial Year and how these have been calculated.
- 3.19 The amounts of GAG for an Academy Financial Year will be determined annually by the Secretary of State, and notified to the Academy Trust in a funding letter sent before the relevant Academy Financial Year begins (the **“Annual Letter of Funding”**).
- 3.20 Amounts of EAG will be notified to the Academy Trust wherever possible in the Annual Letter of Funding or as soon as is practicable afterwards.
- 3.21 The Annual Letter of Funding will, as well as stating the grant amounts, set out how these have been calculated. It will not include grants which cannot be calculated in time because there is not enough information, or for other administrative reasons. Any such grants will be notified as soon as practicable.
- 3.22 The Secretary of State will pay GAG in monthly instalments on or before first day of each month (“the relevant month”), to fund the salaries and other payroll costs of all monthly paid employees and all other costs payable during the relevant month. The detailed arrangements for payment will be set out in the Annual Letter of Funding, or an equivalent.
- 3.23 If GAG or EAG is miscalculated:
- a) because of a mistake by the Secretary of State, which leads to an underpayment to the Academy Trust, the Secretary of State will correct the underpayment in the same or subsequent Academy Financial Years;

- b) because the Academy Trust provided incorrect information, which leads to an underpayment to the Academy Trust, the Secretary of State may correct the underpayment in the same or subsequent Academy Financial Years;
- c) for any reason which results in an overpayment to the Academy Trust, the Secretary of State may recover any overpaid grant in the same or subsequent Academy Financial Years, having considered all the relevant circumstances and taking into account any representations from the Academy Trust.

### **Other relevant funding**

- 3.24. The Academy Trust may receive additional funding from an LA under an agreement with that LA for the provision of support for pupils with SEN who require high levels of such support. The Academy Trust must ensure that all support required under that agreement is provided for those pupils.

## **4. FINANCIAL AND ACCOUNTING REQUIREMENTS**

### **General**

- 4.1 In order for the Secretary of State to provide grant funding to the Academy Trust, the Academy Trust must be fulfilling the financial and reporting requirements in this Agreement, and any Supplemental Agreements.
- 4.2 In its conduct and operation, the Academy Trust must apply financial and other controls which meet the requirements of regularity, propriety and value for money.
- 4.3 The Academy Trust must appoint an accounting officer and must notify the Secretary of State of that appointment. The Academy Trust must assign to the accounting officer the responsibilities of the role set out in the Academies Financial Handbook and HM Treasury's publication 'Managing Public Money'.
- 4.4 The Academy Trust must abide by the requirements of, and have regard to the guidance for, charities and charity trustees issued by the Charity

Commission and, in particular, the Charity Commission's guidance on 'Protecting Charities from Harm'. Any references in this document which require charity trustees to report to the Charity Commission should instead be interpreted as reporting to the body or person appointed as the principal regulator under the Charities Act 2011.

- 4.5 The Academy Trust must abide by the requirements of the current 16 to 19 Funding Guidance published by the Secretary of State, in respect of any provision for students who are above compulsory school age until the academic year in which they reach the age of 19.
- 4.5A If the Secretary of State pays any grant to or on behalf of the Academy Trust, in respect of any Free Schools that the Academy Trust establishes and maintains, which includes an amount to cover VAT, the Academy Trust shall, having paid the VAT, promptly submit a VAT reclaim application to Her Majesty's Revenue and Customs (HMRC). Any failure by the Academy Trust to submit a VAT reclaim application to HMRC, or to pursue the application diligently, or to repay any reclaimed amount to the Secretary of State as soon as reasonably practicable following receipt will be taken into account by the Secretary of State in:
- a) calculating and paying any subsequent grant to the Academy Trust; or
  - b) adjusting GAG payable to the Academy Trust in subsequent Academy Financial Years.

### **Application of the Academies Financial Handbook**

- 4.6 In relation to the use of grant paid to the Academy Trust by the Secretary of State, the Academy Trust must follow the requirements of, and have regard to the guidance in, the Academies Financial Handbook.
- 4.7 The Academy Trust must have adequate insurance cover or opt in to the Department's arrangements as set out in the Academies Financial Handbook.

- 4.8 The Academy Trust must submit information about its finances to the Secretary of State in accordance with the Academies Financial Handbook, or as otherwise specified by the Secretary of State.

