





## Oxford Diocesan Schools Trust

Church House Oxford, OX5 1GF

ODST Registered Office:  
Church House (Oxford),  
Langford Locks, Kidlington  
Oxford, OX5 1GF  
Telephone:  
01865 208 200

Email:

[ODST.Admin@oxford.anglican.org](mailto:ODST.Admin@oxford.anglican.org)

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

## &amp; 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)



Department  
for Education

Dated 13 July 2012



**13 July 2012**

**THE COMPANIES ACT 2006**

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**A COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**

**OF**

**OXFORD DIOCESAN SCHOOLS TRUST**

**COMPANY NUMBER: 8143249**

**as amended by a Special Resolution passed on 5 November 2013**

**THE COMPANIES ACT 2006****COMPANY LIMITED BY GUARANTEE****ARTICLES OF ASSOCIATION****OF****OXFORD DIOCESAN SCHOOLS TRUST****INTERPRETATION**

## 1. In these Articles:-

- (a) "the Academies" means all the schools referred to in Article 4 and established by the Company (and "Academy" shall mean any one of those schools);
- (b) "Academy Financial Year" means the academic year from 1<sup>st</sup> of September to 31<sup>st</sup> of August of the following year;
- (c) "the Articles" means these Articles of Association of the Company;
- (d) "Chief Executive Officer" means such person as may be appointed by the Directors as the Chief Executive Officer of the Company;
- (e) "Chief Inspector" means Her Majesty's Chief Inspector of Education, Children's Services and Skills or his successor;
- (f) "clear days" in relation to the period of a notice means the period excluding the day when the notice is given or deemed to be given and the day on which it is given or on which it is to take effect;
- (g) "Clerk" means the clerk to the Directors or any other person appointed to perform the duties of the clerk to the Directors, including a joint, assistant or deputy clerk;
- (h) "the Company" means, save as otherwise defined at Article 6.9, the company intended to be regulated by these Articles and referred to in Article 2;
- (i) "Diocese" means the Church of England diocese in which the Academies are situated;
- (j) "Diocesan Board of Education" means that body constituted under the Diocesan Boards of Education Measure 1991 for the Diocese;
- (k) "Diocesan Board of Finance" means the Diocesan Board of Finance for the Diocese;

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- (l) "Diocesan Director of Education" means the Director of Education of the Diocesan Board of Education;
- (m) "the Directors" means, save as otherwise defined at Article 6.9, the directors of the Company (and "Director" means any one of those directors);
- (n) "Financial Expert" means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;
- (o) "the LAs" means all the local authorities covering the areas in which the Academies are situated (and "the LA" shall mean any one of these local authorities);
- (p) "Local Authority Associated Persons" means any person associated with any local authority within the meaning given in section 69 of the Local Government and Housing Act 1989;
- (q) "Local Governing Bodies" means the committees appointed pursuant to Articles 100-102 and 104 (and "Local Governing Body" means any one of these committees);
- (r) "Member" means a member of the Company and someone who as such is bound by the undertaking contained in Article 8;
- (s) "the Memorandum" means the Memorandum of Association of the Company;
- (t) "Office" means the registered office of the Company;
- (u) "Parent Directors" means the Directors elected or appointed pursuant to Articles 53 – 56 inclusive;
- (v) "Principals" means the head teachers of the Academies (and "Principal" means any one of these head teachers);
- (w) "Principal Regulator" means the body or person appointed as the Principal Regulator under the Charities Act 2011;
- (x) Not used;
- (y) "Scheme of Delegation" means an instrument by the Directors delegating such powers and responsibilities of the Directors as may be appropriate for them to delegate to the Local Governing Bodies consistently with the Objects;
- (z) "the seal" means the common seal of the Company if it has one;
- (aa) "Secretary of State" means the Secretary of State for Education or successor;
- (bb) Not used;



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- (cc) “Teacher” means a person employed under a contract of employment or a contract for services or otherwise engaged to provide his services as a teacher at one or more Academies;
  - (dd) “Trustees” means those trustees holding the schools’ sites and providing them to the Academy Trust for use and occupation by the Academies;
  - (ee) “the United Kingdom” means Great Britain and Northern Ireland;
  - (ff) words importing the masculine gender only shall include the feminine gender. Words importing the singular number shall include the plural number, and vice versa;
  - (gg) subject as aforesaid, words or expressions contained in these Articles shall, unless the context requires otherwise, bear the same meaning as in the Companies Act 2006, as appropriate;
  - (hh) any reference to a statute or statutory provision or measure shall include any statute or statutory provision or measure which replaces or supersedes such statute or statutory provision or measure including any modification or amendment thereto.
2. The Company's name is **Oxford Diocesan Schools Trust** (and in this document it is called “**the Company**”).
  3. The Company’s registered office is to be situated in England and Wales.

### OBJECT

4. The Company’s object (“**the Object**”) is specifically restricted to the following:
 

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:

  - (i) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and

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- (ii) other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.
5. In furtherance of the Object but not further or otherwise the Company may exercise the following powers:
- (a) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts in the name of the Company;
  - (b) to raise funds and to invite and receive contributions provided that in raising funds the Company shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations;
  - (c) (subject to such further consents as may be required by law or as may be required from the Trustees as landlords/licensors where this is the case) to acquire, alter, improve and charge or otherwise dispose of property;
  - (d) subject to Article 6 below to employ such staff, as are necessary for the proper pursuit of the Object (including the maintenance of an effective Church of England ethos in relation to Academies falling within Article 4(i)) and to make all reasonable and necessary provision for the payments of pensions and superannuation to staff and their dependants;
  - (e) to establish or support, whether financially or otherwise, any charitable trusts, associations or institutions formed for all or any of the Object;
  - (f) to co-operate with other charities, other independent schools, schools maintained by a local authority, 16-19 Academies, alternative provision Academies, institutions within the further education sector, voluntary bodies and statutory authorities operating in furtherance of the Object and to exchange information and advice with them;
  - (g) to pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
  - (h) to establish, maintain, carry on, manage and develop the Academies at locations to be determined by the Directors;

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- (i) to offer scholarships, exhibitions, prizes and awards to pupils and former pupils, and otherwise to encourage and assist pupils and former pupils;
- (j) to provide educational facilities and services to students of all ages and the wider community for the public benefit;
- (k) to carry out research into the development and application of new techniques in education and to their approach to curriculum development and delivery and to publish the results of such research, and to develop means of benefiting from application of the experience of industry, commerce, other schools and the voluntary sector to the education of pupils in academies;
- (l) subject to such consents as may be required from the Trustees or otherwise required by law and/or by any contract entered into by or on behalf of the Company, to borrow and raise money for the furtherance of the Object in such manner and on such security as the Company may think fit;
- (m) to deposit or invest any funds of the Company not immediately required for the furtherance of its object (but to invest only after obtaining such advice from a financial expert as the Directors consider necessary and having regard to the suitability of investments and the need for diversification);
- (n) to delegate the management of investments to a financial expert, but only on terms that:
  - (i) the investment policy is set down in writing for the financial expert by the Directors;
  - (ii) every transaction is reported promptly to the Directors;
  - (iii) the performance of the investments is reviewed regularly with the Directors;
  - (iv) the Directors are entitled to cancel the delegation arrangement at any time;
  - (v) the investment policy and the delegation arrangement are reviewed at least once a year;
  - (vi) all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Directors on receipt; and
  - (vii) the financial expert must not do anything outside the powers of the Directors;

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- (o) to arrange for investments or other property of the Company to be held in the name of a nominee company acting under the control of the Directors or of a financial expert acting under their instructions, and to pay any reasonable fee required;
  - (p) to provide indemnity insurance to Directors and the members of any Local Governing Body (to the extent necessary) in accordance with, and subject to the conditions of section 232 to 235 of the Companies Act 2006, section 189 of the Charities Act 2011 or any other provision of law applicable to charitable companies and any such indemnity is limited accordingly;
  - (q) to establish subsidiary companies to carry on any trade or business for the purpose of raising funds for the Company;
  - (r) to do all such other lawful things as are necessary for or are incidental to or conducive to the achievement of the Object and appropriate to the religious character of the Academy.
- 6.1 The income and property of the Company shall be applied solely towards the promotion of the Object.
- 6.2 None of the income or property of the Company may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Company. Nonetheless a Member of the Company who is not also a Director may:
- (a) benefit as a beneficiary of the Company;
  - (b) be paid reasonable and proper remuneration for any goods or services supplied to the Company;
  - (c) be paid rent for premises let by the Member of the Company if the amount of the rent and other terms of the letting are reasonable and proper; and
  - (d) be paid interest on money lent to the Company at a reasonable and proper rate, such rate not to exceed 2 per cent per annum below the base lending rate of a UK clearing bank selected by the Directors, or 0.5%, whichever is the higher.
- 6.3 A Director may benefit from any indemnity insurance purchased at the Company's expense to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or

breach of duty of which they may be guilty in relation to the Company: provided that any such insurance shall not extend to:

- (i) any claim arising from any act or omission which Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard to whether it was a breach of trust or breach of duty or not; and,
- (ii) provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as directors of the Company.

Further, this Article does not authorise a Director to benefit from any indemnity insurance that would be rendered void by any provision of the Companies Act 2006, the Charities Act 2011 or any other provision of law.

6.4 A company, which has shares listed on a recognised stock exchange and of which any one Director holds no more than 1% of the issued capital of that company, may receive fees, remuneration or other benefit in money or money's worth from the Company.

6.5 A Director may at the discretion of the Directors be reimbursed from the property of the Company for reasonable expenses properly incurred by him or her when acting on behalf of the Company, but excluding expenses in connection with foreign travel.

6.6 No Director may:

- (a) buy any goods or services from the Company;
- (b) sell goods, services, or any interest in land to the Company;
- (c) be employed by, or receive any remuneration from the Company other than the Chief Executive Officer or Principals whose employment and/or remuneration is subject to the procedure and conditions in Article 6.8);
- (d) receive any other financial benefit from the Company unless:
  - (i) the payment is permitted by Article 6.7 and the Directors follow the procedure and observe the conditions set out in Article 6.8; or

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- (ii) the Directors obtain the prior written approval of the Charity Commission and fully comply with any procedures it prescribes.

6.7 Subject to Article 6.8, a Director may:

- (a) receive a benefit from the Company in the capacity of a beneficiary of the Company;
- (b) be employed by the Company or enter into a contract for the supply of goods or services to the Company, other than for acting as a Director;
- (c) receive interest on money lent to the Company at a reasonable and proper rate not exceeding 2% per annum below the base rate of a clearing bank to be selected by the Directors, or 0.5%, whichever is the higher; and
- (d) receive rent for premises let by the Director to the Company if the amount of the rent and the other terms of the lease are reasonable and proper.

6.8 The Company and its Directors may only rely upon the authority provided by Article 6.7 if each of the following conditions is satisfied:

- (a) the remuneration or other sums paid to the Director do not exceed an amount that is reasonable in all the circumstances.
- (b) the Director is absent from the part of any meeting at which there is discussion of:
  - (i) his or her employment, remuneration, or any matter concerning the contract, payment or benefit; or
  - (ii) his or her performance in the employment, or his or her performance of the contract; or
  - (iii) any proposal to enter into any other contract or arrangement with him or her or to confer any benefit upon him or her that would be permitted under Article 6.7; or
  - (iv) any other matter relating to a payment or the conferring of any benefit permitted by Article 6.7,
- (c) the Director does not vote on any such matter and is not to be counted when

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calculating whether a quorum of Directors is present at the meeting;

- (d) save in relation to employing or contracting with the Chief Executive Officer or Principals the other Directors are satisfied that it is in the interests of the Company to employ or to contract with that Director rather than with someone who is not a Director. In reaching that decision the Directors must balance the advantage of employing a Director against the disadvantages of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest);
- (e) the reason for their decision is recorded by the Directors in the minute book; and
- (f) a majority of the Directors then in office have received no such payments or benefit.

6.8A The provision in Article 6.6(c) that no Director may be employed by or receive any remuneration from the Company (other than the Chief Executive Officer or Principals) does not apply to an employee of the Company who is subsequently elected or appointed as a Director save that this Article shall only allow such a Director to receive remuneration or benefit from the Company in his capacity as an employee of the Company and provided that the procedure as set out in Articles 6.8(b)(i), (ii) and 6.8 (c) is followed.

6.9 In Articles 6.2 - 6.9:

- (a) "company" shall include any company in which the Company:
  - holds more than 50% of the shares; or
  - controls more than 50% of the voting rights attached to the shares; or
  - has the right to appoint one or more Directors to the Board of the company;
- (b) "Director" shall include any child, stepchild, parent, grandchild, grandparent, brother, sister or spouse of the Director or any person living with the Director as his or her partner;
- (c) the employment or remuneration of a Director includes the engagement or remuneration of any firm or company in which the Director is:
  - (i) a partner;
  - (ii) an employee;

- (iii) a consultant;
  - (iv) a director;
  - (v) a member; or
  - (vi) a shareholder, unless the shares of the company are listed on a recognised stock exchange and the Director holds less than 1% of the issued capital.
7. The liability of the members of the Company is limited.
8. Every Member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a Member or within one year after he or she ceases to be a Member, for payment of the Company's debts and liabilities before he or she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
9. If the Company is wound up or dissolved and after all its debts and liabilities (including any under section 2 of the Academies Act 2010) have been satisfied there remains any property it shall not be paid to or distributed among the Members of the Company, but shall be given or transferred to some other charity or charities having objects similar to the Object which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Company by Article 6 above, chosen by the Members of the Company at or before the time of dissolution and if that cannot be done then to some other charitable object.
10. No alteration or addition shall be made to or in the provisions of the Memorandum and/or Articles without the written consent of the Trustees and the Diocesan Board of Education.<sup>1</sup>
11. No alteration or addition shall be made to or in the provisions of the Articles which would have the effect (a) that the Company would cease to be a company to which section 60 of the Companies Act 2006 applies; or (b) that the Company would cease to be a charity.

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<sup>1</sup> The requirement for the consent of the Trustees and the Diocesan Board of Education (whether they are members or otherwise) corresponds to the requirement for maintained schools that the consent of these bodies be obtained prior to a change to the Instrument of Government under the Schools Governance (Constitution) (England) Regulations 2007.



**MEMBERS**

12. The Members of the Company shall comprise:

- (a) the signatories to the Memorandum, who shall be:
  - (i) the Diocesan Board of Education acting corporately by hand of one of its directors; and
  - (ii) two individual members of the Diocesan Board of Education nominated by it for the purpose;
- (b) up to 5 other persons who may be appointed by Diocesan Board of Education;
- (c) the chairman of the Directors; and
- (d) any person appointed under Article 16.

13. Each of the persons entitled to appoint Members in Article 12 shall have the right from time to time by written notice delivered to the Office to remove any Member appointed by them and to appoint a replacement Member to fill a vacancy whether resulting from such removal or otherwise.

14. If any of the persons entitled to appoint Members in Article 12:

- (a) in the case of an individual, die or become legally incapacitated;
- (b) in the case of a corporate entity, cease to exist and are not replaced by a successor institution; or
- (c) becomes insolvent or makes any arrangement or composition with their creditors generally,

their right to appoint Members under these Articles shall vest in the remaining Members.

15. Membership will terminate automatically if:

- (a) a Member (which is a corporate entity) ceases to exist and is not replaced by a successor institution;
- (b) a Member (who is an individual) dies or becomes incapable by reason of illness

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or injury of managing and administering his or her own affairs; or

- (c) a Member becomes insolvent or makes any arrangement or composition with that Member's creditors generally.

16. The Members with the written consent of the Diocesan Board of Education may agree by passing a special resolution in writing to appoint such additional Members as they think fit and may agree by passing a special resolution in writing to remove any such additional Members provided that such appointment or removal is in the interests of the Company.
17. Every person nominated to be a Member of the Company shall either sign a written consent to become a Member or sign the register of Members on becoming a Member.
18. Any Member may resign provided that after such resignation the number of Members is not less than three. A Member shall cease to be one immediately on the receipt by the Company of a notice in writing signed by the person or persons entitled to remove him under Articles 13 or 16 provided that no such notice shall take effect when the number of Members is less than three unless it contains or is accompanied by the appointment of a replacement Member.

### GENERAL MEETINGS

19. The Company shall hold an Annual General Meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. All general meetings other than Annual General Meetings shall be called General Meetings.
20. The Directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Companies Act 2006, shall forthwith proceed to convene a general meeting in accordance with that Act. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any Member of the Company may call a general meeting.

**NOTICE OF GENERAL MEETINGS**

21. General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of Members having a right to attend and vote and together representing not less than 90% of the total voting rights at that meeting.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the meeting as such. The notice shall also state that the Member is entitled to appoint a proxy.

The notice shall be given to all the Members, to the Directors and auditors.

22. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

**PROCEEDINGS AT GENERAL MEETINGS**

23. No business shall be transacted at any meeting unless a quorum is present. A Member counts towards the quorum by being present either in person or by proxy. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy of a Member or a duly authorised representative of a Member organisation shall constitute a quorum.
24. If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine.
25. If present, the chairman, if any, of the Directors shall preside as chairman of the meeting
26. If the chairman of the Directors is not present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
27. A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.

28. The chairman may, with the consent of a majority of the Members at a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
29. A resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Companies Act 2006, a poll may be demanded:
- (a) by the chairman; or
  - (b) by at least two Members having the right to vote at the meeting; or,
  - (c) by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.
30. Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
31. The demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the chairman. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand for the poll was made.
32. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be Members) and fix a time, date and place for declaring the results. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
33. A poll demanded on the election of the chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time, date and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent continuance of a meeting for the transaction of any business other than the question

on which the poll is demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

34. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In other cases at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
35. A resolution in writing agreed by such number of members as required if it had been proposed at a general meeting shall be as effectual as if it had been passed at a general meeting duly convened and held provided that a copy of the proposed resolution has been sent to every Member. The resolution may consist of several instruments in the like form each agreed by one or more Members.

## **VOTES OF MEMBERS**

36. On the show of hands every Member present in person shall have one vote. On a poll every Member present in person or by proxy shall have one vote.
37. Not used.
38. No Member shall be entitled to vote at any general meeting unless all moneys then payable by him to the Company have been paid.
39. No objections shall be raised to the qualification of any person to vote at any general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
40. An instrument appointing a proxy shall be in writing, signed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) -

"I/We, ....., of ....., being a Member/Members of the above named Company, hereby appoint ..... of ....., or in his absence, ..... of ..... as my/our proxy to attend, speak and vote in my/our name[s] and on my/our behalf at the annual general meeting/ general meeting of the Company to be held on

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.....20[ ], and at any adjournment thereof.

Signed on ..... 20[ ]”

41. Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) -

“I/We, ....., of ....., being a Member/Members of the above-named Company, hereby appoint .... of ....., or in his absence, ..... of ....., as my/our proxy to attend, speak and vote in my/our name[s] and on my/our behalf at the annual general meeting/ general meeting of the Company, to be held on .... 20[ ], and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No. 1 \*for \* against

Resolution No. 2 \*for \* against.

\* Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting,

Signed on .... 20[ ]”

42. The instrument appointing a proxy and any authority under which it is signed or a copy of such authority certified by a notary or in some other way approved by the Members may:
- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or
  - (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

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- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Clerk or to any Director,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

- 43. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote given or the poll demanded or (or in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 44. Any organisation which is a Member of the Company may by resolution of its board of directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which he represents as that organisation could exercise if it were an individual Member of the Company.

**DIRECTORS**

- 45. The number of Directors shall be not less than three, but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- 46. Subject to Articles 48-49, the Company shall have the following Directors:
  - (a) No fewer than 5 and up to 12 Directors, appointed under Article 50;
  - (b) The Chief Executive Officer;
  - (c) The Diocesan Director of Education; and
  - (d) Parent Directors if appointed under Articles 53-56 in the event that no provision is made for parent representatives on Local Governing Bodies under Article 101A.
- 47. The Company may also have any Co-opted Director appointed under Article 58.

48. The first Directors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.
49. Future Directors shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Director to be appointed or elected due to the fact that an Academy has not yet been established, then the relevant Article or part thereof shall not apply.

#### **APPOINTMENT OF DIRECTORS**

50. The Members shall appoint a minimum of 5 and a maximum of 12 Directors.
- 50A. Not used.
- 50B. Not used.
51. Not used.
52. Not used.

#### **PARENT DIRECTORS**

53. In circumstances where the Directors have not appointed Local Governing Bodies in respect of the Academies as envisaged in Article 101A there shall be a minimum of 2 Parent Directors and otherwise such number as the Members shall decide who shall be appointed or elected in accordance with Articles 54 - 56.
54. Parent Directors and parent members of the Local Governing Bodies or Advisory Bodies shall be elected by the parents of registered pupils at one or more of the Academies and each must be a parent at the time when he is elected.
- 54A. Notwithstanding Article 53, if no parents put themselves forward for election the number of Parent Directors and parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Directors and parent members appointed by the Directors.
55. The Directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Directors or parent members of Local Governing Bodies or Advisory Bodies, including any question of whether a person is a parent of a registered pupil at one of the Academies. Any election of the Parent Directors or parent members of the Local Governing Bodies or Advisory Bodies which



is contested shall be held by secret ballot.

56. In appointing a Parent Director or parent member of a Local Governing Body or Advisory Body the Directors shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

#### **CHIEF EXECUTIVE OFFICER AND DIOCESAN DIRECTOR OF EDUCATION**

57. The Chief Executive Officer shall be a Director for as long as he remains in office as such.
- 57A. The Diocesan Director of Education shall be a Director for as long as he remains in office as such.

#### **CO-OPTED DIRECTORS**

58. The Directors appointed under Article 50 with the consent of the Diocesan Board of Education may appoint up to 2 Co-opted Directors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. A 'Co-opted Director' means a person who is appointed to be a Director by being Co-opted by Directors who have not themselves been so appointed. The Directors may not co-opt an employee of the Company as a Co-opted Director if thereby the number of Directors who are employees of the Company would exceed one third of the total number of Directors including the Chief Executive Officer.

- 59 - 63. Not used.

#### **TERM OF OFFICE**

64. The term of office for any Director (other than Co-opted Directors under Article 58) shall be four years, save that this time limit shall not apply to the Chief Executive Officer or the Diocesan Director of Education. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

#### **RESIGNATION AND REMOVAL**

65. A Director shall cease to hold office if he resigns his office by notice to the Company (but only if at least three Directors will remain in office when the notice of resignation is to take effect), save that this article shall not apply in respect of the Diocesan Director of Education.

66. A Director shall cease to hold office if he is removed by the person or persons who appointed him. This Article does not apply in respect of a Parent Director.
67. Where a Director resigns his office or is removed from office, the Director or, where he is removed from office, those removing him, shall give written notice thereof to the Clerk.

#### **DISQUALIFICATION OF DIRECTORS**

68. No person shall be qualified to be a Director unless he is aged 18 or over at the date of his election or appointment. No current pupil or current student of any of the Academies shall be a Director.
69. A Director shall cease to hold office if he becomes incapable by reason of illness or injury of managing or administering his own affairs.
70. A Director shall cease to hold office if he is absent without the permission of the Directors from all their meetings held within a period of six months and the Directors resolve that his office be vacated.
71. A person shall be disqualified from holding or continuing to hold office as a Director if:
- (a) his estate has been sequestrated and the sequestration has not been discharged, annulled or reduced; or
  - (b) he is the subject of a bankruptcy restrictions order or an interim order.
72. A person shall be disqualified from holding or continuing to hold office as a Director at any time when he is subject to a disqualification order or a disqualification undertaking under the Company Directors Disqualification Act 1986 or to an order made under section 429(2)(b) of the Insolvency Act 1986 (failure to pay under county court administration order).
73. A Director shall cease to hold office if he ceases to be a Director by virtue of any provision in the Companies Act 2006 or is disqualified from acting as a trustee by virtue of section 178 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).
74. A person shall be disqualified from holding or continuing to hold office as a Director if he has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commission or the High Court on the grounds of any

misconduct or mismanagement in the administration of the charity for which he was responsible or to which he was privy, or which he by his conduct contributed to or facilitated.

75. Not used.

76. Not used.

77. A person shall be disqualified from holding or continuing to hold office as a Director where he has, at any time, been convicted of any criminal offence, excluding any that have been spent under the Rehabilitation of Offenders Act 1974 as amended, and excluding any offence for which the maximum sentence is a fine or a lesser sentence except where a person has been convicted of any offence which falls under section 178 of the Charities Act 2011.

78. After the first Academy has opened, a person shall be disqualified from holding or continuing to hold office as a Director if he has not provided to the chairman of the Directors a criminal records certificate at an enhanced disclosure level under section 113B of the Police Act 1997. In the event that the certificate discloses any information which would in the opinion of either the chairman or the Chief Executive Officer confirm their unsuitability to work with children that person shall be disqualified. If a dispute arises as to whether a person shall be disqualified, a referral shall be made to the Secretary of State to determine the matter. The determination of the Secretary of State shall be final.

79. Where, by virtue of these Articles a person becomes disqualified from holding, or continuing to hold office as a Director; and he is, or is proposed, to become such a Director, he shall upon becoming so disqualified give written notice of that fact to the Clerk.

80. Articles 68 to 74, Articles 77 to 79 and Articles 97 to 98 also apply to any member of any committee of the Directors, including a Local Governing Body, who is not a Director.

## **CLERK TO THE DIRECTORS**

81. The Clerk shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Clerk so appointed may be removed by them. The Clerk shall not be a Director, or a Principal. Notwithstanding

this Article, the Directors may, where the Clerk fails to attend a meeting of theirs, appoint any one of their number or any other person to act as Clerk for the purposes of that meeting.

#### **CHAIRMAN AND VICE-CHAIRMAN OF THE DIRECTORS**

82. The Directors shall for each school year elect a chairman and a vice-chairman from among their number. A Director who is employed by the Company shall not be eligible for election as chairman or vice-chairman.
83. Subject to Article 84, the chairman or vice-chairman shall hold office as such until his successor has been elected in accordance with Article 85.
84. The chairman or vice-chairman may at any time resign his office by giving notice in writing to the Clerk. The chairman or vice-chairman shall cease to hold office if:
- (a) he ceases to be a Director;
  - (b) he is employed by the Company;
  - (c) he is removed from office in accordance with these Articles; or
  - (d) in the case of the vice-chairman, he is elected in accordance with these Articles to fill a vacancy in the office of chairman.
85. Where by reason of any of the matters referred to in Article 84, a vacancy arises in the office of chairman or vice-chairman, the Directors shall at their next meeting elect one of their number to fill that vacancy.
86. Where the chairman is absent from any meeting or there is at the time a vacancy in the office of the chairman, the vice-chairman shall act as the chair for the purposes of the meeting.
87. Where in the circumstances referred to in Article 86 the vice-chairman is also absent from the meeting or there is at the time a vacancy in the office of vice-chairman, the Directors shall elect one of their number to act as a chairman for the purposes of that meeting, provided that the Director elected shall not be a person who is employed by the Company.
88. The Clerk shall act as chairman during that part of any meeting at which the chairman is elected.