### **Budgeting for funds**

- 4.9 The Academy Trust must balance its budget from each Academy Financial Year to the next. For the avoidance of doubt, this does not prevent the Academy Trust from:
- a) subject to clause 4.14, carrying a surplus from one Academy Financial Year to the next; or
  - b) carrying forward from previous Academy Financial Years sufficient cumulative surpluses on grants from the Secretary of State to meet an in-year deficit on such grants in a subsequent financial year, in accordance with clauses 4.14-4.16 and 3.L of the relevant Supplemental Agreement; or
  - c) incurring an in-year deficit on funds from sources other than grants from the Secretary of State in any Academy Financial Year, provided it does not affect the Academy Trust's responsibility to ensure that its Academies balance their respective overall budgets from each Academy Financial Year to the next.
- 4.10 The Academy Trust may spend or accumulate funds from private sources or public sources other than grants from the Secretary of State for the benefit of the Academy Trust as it sees fit. Any surplus from private or public sources other than grants from the Secretary of State must be separately identified in the Academy Trust's accounts.
- 4.11 For clarity, and in accordance with the intent of parity of funding with LA maintained schools, in circumstances where a Predecessor School had a deficit balance and the DfE has settled this with the relevant LA, that amount will be recovered from the Academy Trust's GAG over a period not normally exceeding 3 years (unless the Secretary of State's in his discretion decides otherwise) after the Academy opened.

4.12 The Academy Trust's budget must be approved for each Academy Financial Year by the Board of Charity Trustees.

4.13 The approved budget must be submitted to the Secretary of State in a form, and by a date, to be notified by the Secretary of State.

### **Carrying forward of funds**

4.14 At the end of any Academy Financial Year the Academy Trust may carry forward unspent GAG from previous Academy Financial Years without limit (unless a limit is specified in the Academies Financial Handbook, or otherwise as specified in writing by the Secretary of State, in which case that limit will apply).

4.15 The Academy Trust must use any GAG carried forward only for purposes of GAG as set out in this agreement, or otherwise as specified in the Academies Financial Handbook or in writing by the Secretary of State.

4.16 Any additional grant provided for an Academy's Start-Up Period may be carried forward, without limitation or deduction, until the Start-Up Period ends.

4.17 Any unspent grant not allowed to be carried forward under clauses 4.14-4.16 and 3.L of the relevant Supplemental Agreement may be taken into account in the payment of subsequent grant.

### **Annual accounts and audit**

4.18 The Academy Trust must prepare and file with Companies House the annual reports and accounts required by the Companies Act 2006.

4.19 In addition, the Academy Trust must prepare its annual reports and accounts for each Academy Financial Year:

- a) in accordance with the Charity Commission's 'Accounting and Reporting by Charities: Statement of Recommended Practice', as if the Academy Trust was a registered charity; and
- b) otherwise as the Secretary of State directs.

- 4.20 The Academy Trust's accounts must be audited annually by independent auditors appointed in line with the Academies Financial Handbook.
- 4.21 The accounts must carry an audit report stating whether, in the opinion of the auditors, the accounts show a true and fair view of the Academy Trust's affairs. The accounts must also be supported by such other audit reports, relating to the use of grants and other matters, as the Secretary of State directs.
- 4.22 The Academy Trust's annual report must include the names of all members of the Academy Trust who served during the year.
- 4.23 The Academy Trust's annual reports and accounts, and the auditor's reports, must be submitted to the Secretary of State by 31 December each Academy Financial Year, or as otherwise specified by the Secretary of State. The Academy Trust must publish on its website its annual reports and accounts, current memorandum of association, Articles and Funding Agreement and the names of its Charity Trustees and members. The Secretary of State may also publish the Academy Trust's annual reports and accounts, and the audit report, as he sees fit.

### **Keeping financial records**

- 4.24 The Academy Trust must keep proper accounting records. Statements of income and expenditure, statements of cash flow and balance sheets must be produced in such form and frequency as the Secretary of State directs.

### **Access to financial records**

- 4.25 The books of accounts and all relevant records, files and reports of the Academy Trust, including those relating to financial controls, must be open at all reasonable times to officials of the DfE and the National Audit Office, and to their agents and contractors, for inspection or carrying out value for money studies. The Academy Trust must give those officials and contractors reasonable assistance with their enquiries. For the purposes of this clause

'relevant' means in any way relevant to the provision and use of grants provided by the Secretary of State under this Agreement.