89. Any election of the chairman or vice-chairman which is contested shall be held by secret ballot.
90. The Directors may remove the chairman or vice-chairman from office in accordance with these Articles.
91. A resolution to remove the chairman or vice-chairman from office which is passed at a meeting of the Directors shall not have effect unless-
- (i) it is confirmed by a resolution passed at a second meeting of the Directors held not less than fourteen days after the first meeting; and
  - (ii) the matter of the chairman's or vice-chairman's removal from office is specified as an item of business on the agenda for each of those meetings.
92. Before the Directors resolve at the relevant meeting on whether to confirm the resolution to remove the chairman or vice-chairman from office, the Director or Directors proposing his removal shall at that meeting state their reasons for doing so and the chairman or vice-chairman shall be given an opportunity to make a statement in response.

## **POWERS OF DIRECTORS**

93. Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all the powers exercisable by the Directors.
94. In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles the Directors shall have the following powers, namely:
- (a) to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the Object and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such

sale in furtherance of the Object;

(b) to enter into contracts on behalf of the Company.

95. In the exercise of their powers and functions, the Directors may consider any advice given by the Chief Executive Officer and any other executive officer.

96. Any bank account in which any money of the Company is deposited shall be operated by the Directors in the name of the Company. All cheques and orders for the payment of money from such an account shall be signed by at least two signatories authorised by the Directors.

## **CONFLICTS OF INTEREST**

97. Any Director who has or can have any direct or indirect duty or personal interest (including but not limited to any Personal Financial Interest) which conflicts or may conflict with his duties as a Director shall disclose that fact to the Directors as soon as he becomes aware of it. A Director must absent himself from any discussions of the Directors in which it is possible that a conflict will arise between his duty to act solely in the interests of the Company and any duty or personal interest (including but not limited to any Personal Financial Interest).

98. For the purpose of Article 97, a Director has a Personal Financial Interest in the employment or remuneration of, or the provision of any other benefit to, that Director as permitted by and as defined by Articles 6.5 - 6.9.

## **THE MINUTES**

99. The minutes of the proceedings of a meeting of the Directors shall be drawn up and entered into a book kept for the purpose by the person acting as Clerk for the purposes of the meeting; and shall be signed (subject to the approval of the Directors) at the same or next subsequent meeting by the person acting as chairman thereof. The minutes shall include a record of:

(a) all appointments of officers made by the Directors; and

(b) all proceedings at meetings of the Company and of the Directors and of committees of Directors including the names of the Directors present at each such meeting.

**COMMITTEES**

100. Subject to these Articles, the Directors:

- (a) may appoint separate committees to be known as Local Governing Bodies for each Academy; and
- (b) may establish any other committee.

101. Subject to these Articles, the constitution, membership and proceedings of any committee shall be determined by the Directors. The establishment, terms of reference, constitution and membership of any committee of the Directors shall be reviewed at least once in every twelve months. The membership of any committee of the Directors may include persons who are not Directors, provided that (with the exception of the Local Governing Bodies) a majority of members of any such committee shall be Directors. Except in the case of a Local Governing Body, no vote on any matter shall be taken at a meeting of a committee of the Directors unless the majority of members of the committee present are Directors.

101A. The Directors shall ensure that any Local Governing Body shall include at least 2 elected representatives of the parents of pupils attending the relevant Academy.

102. The power of delegation exercised under Article 105 in relation to the establishment of a Local Governing Body for an Academy shall be by way of Scheme of Delegation. The first Scheme of Delegation to be put in place for an Academy following incorporation may follow the Scheme of Delegation attached to these Articles.

103. Not used.

104. The functions and proceedings of the Local Governing Bodies shall be subject to regulations made by the Directors from time to time.

**DELEGATION**

105. The Directors may delegate to any Director, committee (including any Local Governing Body), the Chief Executive Officer or any other holder of an executive office, such of their powers or functions as they consider desirable to be exercised by them. Any such delegation shall be made subject to any conditions the Directors may impose, and may be revoked or altered.

106. Where any power or function of the Directors has been exercised by any committee

(including any Local Governing Body), any Director, the Chief Executive Officer or any other holder of an executive office, that person or committee shall report to the Directors in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the Directors immediately following the taking of the action or the making of the decision.

#### **CHIEF EXECUTIVE OFFICER, PRINCIPALS AND STAFF**

107. The Directors, (after consultation with the Diocesan Board of Education and having made use of any relevant powers under section 124A of the School Standards and Framework Act 1998 or under the relevant supplemental funding agreement in respect of each Academy) shall appoint the Chief Executive Officer and the Principals of the Academies. The Directors may delegate such powers and functions as they consider are required by the Chief Executive Officer and Principals for the internal organisation, management and control of the Academies (including the implementation of all policies approved by the Directors and for the direction of the teaching and curriculum at the Academies).

107A. In appointing staff the Directors will have regard where relevant to their powers under section 124A of the School Standards and Framework Act 1998 or to the powers provided to them under the relevant supplemental funding agreement in respect of each Academy and to their power where relevant to declare a Genuine Occupational Requirement for non-teaching appointments where they believe this to be justified.

#### **MEETINGS OF THE DIRECTORS**

108. Subject to these Articles, the Directors may regulate their proceedings as they think fit.

109. The Directors shall hold at least three meetings in every school year. Meetings of the Directors shall be convened by the Clerk. In exercising his functions under this Article the Clerk shall comply with any direction:

- (a) given by the Directors; or
- (b) given by the chairman of the Directors or, in his absence or where there is a vacancy in the office of chairman, the vice-chairman of the Directors, so far as such direction is not inconsistent with any direction given as mentioned in (a).

110. Any three Directors may, by notice in writing given to the Clerk, requisition a meeting of the Directors; and it shall be the duty of the Clerk to convene such a meeting as



soon as is reasonably practicable.

111. Each Director shall be given at least seven clear days before the date of a meeting:

- (i) notice in writing thereof, signed by the Clerk, and sent to each Director at the address provided by each Director from time to time; and
- (ii) a copy of the agenda for the meeting,

provided that where the chairman or, in his absence or where there is a vacancy in the office of chairman, the vice-chairman, so determines on the ground that there are matters demanding urgent consideration, it shall be sufficient if the written notice of a meeting, and the copy of the agenda thereof are given within such shorter period as he directs.

112. The convening of a meeting and the proceedings conducted thereat shall not be invalidated by reason of any individual not having received written notice of the meeting or a copy of the agenda thereof.

113. A resolution to rescind or vary a resolution carried at a previous meeting of the Directors shall not be proposed at a meeting of the Directors unless the consideration of the rescission or variation of the previous resolution is a specific item of business on the agenda for that meeting.

114. A meeting of the Directors shall be terminated forthwith if:

- (a) the Directors so resolve; or
- (b) the number of Directors present ceases to constitute a quorum for a meeting of the Directors in accordance with Article 117, subject to Article 119.

115. Where in accordance with Article 114 a meeting is not held or is terminated before all the matters specified as items of business on the agenda for the meeting have been disposed of, a further meeting shall be convened by the Clerk as soon as is reasonably practicable, but in any event within seven days of the date on which the meeting was originally to be held or was so terminated.

116. Where the Directors resolve in accordance with Article 114 to adjourn a meeting before all the items of business on the agenda have been disposed of, the Directors shall before doing so determine the time and date at which a further meeting is to be held for the purposes of completing the consideration of those items, and they shall

direct the Clerk to convene a meeting accordingly.

117. Subject to Article 119 the quorum for a meeting of the Directors, and any vote on any matter thereat, shall be any three Directors, or, where greater, any one third (rounded up to a whole number) of the total number of Directors holding office at the date of the meeting.

118. The Directors may act notwithstanding any vacancies in their number, but, if the numbers of Directors is less than the number fixed as the quorum, the continuing Directors may act only for the purpose of filling vacancies or of calling a general meeting.

119. The quorum for the purposes of:

- (i) appointing a parent Director under Articles 56;
- (ii) any vote on the removal of a Director in accordance with Article 66; and
- (iii) any vote on the removal of the chairman of the Directors in accordance with Article 90,

shall be any two-thirds (rounded up to a whole number) of the persons who are at the time Directors entitled to vote on those respective matters.

120. Subject to these Articles, every question to be decided at a meeting of the Directors shall be determined by a majority of the votes of the Directors present and voting on the question. Every Director shall have one vote.

121. Subject to Articles 117 - 119, where there is an equal division of votes, the chairman of the meeting shall have a casting vote in addition to any other vote he may have.

122. The proceedings of the Directors shall not be invalidated by

- (a) any vacancy among their number; or
- (b) any defect in the election, appointment or nomination of any Director.

123. A resolution in writing, signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors, shall be valid and effective as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held. Such a resolution may consist of several documents in the same

form, each signed by one or more of the Directors.

124. Subject to Article 125, the Directors shall ensure that a copy of:

- (a) the agenda for every meeting of the Directors;
- (b) the draft minutes of every such meeting, if they have been approved by the person acting as 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,

are, as soon as is reasonably practicable, made available at every Academy to persons wishing to inspect them.

125. There may be excluded from any item required to be made available in pursuance of Article 124, any material relating to:

- (a) a named teacher or other person employed, or proposed to be employed, at any Academy;
- (b) a named pupil at, or candidate for admission to, any Academy; and
- (c) any matter which, by reason of its nature, the Directors are satisfied should remain confidential.

126. Any Director shall be able to participate in meetings of the Directors by telephone or video conference provided that:

- (a) he has given notice of his intention to do so detailing the telephone number on which he can be reached and/or appropriate details of the video conference suite from which he shall be taking part at the time of the meeting at least 48 hours before the meeting; and,
- (b) the Directors have access to the appropriate equipment if after all reasonable efforts it does not prove possible for the person to participate by telephone or video conference the meeting may still proceed with its business provided it is otherwise quorate.

## **PATRONS AND HONORARY OFFICERS**

127. The Directors may from time to time appoint any person whether or not a Member of the Company to be a patron of the Company or to hold any honorary office and may determine for what period he is to hold such office.

## **THE SEAL**

128. The seal, if any, shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Clerk or by a second Director.

## **ACCOUNTS**

129. Accounts shall be prepared in accordance with the relevant Statement of Recommended Practice as if the Company was a non-exempt charity and Parts 15 and 16 of the Companies Act 2006 and shall file these with the Secretary of State and the Principal Regulator by 31 December for each Academy Financial Year.

## **ANNUAL REPORT**

130. The Directors shall prepare its Annual Report in accordance with the Statement of Recommended Practice as if the Company was a non-exempt charity and shall file these with the Secretary of State and the Principal Regulator by 31 December each Academy Financial Year.

## **ANNUAL RETURN**

131. The Directors shall comply with their obligations under Part 24 of the Companies Act 2006 (or any statutory re-enactment or modification of that Act) with regard to the preparation of an annual return to the Registrar of Companies and in accordance with the Statement of Recommended Practice as if the Company was a non-exempt charity and to the Secretary of State and the Principal Regulator by 31 December each Academy Financial Year.

## **NOTICES**

132. Any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In these Articles, "address" in relation to electronic

communications, includes a number or address used for the purposes of such communications.

133. A notice may be given by the Company to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the Member. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him, or an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
134. A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.
135. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.

## **INDEMNITY**

136. Subject to the provisions of the Companies Act 2006 and Article 6.3 every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

## **RULES**

137. The Directors may from time to time make such rules or bye laws as they may deem

necessary or expedient or convenient for the proper conduct and management of the Company, and in particular but without prejudice to the generality of the foregoing, they may by such rules or bye laws regulate:

- (a) the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
- (b) the procedure at general meetings and meetings of the Directors and committees of the Directors and meetings of the Local Governing Bodies in so far as such procedure is not regulated by the Articles; and
- (c) generally, all such matters as are commonly the subject matter of company rules.

138. The Company in general meeting shall have power to alter, add or to repeal the rules or bye laws but only with the consent of the Diocesan Board of Education. Provided that no rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in the Articles.

#### **AVOIDING INFLUENCED COMPANY STATUS**

139. Notwithstanding the number of Members from time to time, the maximum aggregate number of votes exercisable by Local Authority Associated Persons shall never exceed 19.9% of the total number of votes exercisable by Members in general meeting and the votes of the other Members having a right to vote at the meeting will be increased on a pro-rata basis.

140. No person who is a Local Authority Associated Person may be appointed as a Director if, once the appointment had taken effect, the number of Directors who are Local Authority Associated Persons would represent 20% or more of the total number of Directors. Upon any resolution put to the Directors, the maximum aggregate number of votes exercisable by any Directors who are Local Authority Associated Persons shall represent a maximum of 19.9% of the total number of votes cast by the Directors on such a resolution and the votes of the other Directors having a right to vote at the meeting will be increased on a pro-rata basis.