- 4.26 The Secretary of State may, at his expense, instruct auditors to report to him on the adequacy and effectiveness of the Academy Trust's accounting systems and internal controls to standards determined by the Secretary of State, and to make recommendations for improving the Academy Trust's financial management.

### **Acquiring and disposing of Publicly Funded Assets**

- 4.27 In relation to Publicly Funded Assets, the Academy Trust must not, without the Secretary of State's consent:

- a) acquire or dispose of freehold land; or
- b) take up or grant a leasehold of land; or
- c) dispose of any other class of capital assets.

except as expressly permitted in the Academies Financial Handbook, and subject to Part 3 of Schedule 1 to the Academies Act 2010.

- 4.28 The Academy Trust must give the Secretary of State 30 days' notice of its intention to take any of the actions in clause 4.27 (a) – (c) regardless of whether the Secretary of State's consent is required.

### **Retention of proceeds from the disposal of capital assets**

- 4.29 Except as permitted in the Academies Financial Handbook, if the Academy Trust sells capital assets which were acquired or enhanced wholly or partly using payments made by or on behalf of HM Government the Academy Trust must pay to the Secretary of State, at his request, an amount of the sale proceeds equivalent to the proportion of the original cost of the acquisition or enhancement which was met by or on behalf of HM Government.
- 4.30 If the Academy Trust sells a capital asset which was transferred to it for no or nominal consideration from an LA, a Predecessor School or a Predecessor



School's foundation, the Academy Trust must, if required by the Secretary of State, pay all or part of the sale proceeds to the LA or to the Secretary of State, taking into account the amount of the proceeds to be reinvested by the Academy Trust.

### **Transactions outside the usual planned range**

4.31 In relation to Publicly Funded Assets, the Academy Trust must not, without the Secretary of State's consent:

- a) give any guarantees, indemnities or letters of comfort, except such as are given in normal contractual relations;
- b) write off any debts or liabilities owed to it; or
- c) offer to make any special payments as defined in HM Treasury's publication 'Managing Public Money' (including ex gratia payments, staff severance payments and compensation payments)

if the value of those transactions would be above any threshold specified in the Academies Financial Handbook.

4.32 The Academy Trust must give the Secretary of State 30 days' notice (or such shorter period as the Secretary of State may agree) of its intention to take any of the actions in clause 4.31 (a) – (c) regardless of whether the Secretary of State's consent is required.

4.33 The Academy Trust must promptly notify the Secretary of State of any loss arising from suspected theft or fraud in line with the requirements in the Academies Financial Handbook, or otherwise specified by the Secretary of State.

### **Borrowing**

4.34 Except as permitted in the Academies Financial Handbook, the Academy Trust must not borrow against Publicly Funded Assets, or so as to put Publicly Funded Assets at risk, without the Secretary of State's consent.

## 5. **COMPLAINTS**

5.1 With regards to a **Mainstream Academy**, a **Special Academy** an **Alternative Provision Academy** or a **16-19 Academy**, if a complaint is made about matters arising wholly or partly before the Academy opened, and all or part of that complaint was investigated by the Local Government Ombudsman under Part III of the Local Government Act 1974 ("**Part III**"), or could have been investigated under Part III if the Predecessor School/Pupil Referral Unit had remained a maintained school/Pupil Referral Unit, the Academy Trust:

- a) must abide by the provisions of Part III as if the Academy were a maintained school/Pupil Referral Unit;
- b) agrees that the Secretary of State will have the power to investigate the subject of the complaint as if it had taken place after the Academy opened; and
- c) must act in accordance with any recommendation from the Secretary of State as if that recommendation had been made under Part III and the Academy were a maintained school/Pupil Referral Unit.

5.2 With regards to a **Mainstream Academy**, a **Special Academy** or a **16-19 Academy**, if the Secretary of State could have given an order or a direction under section 496 or 497 of the Education Act 1996 to the governing body of the Predecessor School and that order or direction related to matters occurring within the 12 months immediately before the Academy opened, the Academy Trust:

- a) agrees that the Secretary of State may give orders or directions to the Academy Trust as though the Academy were a maintained school and sections 496 and 497 applied to the governing body of that maintained school; and
- b) must act in accordance with any such order or direction from the Secretary of State.