141. No person who is a Local Authority Associated Person is eligible to be appointed to the office of Director unless his appointment to such office is authorised by the local authority to which he is associated.

142. If at the time of either his becoming a Member of the Company or his first appointment to office as a Director any Member or Director was not a Local Authority Associated Person but later becomes so during his membership or tenure as a Director he shall be deemed to have immediately resigned his membership and/or resigned from his office as a Director as the case may be.
143. If at any time the number of Directors or Members who are also Local Authority Associated Persons would (but for Articles 139 - 142 inclusive) represent 20% or more of the total number of Directors or Members (as the case may be) then a sufficient number of the Directors or Members (as the case may be) who are Local Authority Associated Persons shall be deemed to have resigned as Directors or Members (as the case may be) immediately before the occurrence of such an event to ensure that at all times the number of such Directors or Members (as the case may be) is never equal to or greater than 20% of the total number of Directors or Members (as the case may be). Directors or Members (as the case may be) who are Local Authority Associated Persons shall be deemed to have resigned in order of their appointment date the most recently appointed resigning first.
144. The Members will each notify the Company and each other if at any time they believe that the Company or any of its subsidiaries has become subject to the influence of a local authority (as described in section 69 of the Local Government and Housing Act 1989).



# **Oxford Diocesan Schools Trust**

**(a company limited by guarantee)**

**Annual Report and Financial Statements  
For the year ended 31 August 2018**

**Registered number: 08143249**



## Oxford Diocesan Schools Trust

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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 (resigned 15 January 2018)<sup>1</sup>

Mr S Barber (appointed 26 March 2018)

Sir C Booth, Chair of Finance Committee <sup>1</sup>

Dr P Chadwick

Revd Canon B D Clover

Mrs F Craig

Mrs J A Davey, Accounting Officer<sup>1</sup>

Revd Dr M Daffern

Ms J Fageant (appointed 28 March 2018)

The Right Revd C Fletcher

Mrs J Moriarty (appointed 5 December 2017)

Mrs P Pritchard (resigned 11 May 2018)

Ms A M A F Von Stackelberg (resigned 10 March 2018)

Mr C Wheaton<sup>1</sup> (appointed 23 March 2018)Mrs K M Winrow, Chair of Board of Trustees<sup>1</sup><sup>1</sup> Member of Finance Committee

Registered Company Number

08143249

Principal and Registered Office

Church House Oxford

Langford Locks

Kidlington

Oxford

OX5 1GF

Chief Executive Officer

Mrs J A Davey

Senior Leadership Team

Mrs J A Davey, Chief Executive Officer

Mr D J Locke, Chief Operating Officer and Finance Director (up to 30<sup>th</sup> November 2018)

Mr D Cousins, Director of Schools

Independent Auditor

haysmacintyre

10 Queen Street Place,

London

EC4R 1AG

**Oxford Diocesan Schools Trust**

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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

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### Trustees' Report for the year ended 31 August 2018

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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 2017 to 31 August 2018. 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 2018, the Trust operated 32 primary Academies in the area covered by the Oxford Diocese (which covers Berkshire, Buckinghamshire, Oxfordshire and Milton Keynes), with a combined pupil capacity of 7,150 and 6,175 pupils currently enrolled based on the January 2018 school census. An additional academy, Wootton-by-Woodstock CE Primary joined on 1<sup>st</sup> October 2018.

## 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 1.

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 twenty-seven academies within the Trust at 31 August 2017 as follows:

- John Henry Newman CE Academy, Littlemore
- Grove CE Primary School
- The Hendreds CE Primary School
- St Christopher's CE Primary School, Cowley
- Wheatley CE Primary School
- St Peter's Middle School, Old Windsor
- Burchetts Green C of E Infants School
- St Luke's C of E Primary School, Maidenhead
- St Peter's School, Alvescot
- St Christopher's Primary School, Langford
- The Blake, C of E Primary School, Witney
- Bampton C of E Primary School
- North Leigh C of E Primary School
- Burford Community Primary School
- The Batt C of E Primary School, Witney
- St Mary's Infants School, Witney
- Brize Norton Primary School
- Holyport C of E Primary School
- Dr South's CE Primary, Islip
- Tackley CE Primary
- Datchet St Mary's CE Primary

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- Leafield CE Primary
- Wroxton CE Primary
- Dr Radcliffe's CE Primary, Steeple Aston
- South Moreton Community Primary
- Deddington CE Primary
- Kidmore End CE Primary

During the 2017/8 year a further 5 academies joined the Trust:

- |                                       |                               |
|---------------------------------------|-------------------------------|
| • North Hinksey CE Primary            | 1 <sup>st</sup> October 2017  |
| • St Mary's CE Primary, Banbury       | 1 <sup>st</sup> November 2017 |
| • Northbourne CE Primary              | 1 <sup>st</sup> January 2018  |
| • St Nicholas CE Infants, Wallingford | 1 <sup>st</sup> April 2018    |
| • Fir Tree Junior School, Wallingford | 1 <sup>st</sup> April 2018    |

### 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.

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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. Members consider the recommendations, taking the skill set of existing Trustees into account, and a full induction process is put into place once the appointment is confirmed.

The skills and experience of existing Trustees is regularly recorded and audited. In addition, committees of the Board have co-opted members from LGBs.

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

As part of the Induction process, all Trustees are provided with various documents to support their understanding of the workings of the Trust. These would include:

- 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;
- other documents such as minutes, accounts, budgets and other documents relating to the Trust.
- 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.

All Trustees (both new and existing) 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. They also have access to a governor-only area of the website and are offered regular opportunities for training, both internal and external to help further develop their skills and understanding of the Trust. In addition, the Board holds strategy days to which Members are invited.

### 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 six subcommittees; Finance, Curriculum & Ethos, Academy Improvement, Pay & Personnel, Audit 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 LGBs comprise a mix of local people including staff, parents, members of the local faith community where appropriate and others appointed by the Trust for their skills and experience. They act as a critical support to the Headteacher and the academy. They are responsible for ensuring high standards of education and finance effectiveness; they review the overall impact of each academy within the community it serves and are responsible for ensuring the Trust's ethos and vision are upheld.

The Senior Leadership Team of the Trust, during the accounting period, comprised the CEO, the Director of Schools and the Chief Operating Officer/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.

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

The Trust is concerned to ensure that it recruits and retains high quality employees whilst ensuring value for money.

For centrally employed staff, roles are benchmarked externally to ensure consistency and objectivity and further internal controls are applied by the HR and finance teams, supported by Trustees. Similar to the situation in schools, a limited element of incremental pay progression is available to centrally employed staff subject to the delivery of agreed performance objectives.

For employees based in schools, responsibility for setting levels of pay are delegated to the local school subject to adherence to nationally agreed conditions, e.g. The School Teachers Pay and Conditions Document. Additional scrutiny is provided by the Trust through its direct involvement in any leadership appointments.

### **TRADE UNION FACILITY TIME**

The number of employees who were relevant union officials during the relevant period is 0. The percentage of time, and the percentage of the pay bill spent on facility time is therefore 0%.

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

The Trustees are appointed in accordance with the skills and experience each can offer to the Trust. Some are drawn from other organisations in the Diocesan family, local employers or other organisations which from time to time have dealings with the Trust in the course of their work. All transactions between any Trustee's employers and/or organisations and the Trust were properly procured through an open and fair process and carried out at arm's length. All material transactions were undertaken at not more than cost. 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 £346,702 (2016/2017: £120,527). These services included the full-time secondment of the CEO, education advisers, management of capital build projects and other support services which are procured in order to obtain the benefit of economies of scale from a larger organisation.

The Trust is aware that the Academies Financial Handbook 2018 which sets out new requirements for related party transactions and arrangements with dioceses and these will be monitored and adhered to as we go forward.

Full details of related party transactions can be found at Note 26.

## **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



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- 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.

The Trust's vision for education centres on our sense of a community which works for the common good. The Trust's key values are identified as:

- **Inclusivity:** Our schools embrace equality of opportunity and a whole inclusive approach to education. We believe every person matters
- **Empowerment:** A fully functioning community is one where each person knows their own value and potential. Our job as educators is to enable that potential to flourish; to create a culture where children can be nurtured to be the best they can be. We believe this is best done by empowering each other to contribute the best we have to give.
- **Community:** Communities are important and flourish best when relationships are strong. We believe our schools and the people in them are a vital part of many different communities, all of which can be enriched as we work together.
- **Abundant Living:** We want our schools to be places where children are loved, nurtured and learn to live well. We believe all people should be enabled to fulfil their whole potential, not just professionally and academically, but also creatively, morally and spiritually.
- **Service:** Our schools are outward-facing communities where we all learn to serve others and contribute to the common good.

### 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 live out our common vision for the common good 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 under the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties as charity Trustees. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning future activities.



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### Strategic Report

#### ACHIEVEMENTS AND PERFORMANCE

The Trust welcomed 5 new schools during the accounting period. These are:

- North Hinksey CE Primary
- St Mary's CE Primary, Banbury
- Northbourne CE Primary
- St Nicholas CE Infants, Wallingford
- Fir Tree Junior School, Wallingford

These schools collectively educate around 1,133 pupils.

Academic performance in our schools rose once again this year, with

- above average numbers of pupils reaching a good level of development by the end of their foundation stage with almost three quarters of pupils secure in their reading, writing and mathematics outcomes.
- over 90% of the pupils in Year 2 achieving the national standard for phonics (the sounds that letters make).
- 80% of these same pupils also attained the national average outcomes in reading for 7-year-olds; above average numbers reached the expected standard in writing and results in mathematics were similarly strong.
- 61% of our pupils achieving the expected standard in reading, writing and mathematics combined at KS2.
- across the Trust our most able 7 and 11 years old pupils learned strongly. Outcomes exceeded the national average of those attaining 'greater depth' in all three subjects.

Seven Trust schools were subject to inspection by Ofsted during the period, with six schools being judged at or above their previous grade, one of which jumped two grades from its previous inspection. Of our 32 schools 84.4% have an Ofsted grade of Good or above. Since the year end, two more schools have been inspected by Ofsted, and one additional school joined the Trust, taking the percentage of good and outstanding schools in ODST to 88%, 2% above the national average.

We have also launched an associate school scheme, designed to build relationships with and support schools which have expressed an interest in joining the Trust, but which have not yet got Academy Orders.

We have established 5 hubs in the Trust, of between 4 and 10 schools working together in a geographical area. We have allocated a small amount of funds to each hub from the central budget to enable schools to support each other in developing areas of work most relevant to each locality. The headteachers and senior leaders in schools in each hub meet together several times a year to share best practice, explore areas of mutual concern and work in collaboration to raise standards.

We are in the process of rolling out the next phase of our HR management system which will help us better to support the professional development of all our employees. We have also installed a computerised fixed asset management system which is already helping to streamline process at individual school level and enable Trustees to scrutinise the health and safety operation of the Trust more effectively.

In order to improve the service from the centre to individual schools, and ensure we have sufficient capacity to absorb the five new schools, we have employed a Communications Officer, and a Finance Manager, as well as providing additional strength into our school effectiveness team with a Principal Schools Adviser.

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### 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 £10,572,000 (2017: £10,587,000) 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.

During the year the Trust received valuations, from Mouchel LLP (land valuers for the DFE), for all the schools that had converted up to 31 August 2017. These valuations revealed large differences between the estimated fair value incorporated into previous accounts and the latest valuations. The resulting adjustments have led to some prior year figures being restated.

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 £16,943,491 (2017: £10,358,281 as restated), 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 £3,643,872 (2017: £3,124,312).

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 £4,882,028), achieving a balanced budget in 2017/18 and the setting of a balanced budget after reserves for 2018/19. 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 has carefully monitored the operational financial position throughout the year by means of monthly management reporting. An annual surplus of 0.48%, on this basis, was achieved compared to a budgeted deficit of 0.14% for 2017/8. The balance of funds held at the year-end was equivalent to approximately 1.2 months of operational expenditure compared to the target set of 1.5 months of operational expenditure.

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 2018, the balance of the GAG Restricted Fund was £476,948 (2017: £292,464).

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Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funded plus other operating educational grants from the EFSA and/or Local Authority) for the year was 81.4% (2017: 78.4%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 71.5% (2017: 72.4%).

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 £676,784 (2017: deficit of £611,501). This deficit was then funded via a transfer of funds from the Trust's unrestricted funds of £650,017, thereby giving a surplus carried forward on the restricted general funds, excluding the pension reserve, of £1,359,837. The surplus consists substantially of educational grants received in the year ended 31 August 2018. The expenditure that will be funded by these grants falls largely in the current year, although some may be held over until the following year if the Trust's plans require it.

## Financial review

### REVIEW OF ACTIVITIES

The Trustees approved an overall budget for the period from 1 September 2017 to 31 August 2018. 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 2018. 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.

Operational Result	2018	2017
Net income per Statement of Financial Activities	<b>£3,345,210</b>	<b>£3,586,930</b>
Less transfer from Local Authority on conversion	£(5,659,326)	£(4,813,089)
Less transfer from existing academy trust	-	£(39,949)
Capital grants income	£(1,411,140)	£(889,534)
Improvements to diocesan property occupied by the academy trust treated as grant expenditure	£1,507,731	£1,295,816
Depreciation	£747,169	£431,519
Defined benefit pension scheme cost less contributions	£1,401,000	£896,000
Defined benefit pension scheme finance costs	£310,000	£209,000
<b>Total Operational Surplus</b>	<b>£240,644</b>	<b>£676,693</b>

The Academy Trust has not undertaken any material fundraising activities during the year ended 31 August 2018.