- 5.3 If at the time of the opening of any **Mainstream Academy, Special Academy, Alternative Provision Academy** or **16-19 Academy** the investigation of a complaint made to the governing body of the Predecessor School/Pupil Referral Unit has not yet been completed, the Academy Trust must continue to investigate that complaint in accordance with the complaints procedures established by that governing body.
- 5.4 If a complaint is made to the Academy Trust about matters arising in whole or in part during the 12 months prior to the opening of any **Mainstream Academy**, any **Special Academy** any **Alternative Provision Academy** or any **16-19 Academy** the Academy Trust agrees to investigate that complaint as if the matter complained of had taken place after the Academy opened.

## 6. **TERMINATION**

- 6.1 This Agreement will commence on the date of delivery and continue until terminated in accordance with clauses 6.2-6.7, or until all Supplemental Agreements have terminated.

### **Termination by either party**

- 6.2 The Secretary of State may serve a Termination Notice if any of the following events occur, or if he considers that there is a serious risk that any of them may occur:
- a) the Academy Trust calls a formal or informal meeting of its creditors or enters into any formal or informal composition or arrangement with its creditors; or
  - b) the Academy Trust proposes a voluntary arrangement within Section 1 of the Insolvency Act 1986 (as amended); or
  - c) the Academy Trust is unable to pay its debts within the meaning of Section 123 of the Insolvency Act 1986 provided that, for the purposes of this clause, Section 123 (1)(a) of the Insolvency Act 1986 will have effect as if £10,000 was substituted for £750. The Academy Trust will not be deemed unable to pay its debts for the purposes of this clause if

any such demand as is mentioned in the said Section is being contested in good faith by the Academy Trust; or

- d) the Academy Trust has a receiver and manager (except those appointed by the Charity Commission under the Charities Act 2011), administrator or administrative receiver appointed over all or part of its undertakings, assets or income; or
- e) any distraint, execution or other process is levied or enforced on any of the Academy Trust's property and is not paid out, withdrawn or discharged within 15 business days; or
- f) the Academy Trust has passed a resolution for its winding up; or
- g) an order is made for the winding up or administration of the Academy Trust.

6.3 The Academy Trust must promptly notify the Secretary of State, with an explanation of the circumstances, after receiving any petition which may result in an order for its winding up or administration.

6.4 If

- a) any Charity Trustee or member of the Academy Trust refuses to consent to any checks required under this Agreement, or as otherwise requested by the Secretary of State; or
- b) the Secretary of State determines that any Charity Trustee or member of the Academy Trust is unsuitable,

the Secretary of State may:

- i. direct the Academy Trust to ensure that the Charity Trustee or member resigns or is removed within 42 days, failing which the Secretary of State may serve a Termination Notice; or
- ii. serve a Termination Notice.

6.5 For the purposes of clause 6.4 a Charity Trustee or member of the Academy Trust will be “unsuitable” if that Charity Trustee or member:

- a) has been convicted of an offence;
- b) has been given a caution in respect of an offence;
- c) is subject to a relevant finding in respect of an offence; or
- d) has engaged in relevant conduct,

as a result of which, the Secretary of State considers that that Charity Trustee or member is unsuitable to take part in the management of the Academies.

6.6 For the purposes of clause 6.5:

- a) a Charity Trustee or member of the Academy Trust will be subject to a “relevant finding” in respect of an offence if:
  - i. that Charity Trustee or member has been found not guilty of the offence by reason of insanity;
  - ii. that Charity Trustee or member has been found to be under a disability and to have done the act charged against them in respect of the offence; or
  - iii. a court outside the United Kingdom has made a finding equivalent to that described in paragraphs (i) and (ii) above.
- b) “relevant conduct” is conduct by a Charity Trustee or member of the Academy Trust which is:
  - i. aimed at undermining the fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs; or
  - ii. found to be in breach of professional standards by a professional body; or

- iii. so inappropriate that, in the opinion of the Secretary of State, it makes that Charity Trustee or member unsuitable to take part in the management of the Academy.