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### 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 £25,853,739 (2016/2017: £18,071,845 as restated); expenditure against these funds was £29,755,523 (2016/2017: £22,238,346 as restated), giving a restricted revenue fund deficit for the year of £3,901,784 (2016/2017: deficit of £4,166,501) 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 £1,514,000 (2017: £2,450,000 as restated) and a further pension cost adjustment under FRS102 of £1,711,000 (2017: £1,105,000). Excluding these pension scheme liabilities and adjustments, the deficit on the General Restricted Fund for the year was £676,784 (2017: deficit of £611,501).

### Unrestricted Funds

Income received into the Unrestricted Fund was £2,948,337 (2017: £1,914,102), of which £469,095 (2017: £378,391) related to funds inherited from the Local Authorities on conversion. Expenditure against the fund was £1,561,814 (2017: £81,917) for the period, giving an Unrestricted Fund surplus for the year of £1,386,523 (2017: £1,832,185).

### 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, including the value of the assets transferred from the academies that have joined the Trust this year was £8,115,371 (2017: £7,648,581 as restated). There is a £6,517,996 (2017: £5,921,246 as restated) Restricted Fixed Asset Fund period end surplus after transfers between funds.

The total fund balances as at 31 August 2018 were £16,943,491 (2017: £10,358,281 as restated). This comprises £1,742,503 (2017: £1,663,522) in Unrestricted Funds, £9,212,163 deficit (2017: deficit of £9,200,396) in Restricted General Funds (after accounting for defined benefit pension scheme deficit of £10,572,000 (2017: £10,587,000)), and £24,413,151 (2017: £17,895,155 as restated) in Restricted Fixed Asset Funds.

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

The net book value of the Trust's tangible fixed assets was £23,871,619 (2017: £17,820,969 as restated) at 31 August 2018 and the movement in this account is detailed in note 13 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 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 13 of the financial statements.

On conversion the land and buildings occupied by Fir Tree Junior School, were assigned to the academy Trust under 125-year leases. The estimated fair value of the associated land and buildings totalling £5,404,038 were recognised subject to valuations being received from the Government's appointed valuers.



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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 and Skills Funding Agency and the most recent commercial valuations available at the time of conversion.

Cash in hand at 31 August 2018 was £4,882,028 (2017: £3,435,339).

### **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 Procedures Manual which was reviewed and updated during the accounting period.

### **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 is in place and reviewed regularly.

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as in relation to teaching, health and safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. Where significant financial risk still remains, the Trustees have ensured the Academy Trust has adequate insurance cover in place. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

The principal risks and uncertainties facing the Trust are identified as being:

#### **School Standards**

The continuing success and reputation of the Trust is 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

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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 is 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. 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 cash reserves should be developed to equate to one to three months of budgeted operating expenditure. At the year-end reserves were equal to 1.9 months (2017: 1.5 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.

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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 other than balances in the current account. Trustees will continue to monitor the situation closely and will develop a formal investment policy if and when necessary. 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**

We intend to restructure the central senior management team, in recognition of the changes to our needs now we are such a large, established multi-academy trust. We intend to place more leadership emphasis on school improvement, whilst ensuring we have sufficient management of HR, finance, health and safety, governance and compliance to secure the day-to-day running of the organisation at the most effective level.

Having been the fastest growing Trust in England two years ago, Trustees have decided to spend the majority of 2018-19 consolidating our position as an effective, stable organisation, and to ask those schools which have expressed an interest in joining us to be patient until 2019-20. The exception is Wootton-by-Woodstock CE Primary, whose conversion was originally scheduled for 2017-18, but this slipped into October 2018 for operational reasons.

We intend further to explore closer working among schools, using the hub structure as a basis. We also want to ensure Trustees and LGBs, especially their Chairs, work more closely together to support the provision of education to our children and intend to explore both formal and informal structures to support this aim.

We want to support the professional development of all our staff, both teaching and non-teaching, and intend to develop our CPD offer in furtherance of this aim.

#### **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 as auditor 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 10 December 2018.



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

## Oxford Diocesan Schools Trust

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### 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	1	2
Mr S Barber	1	2
Sir C Booth	4	5
Dr P Chadwick	3	5
Rev'd Canon B D Clover	5	5
Mrs F Craig	5	5
Rev'd Dr M Daffern	3	5
Ms J Fageant	1	2
The Rt Rev'd C Fletcher	3	5
Mrs J Moriarty	1	2
Mrs P Pritchard	0	3
Rev'd Dr J Reader	0	2
Ms A M A F Von Stackleberg	2	2
Mr C Wheaton	1	2
Mrs K M Winrow	5	5

#### Governance Reviews

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 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

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Attendance at Finance Committee meetings in the year was as follows:

Members	Meetings Attended	Out of a Possible
Ms S Appleby	1	1
Sir C Booth	3	4
Mrs J A Davey	4	4
Mr C Wheaton	4	4
Mrs K M Winrow	4	4
Mrs C Jones	3	4

The role of the Audit Committee includes overview of actions taken to mitigate the Trust's major risks and to review the Trust's system of internal control.

The Audit Committee is also a subcommittee of the Board of Trustees. Its purpose is to maintain an oversight to the Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Board of Trustees and the Accounting Officer as a critical elements of the Trust's annual reporting requirements.

Attendance at Audit Committee meetings in the year was as follows:

Members	Meetings Attended	Out of a Possible
Sir C Booth	2	2
Mr R Ireson	2	2
Mrs A Jestico	2	2
Mrs P Pritchard	1	1
Mrs K M Winrow	1	1

### 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:

- Ongoing review of a wide range of deals including energy, utilities, ICT, printers, copiers and stationery supplies. This enables the Trust to develop a supplier framework that offers the best value for money deals within our schools.
- Sharing of best practices within the schools in the Trust to ensure that the current procedures, process and systems are used to maximum efficiency.
- Use of benchmarking data within the Trust, and that available on DfE website, to compare spend in key areas and identify efficiencies where ever possible.
- Undertaking a full and comprehensive salary benchmarking process for all central staff positions to ensure salaries were appropriate to the individual's skills and experience and to the rates in the wider market.

Going forward, we have recruited an Operations Manager who will be responsible for reviewing value for money and procurement areas to optimise efficiency and effectiveness for our academies to ensure resources are released and targeted to achieve improved pupil outcomes.

## Oxford Diocesan Schools Trust

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### 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 2017 to 31 August 2018 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and undertaken a review of the options available. The decision has been taken to carry out this function via the central finance team. This rolling programme will be implemented in 2018/19 and will be monitored and reviewed by the Finance Committee. Peer reviews will be carried out on the central finance team.

The external auditor undertook a range of checks, including site visits to a sample of schools, to look at the operation of controls in individual schools. 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.

**Oxford Diocesan Schools Trust**

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**REVIEW OF EFFECTIVENESS**

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

- the regular monitoring reports including monthly management accounts
- the work of the audit committee and finance committee
- the work of the external auditors
- the work of other outside agencies, including HMRC, which has carried out an audit during the accounting period
- the financial management and governance self-assessment process
- the work of the finance and operations team 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 Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 10 December 2018 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**

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**Statement of Regularity, Propriety and Compliance**

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As Accounting Officer, I have considered my responsibility to notify the ODST Board of Trustees and the Education and Skills Funding Agency (ESFA) 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 (2017).

I confirm that the Board of Trustees and I are able to identify any material, irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook (2017).

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



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

Date: 10 December 2018

## Oxford Diocesan Schools Trust

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### 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 2017 to 2018;
- 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.

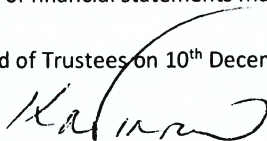
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure that the financial statements 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 Board of Trustees on 10<sup>th</sup> December 2018 and signed on its behalf by:

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





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

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### OPINION

We have audited the financial statements of the Oxford Diocesan Schools Trust for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

### 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or 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). This description forms part of our auditor's report.

**Oxford Diocesan Schools Trust**

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Independent Auditor's Report to the Members of Oxford Diocesan Schools Trust  
(continued)**CONCLUSIONS RELATING TO GOING CONCERN**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**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' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

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

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

- the charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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.

**USE OF OUR REPORT**

This report is made solely to the charitable Company 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 charitable Company members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Oxford Diocesan Schools Trust**

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A handwritten signature in black ink, appearing to read 'K E B L', with a long horizontal stroke extending to the right.

Kathryn Burton (Senior Statutory Auditor)  
For and on behalf of haysmacintyre, Statutory Auditor  
10 Queen Street Place  
London  
EC4R 1AG

10 December 2018



## **Oxford Diocesan Schools Trust**

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

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In accordance with the terms of our engagement letter dated 12 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Oxford Diocesan Schools Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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;

**Oxford Diocesan Schools Trust**

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

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- 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.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 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**  
10 Queen Street Place  
London  
EC4R 1AG

10 December 2018

## Oxford Diocesan Schools Trust

Statement of Financial Activities  
For the year ended 31 August 2018  
(including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2018	As restated Total 2017
	Note	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	2	547,213	-	1,411,140	1,958,353	1,224,160
Transfer from local authority on conversion	27	469,095	(1,514,000)	6,704,231	5,659,326	4,813,089
Transfer from existing academy trust		-	-	-	-	39,949
Charitable activities:						
Funding for the academy trust's educational operations	3	961,128	27,367,739	-	28,328,867	21,097,367
Other trading activities	4	968,141	-	-	968,141	623,268
Investments	5	2,760	-	-	2,760	2,295
<b>Total</b>		<u>2,948,337</u>	<u>25,853,739</u>	<u>8,115,371</u>	<u>36,917,447</u>	<u>27,800,128</u>
<b>Expenditure on:</b>						
Raising Funds	6	381,855	-	-	381,855	247,517
Charitable activities:						
Grants		-	-	1,507,731	1,507,731	1,295,816
Academy trust educational operations	8	1,179,959	29,755,523	747,169	31,682,651	22,669,865
<b>Total</b>		<u>1,561,814</u>	<u>29,755,523</u>	<u>2,254,900</u>	<u>33,572,237</u>	<u>24,213,198</u>
<b>Net income / (expenditure)</b>		1,386,523	(3,901,784)	5,860,471	3,345,210	3,586,930
<b>Transfers between funds</b>	16	(1,307,542)	650,017	657,525	-	-
<b>Other recognised gains / (losses)</b>						
Actuarial gains on defined benefit pension schemes	25	-	3,240,000	-	3,240,000	1,710,000
<b>Net movement in funds</b>		<u>78,981</u>	<u>(11,767)</u>	<u>6,517,996</u>	<u>6,585,210</u>	<u>5,296,930</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,663,522	(9,200,396)	17,895,155	10,358,281	5,061,351
<b>Total funds carried forward at 31 August 2018</b>	16	<u>1,742,503</u>	<u>(9,212,163)</u>	<u>24,413,151</u>	<u>16,943,491</u>	<u>10,358,281</u>

The notes on pages 29 to 48 form part of these accounts.

## Oxford Diocesan Schools Trust

Balance Sheet  
As at 31 August 2018

	Notes	2018 £	2018 £	As restated	
				2017 £	2017 £
<b>Fixed assets</b>					
Tangible assets	13		23,871,619		17,820,969
<b>Current assets</b>					
Debtors	14	1,532,913		1,619,037	
Cash at bank and in hand		<u>4,882,028</u>		<u>3,435,339</u>	
		6,414,941		5,054,376	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	<u>(2,771,069)</u>		<u>(1,930,064)</u>	
<b>Net current assets</b>			3,643,872		3,124,312
<b>Total assets less current liabilities</b>			<u>27,515,491</u>		<u>20,945,281</u>
<b>Net assets excluding pension scheme liability</b>			<u>27,515,491</u>		<u>20,945,281</u>
Defined benefit pension scheme liability	25		<u>(10,572,000)</u>		<u>(10,587,000)</u>
<b>Total Net Assets</b>			<u>16,943,491</u>		<u>10,358,281</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	16	24,413,151		17,895,155	
Restricted Income Fund	16	1,359,837		1,386,604	
Pension reserve	16	<u>(10,572,000)</u>		<u>(10,587,000)</u>	
<b>Total restricted funds</b>			15,200,988		8,694,759
<b>Unrestricted income funds</b>	16		<u>1,742,503</u>		<u>1,663,522</u>
<b>Total funds</b>			<u>16,943,491</u>		<u>10,358,281</u>

The financial statements on pages 26 to 48 were approved by the trustees, and authorised for issue on 10 December 2018 and are signed on their behalf by:



Mrs K M Winrow  
Chair of the Board of Directors/Trustees

Company registration no: 08143249 (England & Wales)

## Oxford Diocesan Schools Trust

Cash Flow Statement  
For the year ended 31 August 2018

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	185,201	210,046
<b>Cash flows from investing activities</b>	22	1,261,488	608,544
<b>Change in cash and cash equivalents in the reporting period</b>		<u>1,446,689</u>	<u>818,590</u>
<b>Cash and cash equivalents at 1 September 2017</b>		3,435,339	2,616,749
<b>Cash and cash equivalents at 31 August 2018</b>	23	<u>4,882,028</u>	<u>3,435,339</u>



## Oxford Diocesan Schools Trust

### Notes to the Financial Statements For the year ended 31 August 2018

#### 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 2017 to 2018 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) Prior year adjustment

During the financial year, the academy trust received valuations as at 31 August 2017 from the DfE's appointed firm of chartered surveyors, Mouchel LLP, of the land and buildings occupied by schools that joined the academy trust in the previous and earlier accounting periods. While these valuations are performed for the purpose of the DfE's own accounts, they are considered a reliable estimate of fair value for financial reporting purposes and have been adopted in these financial statements where there is significant difference to the best estimate of fair value previously reported in the academy trust's financial statements.