### **Change of Control of the Academy Trust**

- 6.7 The Secretary of State may at any time, subject to clause 6.8, serve a Termination Notice if there is a change:
- a) in the Control of the Academy Trust; or
  - b) in the Control of a legal entity that Controls the Academy Trust.
- 6.8 Where a person ('P') is a member or director of a body corporate (as a corporation sole or otherwise) by virtue of an office, no change of Control arises merely by P's successor becoming a member or director in P's place.
- 6.9 The Academy Trust must promptly notify the Secretary of State if there is a proposed or actual change of Control of the Academy Trust, or of a legal entity that Controls the Academy Trust.
- 6.10 When notifying the Secretary of State further to clause 6.9, the Academy Trust must seek his agreement that, if he is satisfied with the change of Control, he will not exercise his right to terminate this Agreement further to clause 6.7.

## **7. OTHER CONTRACTUAL ARRANGEMENTS**

### **Information**

- 7.1 The Academy Trust must promptly provide to the Secretary of State any information about the Academy Trust, or any of its Academies, which he regards as necessary to fulfil his role and responsibilities.
- 7.2 The Secretary of State will give the Academy Trust any information it reasonably requires of him for the running of its Academies.

### **Access by the Secretary of State's Officers**

- 7.3 The Academy Trust must allow DfE officials to enter any of its Academies at any reasonable time. All records, files and reports relating to the running of each Academy must be available to them at any reasonable time. Two DfE officials may attend and speak at any meetings of each Academy's Local Governing Body, of the Academy Trust's Board of Charity Trustees or any other meetings of the Charity Trustees of the Academy Trust, but will withdraw from any discussion of an Academy's or the Academy Trust's relationship with the Secretary of State or any discussion of bids for funding to the Secretary of State.
- 7.4 The following documents must be provided to the Secretary of State or any person nominated by the Secretary of State on request:
- a) the agenda for every meeting of the Board of Charity Trustees, any Local Governing Body or any committee to which the Board of Charity Trustees delegates any of its functions;
  - b) the draft minutes of every such meeting, if they have been approved by the chairman of that meeting;
  - c) the signed minutes of every such meeting; and
  - d) any report, document or other paper considered at any such meeting.
- 7.5 The Academy Trust may exclude from items provided under clause 7.4 any content relating to:
- a) a named teacher or other person employed, or proposed to be employed, at any Academy;
  - b) a named pupil or student at, or candidate for admission to, any Academy; and
  - c) any matter which the Academy Trust reasonably believes should remain confidential.

## Notices

7.6 A notice or communication given to a party in connection with this Agreement or any Supplemental Agreement:

- a) must be in writing (excluding email, except where agreed in advance) and in English;
- b) must be delivered by hand or sent by pre-paid first-class post or other next working day delivery service;
- c) will be deemed to have been received:
  - i. if delivered by hand, at the time when a delivery receipt is signed or when the notice is left at the address in paragraph (d), or
  - ii. if posted, at 9.00am on the second working day after posting; and
- d) must be sent to the party for the attention of the contact and at the address listed as follows (or to a different contact or address previously notified to the sending party, the change taking effect five working days after deemed receipt of the notice):

<b>Name of party</b>	<b>Position of contact</b>	<b>Address</b>
Secretary of State	Head of Academies Division	Department for Education, Sanctuary Buildings, Great Smith Street, London, SW1P 3BT
[Academy Trust name]	[Position]	[Address]



## **Contractual**

- 7.7 This Academy Trust cannot assign this Agreement.
  
- 7.8 Failure to exercise, or delay in exercising, any right or remedy of the Secretary of State under this Agreement (including the right to terminate this Agreement), or a single or partial exercise of such a right or remedy, is not a waiver of, and does not prevent or restrict any initial or further exercise of, that or any other right or remedy.
  
- 7.9 Termination of this Agreement will not affect the accrued rights, remedies, obligations or liabilities of the parties to this Agreement existing at termination.
  
- 7.10 This Agreement may be executed in any number of counterparts, each of which when executed and delivered will constitute a duplicate original, but all of which will together constitute the same agreement.
  
- 7.11 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) will be governed by and construed in accordance with the law of England and Wales, and submitted to the exclusive jurisdiction of the courts of England and Wales.