The impact of this prior year adjustment has been as follows:

- A reduction in tangible fixed assets brought forward of £1,526,958, consisting of a reduction in long leasehold land of £2,270,029 and an increase in long leasehold buildings of £743,701 as set out in Note 13. This is matched by a corresponding reduction in the restricted fixed asset fund.
- An increase in income from transfer from local authority on conversion of £2,437,526 and an increase in income from transfer from an existing academy trust of £624,118. This has increased net income and net movement in restricted fixed asset and total funds reported in the previous year by £3,061,644.
- An increase in restricted fixed funds brought forward as at 1 September 2016 has reduced by £4,588,602 in respect of leasehold land and buildings acquired by the academy trust prior to this date.

##### (c) 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.

##### (d) 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.

###### 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 on conversion within Donations and capital grant income to the net assets received.

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

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net 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 academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

##### (e) 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.

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

### 1 Statement of Accounting Policies (continued)

#### (e) Expenditure (continued)

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

All resources expenses are inclusive of irrecoverable VAT.

#### (f) Tangible Fixed Assets

Assets costing £1,000 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.

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 charitable expenditure as grants. 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 1(m).

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

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
Long leasehold land	over the course of the lease term

In the previous year, no depreciation was charged against long leasehold land. In the current year the academy trust has recognised depreciation of long leasehold land over lease term (typically 125 years) in accordance with the requirements of FRS102. An additional charge has been recognised in the current year in respect of all depreciation chargeable from the point of acquisition totalling £188,313.

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.

#### (g) 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 of services it must provide.

#### (h) 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.

#### (i) Leased Assets

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

#### (j) 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 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment

**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 15. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment



## Oxford Diocesan Schools Trust

### Notes to the Financial Statements (continued) For the year ended 31 August 2018

#### 1 Statement of Accounting Policies (continued)

##### (k) 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.

##### (l) 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

##### (m) 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 Group.

##### (n) 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.

###### *Critical Areas of Judgement*

###### 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 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

As detailed in Note 1(d), 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 has 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 £1,180,000. In addition the fair value of the leasehold interest in the school land and buildings at Fir Tree Junior School, Wallingford has been estimated at £5,404,000. 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 2018

**2 Donations and capital grants**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Total 2017 £
Donations	547,213	-	-	547,213	334,626
Capital Grants	-	-	1,411,140	1,411,140	889,534
	<u>547,213</u>	<u>-</u>	<u>1,411,140</u>	<u>1,958,353</u>	<u>1,224,160</u>
<b>2016/17 total</b>	<u>334,626</u>	<u>-</u>	<u>889,534</u>	<u>1,224,160</u>	

**3 Funding for the Academy Trust's educational operations**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Total 2017 £
<b>DfE / ESFA grants</b>					
General Annual Grant (GAG)	-	23,688,223	-	23,688,223	17,854,533
Start Up Grants	-	50,000	-	50,000	250,000
Other DfE Group grants	-	2,579,707	-	2,579,707	1,696,503
	<u>-</u>	<u>26,317,930</u>	<u>-</u>	<u>26,317,930</u>	<u>19,801,036</u>
<b>Other Government grants</b>					
Local authority grants	-	1,049,809	-	1,049,809	720,809
	<u>-</u>	<u>1,049,809</u>	<u>-</u>	<u>1,049,809</u>	<u>720,809</u>
Catering income	402,346	-	-	402,346	259,022
Other income from educational operations	558,782	-	-	558,782	316,500
	<u>961,128</u>	<u>-</u>	<u>-</u>	<u>961,128</u>	<u>575,522</u>
	<u>961,128</u>	<u>27,367,739</u>	<u>-</u>	<u>28,328,867</u>	<u>21,097,367</u>
<b>2016/17 total</b>	<u>575,522</u>	<u>20,521,845</u>	<u>-</u>	<u>21,097,367</u>	

**4 Other trading activities**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Total 2017 £
Hire of facilities	63,069	-	-	63,069	48,178
Extended services	618,870	-	-	618,870	316,145
Other income	286,202	-	-	286,202	258,945
	<u>968,141</u>	<u>-</u>	<u>-</u>	<u>968,141</u>	<u>623,268</u>
<b>2016/17 total</b>	<u>623,268</u>	<u>-</u>	<u>-</u>	<u>623,268</u>	

**5 Investment Income**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Total 2017 £
Short term deposits	2,760	-	-	2,760	2,295
	<u>2,760</u>	<u>-</u>	<u>-</u>	<u>2,760</u>	<u>2,295</u>
<b>2016/17 total</b>	<u>2,295</u>	<u>-</u>	<u>-</u>	<u>2,295</u>	

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

## 6 Expenditure

	Staff Costs £	Non Pay Premises £	Expenditure Other £	Total 2018 £
Expenditure on raising funds	325,140	-	56,715	381,855
Grants	-	1,507,731	-	1,507,731
Academy's educational operations				
Direct costs	18,513,999	-	1,869,562	20,383,561
Allocated support costs	5,155,350	1,824,467	4,319,273	11,299,090
	<u>23,994,489</u>	<u>3,332,198</u>	<u>6,245,550</u>	<u>33,572,237</u>

	Staff Costs £	Non Pay Premises £	Expenditure Other £	Total 2017 £
Expenditure on raising funds	209,622	-	37,895	247,517
Grants	-	1,295,816	-	1,295,816
Academy's educational operations				
Direct costs	13,071,791	-	1,161,445	14,233,236
Allocated support costs	3,794,905	1,197,588	3,444,136	8,436,629
	<u>17,076,318</u>	<u>2,493,404</u>	<u>4,643,476</u>	<u>24,213,198</u>

Net income/(expenditure) for the period includes:

	2018 £	2017 £
Operating lease rentals	23,174	21,342
Depreciation	747,169	431,519
Fees payable to auditor for:		
Audit	32,025	28,000
Other services	7,155	15,000

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Total 2017 £
Improvements to diocesan property occupied by the academy trust	-	-	1,507,731	1,507,731	1,295,816
	<u>-</u>	<u>-</u>	<u>1,507,731</u>	<u>1,507,731</u>	<u>1,295,816</u>
2016/17 total		-	1,295,816	1,295,816	

## 8 Charitable Activities

	Total 2018 £	Total 2017 £
Direct costs - educational operations	20,383,561	14,233,236
Support costs - educational operations	11,299,090	8,436,629
	<u>31,682,651</u>	<u>22,669,865</u>
Analysis of support costs		
	Educational operations £	Total 2017 £
Support staff costs	5,155,350	3,794,905
Depreciation	747,169	431,519
Technology costs	431,017	381,114
Premises costs	1,824,467	1,197,588
Other support costs	3,028,326	2,485,674
Governance costs	112,761	145,829
	<u>11,299,090</u>	<u>8,436,629</u>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

## 9 Staff

## a. Staff costs

Staff costs during the period were:

	2018 £	2017 £
Wages and salaries	17,341,169	12,608,556
Social security costs	1,414,248	956,847
Operating costs of defined benefit pension schemes	2,897,180	1,992,153
Apprenticeship Levy	73,374	23,164
	<u>21,725,971</u>	<u>15,580,720</u>
Supply staff costs	508,964	515,598
Staff restructuring costs	48,555	-
	<u>22,283,490</u>	<u>16,096,318</u>
Staff restructuring costs comprise:		
Redundancy payments	13,273	-
Termination (including severance) payments	35,282	-
	<u>48,555</u>	<u>-</u>

## b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £48,555 (2017: £Nil). Individually the payments were: £13,273 on 6 August 2018, £6,082 on 16 March 2018 and £29,200 on 10 January 2018.

## c Staff numbers

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

	2018 No.	2017 No.
Teachers	311	251
Management, Administration & Support staff	610	464
	<u>921</u>	<u>715</u>

## d Higher paid staff

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

	2018 No.	2017 No.
£60,001 - £70,000	2	2
	<u>2</u>	<u>2</u>

## e Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £269,477 (2017: £224,825).

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

### 10 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 2018

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
John Henry Newman CE England Academy, Littlemore	70,721	72,098
Grove CE Primary School	34,579	34,809
Hendreds CE Primary School	28,908	28,230
St Christopher's CE Primary School, Cowley	80,660	79,652
Wheatley CE Primary School	62,963	62,697
St Peter's Middle School, Old Windsor	49,526	51,234
Burchetts Green CE Infants School	17,257	19,195
St Luke's C of E Primary School, Maidenhead	57,152	58,892
The Blake CE Primary School, Witney	71,856	72,736
St Christopher's CE Primary School, Langford	28,076	27,576
St Peter's CE School, Alvescot	15,346	15,110
North Leigh CE Primary School	33,984	33,578
Bampton CE Primary School	27,359	28,684
The Batt CE Primary School, Witney	58,372	58,030
Burford Community Primary School	23,122	23,098
Brize Norton Primary School	24,646	23,835
Holyport CE Primary School	64,860	67,749
St Mary's Infants School, Witney	20,522	20,367
Deddington CE Primary School	36,083	6,191
Dr South's CE Primary School	21,723	14,929
Datchet St Mary's CE Primary Academy	46,376	32,847
Kidmore End CE Primary School	37,726	3,237
Leafield CE Primary School	22,072	12,264
South Moreton Community Primary	31,369	7,986
Dr Radcliffe's CE Primary, Steeple Aston	37,047	9,432
Tackley CE Primary School	22,872	16,137
Wroxton CE Primary School	22,314	9,448
North Hinksey CE Primary School	34,283	-
St Marys CE Primary School, Banbury	30,302	-
Northbourne CE Primary School	36,606	-
St Nicholas CE Primary School, Wallingford	13,726	-
Fir Tree Junior School, Wallingford	16,974	-
	<b>1,179,382</b>	<b>890,041</b>

### 11 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 2018, travel and subsistence expenses totalling £4,780 were reimbursed or paid directly to 6 trustees. (2017: £3,475 to 4 trustees).

### 12 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 trust 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 membership.

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

## 13 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 2017 as restated (Note 1(b))	12,827,721	4,579,389	674,526	570,184	42,332	18,694,152
Transfer on conversion	4,208,000	2,376,000	29,101	46,631	-	6,659,732
Additions	-	54,140	44,145	52,584	1,543	152,412
Transfer to expenditure	-	-	-	-	(14,325)	(14,325)
At 31 August 2018	<u>17,035,721</u>	<u>7,009,529</u>	<u>747,772</u>	<u>669,399</u>	<u>29,550</u>	<u>25,491,971</u>
<b>Depreciation</b>						
At 1 September 2017	-	93,511	371,036	402,961	5,675	873,183
Charged in year	324,601	219,326	97,536	101,918	3,788	747,169
At 31 August 2018	<u>324,601</u>	<u>312,837</u>	<u>468,572</u>	<u>504,879</u>	<u>9,463</u>	<u>1,620,352</u>
<b>Net book values</b>						
At 31 August 2018	<u>16,711,120</u>	<u>6,696,692</u>	<u>279,200</u>	<u>164,520</u>	<u>20,087</u>	<u>23,871,619</u>
At 31 August 2017	<u>12,827,721</u>	<u>4,485,878</u>	<u>303,490</u>	<u>167,223</u>	<u>36,657</u>	<u>17,820,969</u>

The cost of long leasehold land and long leasehold buildings brought forward has been restated in prior years in these accounts as explained in Note 1(b).

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 Fir Tree Junior School, Wallingford were assigned to the academy trust under a 125 year lease. The fair value of the associated land and buildings totalling £5,404,038 has been estimated on the basis of average land and buildings values for other schools that are part of the academy trust.

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 at fair value based on the percentage of land apportioned to playing fields based on land registry documents. For those playing fields acquired before 1 September 2017, fair value has been estimated using valuations imputed provided by the DfE's appointed firm of chartered surveyors, Mouchel LLP. For those schools converting in the current year, fair value is based on the average land value for other schools that are part of the academy trust.

In the previous year, no depreciation was charged against long leasehold land. In the current year the academy trust has recognised depreciation of long leasehold land over lease term (typically 125 years) in accordance with the requirements of FRS102. An additional charge has been recognised in the current year in respect of all depreciation chargeable from the point of acquisition totalling £188,313.

## 14 Debtors

	2018 £	2017 £
Trade debtors	83,945	25,252
VAT recoverable	561,161	617,694
Other debtors	26,543	52,435
Prepayments and accrued income	861,264	923,656
	<u>1,532,913</u>	<u>1,619,037</u>

## 15 Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,050,314	697,588
Taxation and social security	394,467	286,443
Other creditors	384,048	320,061
Accruals and deferred income	942,240	625,972
	<u>2,771,069</u>	<u>1,930,064</u>

## Deferred income

	2018 £	2017 £
Deferred income at 1 September 2017	470,293	329,288
Released from previous years	(470,293)	(329,288)
Resources deferred in the year	630,003	470,293
Deferred income at 31 August 2018	<u>£630,003</u>	<u>£470,293</u>

The majority of the balance of the deferred income at 31 August 2018 relates to funds received in 2018 for Universal Infant Free School Meals grants which will be utilised in the year ended 31 August 2019.



## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

16 Funds	As restated Balance at 1 September 2017 £	Income £	Expenditure £	Gains, Losses & Transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	292,464	23,688,223	(24,263,588)	759,849	476,948
Other DfE Group grants	881,292	2,579,707	(2,589,341)	-	871,658
Start Up Grant	197,970	50,000	(138,138)	(109,832)	-
School Improvement grant	14,878	-	(3,647)	-	11,231
Local Authority grants	-	1,049,809	(1,049,809)	-	-
Pension reserve	(10,587,000)	(1,514,000)	(1,711,000)	3,240,000	(10,572,000)
	<u>(9,200,396)</u>	<u>25,853,739</u>	<u>(29,755,523)</u>	<u>3,890,017</u>	<u>(9,212,163)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion and from existing trusts	17,463,520	6,659,732	(480,125)	-	23,643,127
DfE/ESFA capital grants transferred on conversion	-	44,499	-	(44,499)	-
DfE/ESFA capital grants	62,186	1,411,140	-	(931,794)	541,532
Other capital grants	12,000	-	-	(12,000)	-
Capital expenditure treated as grants to Site Trustees	-	-	(1,507,731)	1,507,731	-
Fixed assets purchased with capital grants	357,449	-	(267,044)	138,087	228,492
Capital expenditure from GAG and other unrestricted funds	-	-	-	-	-
	<u>17,895,155</u>	<u>8,115,371</u>	<u>(2,254,900)</u>	<u>657,525</u>	<u>24,413,151</u>
<b>Total restricted funds</b>	<u><b>8,694,759</b></u>	<u><b>33,969,110</b></u>	<u><b>(32,010,423)</b></u>	<u><b>4,547,542</b></u>	<u><b>15,200,988</b></u>
<b>Unrestricted funds</b>					
Unrestricted funds	1,663,522	2,948,337	(1,561,814)	(1,307,542)	1,742,503
<b>Total unrestricted funds</b>	<u><b>1,663,522</b></u>	<u><b>2,948,337</b></u>	<u><b>(1,561,814)</b></u>	<u><b>(1,307,542)</b></u>	<u><b>1,742,503</b></u>
<b>Total funds</b>	<u><b>10,358,281</b></u>	<u><b>36,917,447</b></u>	<u><b>(33,572,237)</b></u>	<u><b>3,240,000</b></u>	<u><b>16,943,491</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 2018.

**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.

**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 2018

## 16 Funds (continued)

Comparative information in respect of the  
preceding period is as follows:

	As restated Balance at 1 September 2016 £	Income £	Expenditure £	Gains, Losses & Transfers £	As restated 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 Group 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)	(2,450,000)	(1,105,000)	1,710,000	(10,587,000)
	<u>(8,020,021)</u>	<u>18,071,845</u>	<u>(22,238,346)</u>	<u>2,986,126</u>	<u>(9,200,396)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	11,018,669	6,662,343	(217,492)	-	17,463,520
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>11,973,909</u>	<u>7,648,581</u>	<u>(1,727,335)</u>	<u>-</u>	<u>17,895,155</u>
<b>Total restricted funds</b>	<u><b>3,953,888</b></u>	<u><b>25,720,426</b></u>	<u><b>(23,965,681)</b></u>	<u><b>2,986,126</b></u>	<u><b>8,694,759</b></u>
<b>Unrestricted funds</b>					
Unrestricted funds	1,107,463	2,079,702	(247,517)	(1,276,126)	1,663,522
<b>Total unrestricted funds</b>	<u><b>1,107,463</b></u>	<u><b>2,079,702</b></u>	<u><b>(247,517)</b></u>	<u><b>(1,276,126)</b></u>	<u><b>1,663,522</b></u>
<b>Total funds</b>	<u><b>5,061,351</b></u>	<u><b>27,800,128</b></u>	<u><b>(24,213,198)</b></u>	<u><b>1,710,000</b></u>	<u><b>10,358,281</b></u>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

### 16 Funds (continued)

#### Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
John Henry Newman CE England Academy, Littlemore	164,817	203,234
Grove CE Primary School	15,850	(6,288)
Hendreds CE Primary School	265,407	226,564
St Christopher's CE Primary School, Cowley	302,428	162,912
Wheatley CE Primary School	73,551	130,747
St Peter's Middle School, Old Windsor	(13,661)	(9,934)
Burchetts Green CE Infants School	121,656	141,383
St Luke's C of E Primary School, Maidenhead	135,649	123,454
The Blake CE Primary School, Witney	22,058	93,058
St Christopher's CE Primary School, Langford	121,522	114,433
St Peter's CE School, Alvescot	45,290	44,011
North Leigh CE Primary School	126,022	158,184
Bampton CE Primary School	42,714	85,477
The Batt CE Primary School, Witney	110,555	87,206
Burford Community Primary School	83,571	90,547
Brize Norton Primary School	42,453	62,269
Holyport CE Primary School	116,665	118,885
St Mary's Infants School, Witney	57,934	32,376
Deddington CE Primary School	49,253	86,928
Dr South's CE Primary School	41,140	31,238
Datchet St Mary's CE Primary Academy	110,157	134,719
Kidmore End CE Primary School	61,347	78,485
Leaffield CE Primary School	108,819	23,546
South Moreton Community Primary	83,675	55,640
Dr Radcliffe's CE Primary, Steeple Aston	62,313	53,541
Tackley CE Primary School	95,640	20,200
Wroxton CE Primary School	22,651	62,893
North Hinksey CE Primary School	31,137	-
St Marys CE Primary School, Banbury	90,354	-
Northbourne CE Primary School	78,593	-
St Nicholas CE Primary School, Wallingford	55,206	-
Fir Tree Junior School, Wallingford	79,112	-
Central services	298,462	644,418
<b>Total before fixed assets and pension reserve</b>	<b>3,102,340</b>	<b>3,050,126</b>
Restricted fixed asset fund	24,413,151	17,895,155
Pension reserve	(10,572,000)	(10,587,000)
<b>Total</b>	<b>16,943,491</b>	<b>10,358,281</b>

St Peter's Middle School, Old Windsor is carrying a historical deficit of £13,661 due to additional expenditure on school improvement and the provision of leadership and school improvement services from Churchmead Secondary school.

A new headteacher was recruited in 2017/18 and the school is working towards bringing the budget back into balance within three years. The academy trust's school improvement and central finance teams are working closely with the school's leadership team, to ensure all measures are being taken to maintain the improved standards whilst working towards a balanced school budget.



## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

### 16 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 2018	Total 2017 £
	£	£	£	£	£	£
John Henry Newman CE England Academy	984,075	207,970	49,515	498,985	1,740,545	1,655,556
Grove CE Primary School	515,360	97,811	18,613	139,966	771,750	769,816
Hendreds CE Primary School	399,565	35,821	6,916	190,130	632,432	580,675
St Christopher's CE Primary School, Cowley	1,333,045	169,995	22,982	307,153	1,833,175	1,884,410
Wheatley CE Primary School	986,555	196,279	26,228	303,900	1,512,962	1,423,920
St Peter's Middle School, Old Windsor	623,552	177,547	21,338	255,803	1,078,240	1,082,417
Burchetts Green CE Infants School	264,537	49,036	8,127	98,854	420,554	420,947
St Luke's C of E Primary School, Maidenhead	869,917	140,964	49,927	373,838	1,434,646	1,407,221
The Blake CE Primary School, Witney	1,200,477	195,143	27,032	294,528	1,717,180	1,709,780
St Christopher's CE Primary School, Langford	461,570	68,388	14,774	143,325	688,057	706,988
St Peter's CE School, Alvescot	262,298	26,534	4,229	74,999	368,060	441,365
North Leigh CE Primary School	545,445	72,491	9,859	200,668	828,463	782,713
Bampton CE Primary School	522,991	93,790	12,442	151,491	780,714	862,749
The Batt CE Primary School, Witney	956,917	110,058	28,689	275,002	1,370,666	1,368,273
Burford Community Primary School	370,357	106,750	16,708	108,148	601,963	584,901
Brize Norton Primary School	383,475	58,811	14,541	145,574	602,401	546,356
Holyport CE Primary School	982,020	174,034	62,456	288,655	1,507,165	1,456,065
St Mary's Infants School, Witney	279,850	57,080	4,814	120,837	462,581	465,886
Deddington CE Primary School	349,384	34,880	11,007	129,947	525,218	318,185
Dr South's CE Primary School	389,071	77,203	10,649	138,099	615,022	399,771
Datchet St Mary's CE Primary Academy	782,288	192,482	22,508	212,554	1,209,832	856,440
Kidmore End CE Primary School	301,689	51,875	34,629	108,438	496,631	292,998
Leafield CE Primary School	334,775	65,251	8,935	118,554	527,515	205,048
South Moreton Community Primary	676,696	106,144	21,394	191,726	995,960	229,125
Dr Radcliffe's CE Primary, Steeple Aston	432,513	88,556	16,313	172,327	709,709	169,376
Tackley CE Primary School	583,731	72,232	13,978	157,297	827,238	129,177
Wroxton CE Primary School	526,152	106,383	9,490	222,907	864,932	53,370
North Hinksey CE Primary School	555,650	70,463	8,717	192,021	826,851	-
St Marys CE Primary School, Banbury	487,703	87,454	11,697	171,559	758,413	-
Northbourne CE Primary School	682,642	93,382	17,645	157,134	950,803	-
St Nicholas CE Primary School, Wallingford	209,075	56,154	2,863	63,742	331,834	-
Fir Tree Junior School, Wallingford	258,674	76,773	3,433	79,380	418,260	-
Central services	1,950	2,262,756	969	641,890	2,907,565	2,978,151
<b>Academy Trust</b>	<b>18,513,999</b>	<b>5,480,490</b>	<b>593,417</b>	<b>6,729,431</b>	<b>31,317,337</b>	<b>23,781,679</b>

### 16 A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016	Income	Expenditure	Gains, Losses & Transfers	Balance at 31 August 2018
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	434,569	41,542,756	(43,536,352)	2,035,975	476,948
Other DfE/ESFA grants	68,391	4,276,210	(3,472,943)	-	871,658
Start Up Grant	195,970	300,000	(386,138)	(109,832)	-
School Improvement grant	21,049	-	(9,818)	-	11,231
CAF Church of England CEO Development grant	2,000	-	(2,000)	-	-
Local Authority grants	-	1,770,618	(1,770,618)	-	-
Pension reserve	(8,742,000)	(3,964,000)	(2,816,000)	4,950,000	(10,572,000)
	(8,020,021)	43,925,584	(51,993,869)	6,876,143	(9,212,163)
<b>Restricted fixed asset funds</b>					
Transfer on conversion	11,018,669	13,322,075	(697,617)	-	23,643,127
DfE/ESFA capital grants transferred on conversion	-	141,203	-	(141,203)	-
DfE/ESFA capital grants	687,467	2,148,674	-	(2,294,609)	541,532
Other capital grants	-	152,000	-	(152,000)	-
Capital expenditure treated as grants to Site Trustees	-	-	(2,803,547)	2,803,547	-
Fixed assets purchased with capital grants	248,802	-	(462,100)	441,790	228,492
Capital expenditure from GAG and other unrestricted funds	18,971	-	(18,971)	-	-
	11,973,909	15,763,952	(3,982,235)	657,525	24,413,151
<b>Total restricted funds</b>	<b>3,953,888</b>	<b>59,689,536</b>	<b>(55,976,104)</b>	<b>7,533,668</b>	<b>15,200,988</b>
<b>Unrestricted funds</b>					
Unrestricted funds	1,107,463	5,028,039	(1,809,331)	(2,583,668)	1,742,503
<b>Total unrestricted funds</b>	<b>1,107,463</b>	<b>5,028,039</b>	<b>(1,809,331)</b>	<b>(2,583,668)</b>	<b>1,742,503</b>
<b>Total funds</b>	<b>5,061,351</b>	<b>64,717,575</b>	<b>(57,785,435)</b>	<b>4,950,000</b>	<b>16,943,491</b>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

### 17 Analysis of Net Assets between Funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	23,871,619	23,871,619
Current assets	1,742,503	4,130,906	541,532	6,414,941
Current liabilities	-	(2,771,069)	-	(2,771,069)
Pension scheme liability	-	(10,572,000)	-	(10,572,000)
<b>Total net assets</b>	<b>1,742,503</b>	<b>(9,212,163)</b>	<b>24,413,151</b>	<b>16,943,491</b>

Comparative information (as restated) in respect of the preceding period is as follows:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	17,820,969	17,820,969
Current assets	1,663,522	3,316,668	74,186	5,054,376
Current liabilities	-	(1,930,064)	-	(1,930,064)
Pension scheme liability	-	(10,587,000)	-	(10,587,000)
<b>Total net assets</b>	<b>1,663,522</b>	<b>(9,200,396)</b>	<b>17,895,155</b>	<b>10,358,281</b>

### 18 Financial instruments

	2018 £	2017 £
Financial assets that are debt instruments measured at amortised cost	110,488	77,687
Financial liabilities measured at amortised cost	1,434,362	1,017,649
Cash and cash equivalents	4,882,028	3,435,339
Financial assets include trade debtors and other debtors. Financial liabilities include trade creditors and other creditors.		