This Agreement was executed as a Deed on [DATE]

Executed on behalf of the **Academy Trust** by:

..... and .....  
**Director** **Director**

or .....  
**Company Secretary**

or .....  
**Witness**  
 Name:  
 Address:

The Corporate Seal of  
**THE SECRETARY OF STATE FOR EDUCATION**  
 affixed to this deed is authenticated by:

.....  
**Duly Authorised**



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<b><u>ODST Members, Main Board and Committee membership</u></b>						
<b><u>Members</u></b>						
<b>The Right Revd Alan Wilson, Bishop of Buckingham</b>						
<b>The Revd Mary Ann Harwood</b>						
<b>Fiona Craig (DDE)</b>						
<b>Kathy Winrow</b>						
<b>* Chair</b>						
<b><u>ODST, Main Board</u></b>	<b><u>Finance</u></b>	<b><u>Pay and Personnel</u></b>	<b><u>Curriculum and Ethos</u></b>	<b><u>Academy Improvement</u></b>	<b><u>Audit</u></b>	<b><u>Nominations</u></b>
<b>*Kathy Winrow</b>	<b>* Sir Clive Booth</b>	<b>* Joanna Moriarty</b>	<b>*Brendan Clover</b>	<b>*Kathy Winrow</b>	<b>*Patricia Pritchard</b>	<b>*Kathy Winrow</b>
Brendan Clover (Vice Chair)	Anne Davey	Sir Clive Booth	Priscilla Chadwick	Anne Davey	Sir Clive Booth	Anne Davey
Sir Clive Booth	Kathy Winrow	Anne Davey	Anne Davey	Patricia Pritchard	Richard Ireson	Patricia Pritchard
Fiona Craig		Kathy Winrow			Alison Jesticoe	Joanna Moriarty
Priscilla Chadwick						
Revd Dr Megan Daffern						
Anne Davey						
Bishop Colin Fletcher						
Joanna Moriarty						
Tricia Pritchard						

<b>Associate Members</b>	Catherine Jones					
	Chris Wheaton					
<b>In attendance</b>						
Auditor and Responsible Officer	David Locke	Mark Jones	David Cousins	David Cousins	David Locke	Julian Hehir
David Cousins – School Improvement						
Mark Jones HR Adviser						
David Locke Chief Operating Officer						
Susan Newell Legal						

<b>Director</b>	<b>Term of office start</b>	<b>Term of office end</b>
Sir Clive Booth	July 2016	July 2020
Brendan Clover	October 2016	October 2020
Priscilla Chadwick	October 2016	October 2020
Revd Dr Megan Daffern	January 2017	January 2021
Anne Davey	July 2012	NA
Tricia Pritchard	April 2015	April 2019
Kathy Winrow	August 2016	August 2020
Bishop Colin Fletcher	Oct 2016	Oct 2020
Fiona Craig	July 2017	July 2021
Joanna Moriarty	January 2018	January 2022
<b>Associate Members</b>		
Richard Ireson		
Alison Jesticoe		
Catherine Jones		
Chris Wheaton		

# **Oxford Diocesan Schools Trust**

## **Register of Business and other interests of the Trustees/Members of the Board and Committees declared September 2017**

<b>Trustee/Member</b>	<b>Trustee/Board/LGB member elsewhere</b>	<b>Relations trustee/Board/LGB member elsewhere</b>	<b>Other employment/business related interests elsewhere</b>	<b>Relations other employment/business related interests elsewhere</b>
Revd Dr John Reader  ODST  October 2012	Wroxton Primary School – Vice Chair of Governors  William Temple Foundation Board of Trustees	NA	NA	NA
Dr Priscilla Chadwick  ODST  October 2012	Uppingham School, Westminster School, Harris Westminster School, Bishop Gilpin School  Governor	NA	Culham St Gabriel's Trust  Educational charity  Chair of Trustees	NA
Kathryn Mary Winrow  ODST  From September 2012	Diocesan Board of Education  Bishop's nomination General Synod Church leadership House of Laity representative  Farming and Countryside Education	NA	NA	Terry Winrow  Interest: Associate Priest at St George's Newbury

	Trustee			
Revd Canon Brendan David Clover  ODST	Alderley Edge School for Girls Independent school Trustee/Governor	NA	Woodard Academies Trust Education Employee Education Charity	NA
Sir Clive Booth  ODST  July 2016	College of Occupational Therapists – professional body Honorary Vice President	Mrs GM Booth  Oxford Citizen's Advice Bureau volunteer	Oxford Civic Society Charity Honorary President  BBOWT Wildlife Conservation Hon Chairman of Board to Oct 2017	NA
Patricia Pritchard  ODST  April 2015	Woodard Academies Trust, Woodard Corporation, Church Schools of Cambridge Trust and Cambridge Centre for Sixth Form Studies  Trustee  Chair/ Trustee - Opportunity Area Partnership Board for East Cambs and Fenland	NA	Self-employed education consultant which includes working part-time but not on contract to Lee Bolton Monier Williams	NA
Asta Von Stackelberg  ODST  February 2014	Parent Governor, The Hendreds Primary School	NA	NA	NA

<p>Mrs Jacqueline Anne Davey</p> <p>ODST</p> <p>July 2012</p>	<p>Trustee of Woodard Corporation. Woodard Academies Trust</p>	<p>Howard Dellar – partner</p> <p>Chair of the Bletchingdon Charity and Chair of the St Mary Magdalen restoration and development trust.</p>	<p>ODBE – employee; Chief Executive ODST</p> <p>Culham St Gabriel’s Trust</p> <p>Education grant making</p> <p>Trustee</p>	<p>Howard Dellar – partner:</p> <p>Interests:</p> <p>Laces Educational – Director</p> <p>The Weald Foundation – Secretary</p> <p>Mowgli Mentoring – Secretary</p> <p>ORWEF Ltd – Secretary and Director</p> <p>The Joshua Watson Trust – Director</p> <p>The Arbory Trust – director</p> <p>Anglo Catholic Futures – Director</p> <p>SIL Trading Ltd – secretary</p> <p>The Society of Inner Light - Secretary</p> <p>The Bletchingdon Community Foundation – Secretary</p> <p>The Friendly Hand – Secretary</p> <p>Lee Bolton and Lee Nominees Ltd – Director</p>



				James Percy Foundation – Secretary The Orthopaedic Research & Education Foundation - Secretary
Sarah Helen Appleby ODST September 2016	Governor, Leafield School, Witney Oxon	NA	PTGB Ltd (Window and door manufacturer) – Director and shareholder	
Fiona Ruth Craig ODST March 2017	Oxford Diocesan Bucks Schools Trust Multi-academy trust Trustee	NA	ODBE - employee	NA
The Revd Dr Megan Daffern ODST January 2017	Formerly (2006-2009) Community Governor of the Paddox Primary School, Rugby <a href="http://www.paddoxprimary.com/">http://www.paddoxprimary.com/</a>		Marriott Trust <a href="http://beta.charitycommission.gov.uk/charity-details/?reqid=314078&amp;subid=0">http://beta.charitycommission.gov.uk/charity-details/?reqid=314078&amp;subid=0</a>  Benefices Committee, Jesus College Oxford (overseeing clerical appointments to parishes of which we are patron, some of which are in the ODST area)	Spouse – The Revd Canon Adrian Daffern Interest: DBE; Assistant Archdeacon of Dorchester and all associated Diocesan memberships; Governor, Marlborough School; Governor, Woodstock Primary School
Rt Revd Colin William Fletcher ODST	NA	NA	Area Bishop of Dorchester	NA

November 2016				
<b>Associate Members</b>				
Mr Richard Ireson  ODST  From December 2016	Churchmead C of E Primary School Datchet  Member of IEB	NA	NA	NA
Catherine Jones  ODST  September 2015	Governor St Christopher's Primary School, Langford	NA	STFC  Scientific Research  Employer	NA
Alison Jestico  April 2017	-	-	Employee of ODBE	-
Elizabeth Knowles  ODST  Renewed May 2017	The Blake CoE Primary School Witney (Foundation Governor and Chair of Governors)	NA	Oxford University Press (former employee and pensioner)	NA
Mrs Joanna Moriarty  Sept 2017	ODBE  Elected Member	NA	Green Park  Executive Search  Employer	NA

			Clients include charities and Church of England bodies	
<b>Officers</b>				
David Cousins  March 2017	NA	NA	ODBST Multi-academy trust Acting CEO/Director of Schools	Jackie Cousins (Spouse) Interest: School Improvement Consultant  Name: Laura Kehoe (daughter) Interest: Marketing Consultant