### 19 Capital Commitments

	2018 £	2017 £
Contracted for, but not provided in the financial statements	-	-

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

## 20 Commitments under operating leases

## Operating Leases

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

	2018 £	2017 £
Amounts due within one year	3,457	8,069
Amounts due between one and five years	15,884	6,919
	<u>19,341</u>	<u>14,988</u>

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

	2018 £	2017 £
Net income for the reporting period (as per the Statement of Financial Activities)	3,345,210	525,286
Adjusted for:		
Depreciation charges (note 13)	747,169	431,519
Transfer of fixed assets to expenditure	14,325	-
Capital grants from DfE and other capital income	(1,411,140)	(889,534)
Interest receivable (note 4)	(2,760)	(2,295)
Fixed assets transferred from Local Authority on conversion	(6,659,732)	(3,398,468)
Fixed assets transferred from existing academy trust	-	(202,231)
Defined benefit pension scheme cost less contributions paid (see note 25)	1,401,000	896,000
Defined benefit pension scheme finance costs (see note 25)	310,000	209,000
LGPS deficit transferred on conversions and from existing academy trusts	1,514,000	2,450,000
Decrease/(increase) in debtors	86,124	(538,053)
Increase in creditors	841,005	728,822
<b>Net Cash (used in)/ provided by Operating Activities</b>	<u>185,201</u>	<u>210,046</u>

## 22 Cash flow from Investing Activities

	2018 £	2017 £
Dividends, interest and rents from investments	2,760	2,295
Purchase of tangible fixed assets	(152,412)	(283,285)
Capital grants from DfE/ESFA	1,411,140	889,534
<b>Net cash provided by Investing Activities</b>	<u>1,261,488</u>	<u>608,544</u>

## 23 Analysis of cash and cash equivalents

	At 31 August 2018 £	At 31 August 2017 £
Cash in hand and at bank	4,882,028	3,435,339
	<u>4,882,028</u>	<u>3,435,339</u>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

### 24 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.

### 25 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 £363,600 (2017: £301,845) were payable to the schemes at 31 August 2018 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)
- 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 2018

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £1,706,573 (2017: £1,220,049).

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 2018 was £1,502,000 (2017: £1,099,000), of which employer's contributions totalled £1,152,000 (2017: £833,000) and employees' contributions totalled £350,000 (2017: £266,000). 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 2018	At 31 August 2017	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.60%	4.20%	3.80%	4.20%
Rate of increase for pensions in payment/inflation	2.40%	2.70%	2.30%	2.70%
Discount rate for scheme liabilities	2.80%	2.60%	2.65%	2.60%
Inflation assumption (CPI)	2.30%	2.70%	2.30%	2.70%
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 2018	At 31 August 2017	At 31 August 2018	At 31 August 2017
<i>Retiring today</i>				
Males	23.4	23.4	23.1	23
Females	25.5	25.5	25.2	25.1
<i>Retiring in 20 years</i>				
Males	25.7	25.7	25.3	25.2
Females	27.9	27.9	27.5	27.4

Sensitivity analysis	Impact on present value of pension liabilities	
	At 31 August 2018 £'000's	At 31 August 2017 £'000's
Discount rate +0.1%	(458)	(452)
Discount rate -0.1%	458	464
Mortality assumption -1 year increase	560	625
Mortality assumption -1 year decrease	(560)	(606)
Adjustment to long term salary increases +0.1%	87	91
Adjustment to long term salary increases -0.1%	(87)	(90)
Adjustment to pension increases and deferred revaluation +0.1%	363	371
Adjustment to pension increases and deferred revaluation -0.1%	(363)	(362)



## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

## 25 Pension and Similar Obligations (continued)

	Oxfordshire County Council		Royal County of Berkshire	
	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
The academy's share of the assets in the scheme were:				
Equities	7,355,000	4,946,000	934,000	844,000
Other bonds	1,786,000	1,434,000	298,000	266,000
Property	841,000	502,000	272,000	232,000
Cash	525,000	287,000	294,000	195,000
Target Return Portfolio	-	-	81,000	90,000
Commodities	-	-	37,000	30,000
Infrastructure	-	-	133,000	119,000
Longevity insurance	-	-	(60,000)	(83,000)
<b>Total market value of assets</b>	<b>10,507,000</b>	<b>7,169,000</b>	<b>1,989,000</b>	<b>1,693,000</b>
<b>Amounts recognised in the statement of financial activities</b>			<b>2018 £</b>	<b>2017 £</b>
Current service cost			2,551,000	1,727,000
Net interest cost			310,000	209,000
Admin expenses			2,000	2,000
Loss on assumption of net liabilities on settlements			1,514,000	2,450,000
<b>Total operating charge</b>			<b>4,377,000</b>	<b>4,388,000</b>
<b>Remeasurement of net defined benefit obligation</b>			<b>2018 £</b>	<b>2017 £</b>
Return on fund assets in excess of interest			459,000	605,000
Other actuarial gains/(losses) on assets			-	(117,000)
Change in financial assumptions			2,781,000	656,000
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>3,240,000</b>	<b>1,710,000</b>
<b>Changes in the present value of defined benefit obligations were as follows:</b>			<b>2018 £</b>	<b>2017 £</b>
<b>At 1 September</b>			<b>19,448,000</b>	<b>13,418,000</b>
Current service cost			2,551,000	1,727,000
Interest cost			582,000	349,000
Change in financial assumptions			(2,781,000)	(656,000)
Change in demographic assumptions			-	137,000
Experience gain on defined benefit obligation			-	(703,000)
Employee contributions			350,000	266,000
Estimated benefits paid net of transfers in			(100,000)	579,000
Liabilities assumed on settlements			3,018,000	4,331,000
<b>At 31 August</b>			<b>23,068,000</b>	<b>19,448,000</b>
<b>Changes in the fair value of academy's share of scheme assets:</b>			<b>2018 £</b>	<b>2017 £</b>
<b>At 1 September</b>			<b>8,861,000</b>	<b>4,676,000</b>
Interest on assets			272,000	140,000
Return on assets less interest			459,000	605,000
Other actuarial gains/(losses)			-	(117,000)
Administration expenses			(2,000)	(2,000)
Contributions by employer including unfunded			1,152,000	833,000
Contributions by scheme participants and other employers			350,000	266,000
Estimated benefits paid plus unfunded net of transfers in			(100,000)	579,000
Settlement prices received			1,504,000	1,881,000
<b>At 31 August</b>			<b>12,496,000</b>	<b>8,861,000</b>
			<b>2018 £</b>	<b>2017 £</b>
Present value of defined benefit obligations			(23,068,000)	(19,448,000)
Fair value of share of scheme assets			12,496,000	8,861,000
<b>Deficit in the schemes</b>			<b>(10,572,000)</b>	<b>(10,587,000)</b>

## Oxford Diocesan Schools Trust

### Notes to the Financial Statements (continued) For the year ended 31 August 2018

#### 26 Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

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 2018, the academy trust paid £346,702 (2017: £120,527) to the ODBE for various support services, including the services of the CEO. At the year end the academy trust owed the ODBE £73,383 (2017: £nil).

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 £31,052 (2017: £41,358). 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 leadership 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 £nil (2017: £1,750). After December 2016, her services were supplied to the academy trust via the ODBE.

Mr D Locke was the Chief Operating Officer and Finance Director of the academy trust during the year and is also a trustee and Finance Director of Berkshire Schools Trust. During the year the academy trust received income of £nil (2017: £5,000) from Berkshire Schools Trust for the provision of this service.

The Oxford Academy is a single academy trust sponsored by the ODBE. During the year, The Oxford Academy charged the trust £141,505 (2017: £40,922) for providing leadership services.

Mr D Cousins, a member of the senior leadership team of the academy trust, is also Director and CEO of the Oxford Diocesan Bucks Schools Trust ("ODBST"). The total amounts invoiced to the academy trust in the year were £6,825 (2017: £nil).

#### 27 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
North Hinksey CE Primary School	01 October 2017	Oxfordshire County Council
St Marys CE Primary School, Banbury	01 November 2017	Oxfordshire County Council
Northbourne CE Primary School	01 January 2018	Oxfordshire County Council
St Nicholas CE Primary School, Wallingford	01 April 2018	Oxfordshire County Council
Fir Tree Junior School, Wallingford	01 April 2018	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	-	-	6,584,000	6,584,000
Other tangible fixed assets	-	-	75,732	75,732
Budget surplus / (deficit) on LA funds	433,144		44,499	477,643
Budget surplus / (deficit) on other school funds	-	-	-	-
LGPS pension deficit	-	(1,514,000)	-	(1,514,000)
Other identified assets and liabilities	35,951	-		35,951
<b>Net assets/(liabilities)</b>	<b>469,095</b>	<b>(1,514,000)</b>	<b>6,704,231</b>	<b>5,659,326</b>

## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

## 27 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>North Hinksey CE Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	256,000	256,000
Other tangible fixed assets	-	-	30,544	30,544
Budget surplus / (deficit) on LA funds	85,590		6,362	91,952
LGPS pension deficit	-	(181,000)	-	(181,000)
<b>Net assets/(liabilities)</b>	<b>85,590</b>	<b>(181,000)</b>	<b>292,906</b>	<b>197,496</b>
<b>St Marys CE Primary School, Banbury</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	156,000	156,000
Other tangible fixed assets	-	-	16,403	16,403
Budget surplus / (deficit) on LA funds	116,597	-	10,247	126,844
LGPS pension deficit	-	(230,000)	-	(230,000)
<b>Net assets/(liabilities)</b>	<b>116,597</b>	<b>(230,000)</b>	<b>182,650</b>	<b>69,247</b>
<b>Northbourne CE Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	522,000	522,000
Other tangible fixed assets	-	-	5,058	5,058
Budget surplus / (deficit) on LA funds	108,109	-	12,786	120,895
LGPS pension deficit	-	(262,000)	-	(262,000)
Other identified assets and liabilities	16,836	-	-	16,836
<b>Net assets/(liabilities)</b>	<b>124,945</b>	<b>(262,000)</b>	<b>539,844</b>	<b>402,789</b>
<b>St Nicholas CE Primary School, Wallingford</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	246,000	246,000
Other tangible fixed assets	-	-	1,933	1,933
Budget surplus / (deficit) on LA funds	45,285	-	5,453	50,738
LGPS pension deficit	-	(362,000)	-	(362,000)
<b>Net assets/(liabilities)</b>	<b>45,285</b>	<b>(362,000)</b>	<b>253,386</b>	<b>(63,329)</b>
<b>Fir Tree Junior School, Wallingford</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	5,404,000	5,404,000
Other tangible fixed assets	-	-	21,794	21,794
Budget surplus / (deficit) on LA funds	77,562	-	9,652	87,214
LGPS pension deficit	-	(479,000)	-	(479,000)
<b>Net assets/(liabilities)</b>	<b>77,562</b>	<b>(479,000)</b>	<b>5,435,446</b>	<b>5,034,008</b>

Included in 'transfer from local authority on conversion' 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; Leafield CE Primary School, Wroxton CE Primary School, Dr Radcliffe's CE Primary School, South Moreton Primary School, Deddington CE Primary School, Kidmore End CE Primary School. The impact in the Statement of Financial Activities is as follows:

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Funds £	Total £
Budget surplus / (deficit) on LA funds	19,115	-	-	19,115
<b>Net assets</b>	<b>19,115</b>	<b>-</b>	<b>-</b>	<b>19,115</b>

## 28 Post balance sheet events

In October 2018, Wootton-by-Woodstock Primary School converted to an academy trust.



## Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)  
For the year ended 31 August 2018

### 29 Prior year comparative Statement of Financial Activities - as restated

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £
<b>Income and endowments from:</b>				
Donations and capital grants	334,626	-	889,534	1,224,160
Transfer from local authority on conversion	378,391	(1,498,000)	5,932,698	4,813,089
Transfer from existing academy trust	165,600	(952,000)	826,349	39,949
Charitable activities:				
Funding for the academy trust's educational operations	575,522	20,521,845	-	21,097,367
Other trading activities	623,268	-	-	623,268
Investments	2,295	-	-	2,295
<b>Total</b>	<b>2,079,702</b>	<b>18,071,845</b>	<b>7,648,581</b>	<b>27,800,128</b>
<b>Expenditure on:</b>				
Raising Funds	247,517	-	-	247,517
Charitable activities:				
Academy trust educational operations	-	22,238,346	1,727,335	23,965,681
<b>Total</b>	<b>247,517</b>	<b>22,238,346</b>	<b>1,727,335</b>	<b>24,213,198</b>
<b>Net income / (expenditure)</b>	<b>1,832,185</b>	<b>(4,166,501)</b>	<b>5,921,246</b>	<b>3,586,930</b>
<b>Transfers between funds</b>	<b>(1,276,126)</b>	<b>1,276,126</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains / (losses)</b>				
Actuarial losses on defined benefit pension schemes	-	1,710,000	-	1,710,000
<b>Net movement in funds</b>	<b>556,059</b>	<b>(1,180,375)</b>	<b>5,921,246</b>	<b>5,296,930</b>

# **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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**ODST Members, Main Board and Committee membership**
**Members**

The Right Revd Alan Wilson, Bishop of Buckingham

The Revd Mary Ann Harwood

The Diocesan Board of Education acting corporately by hand of one of its Directors

Kathy Winrow

**\* Chair**

<b><u>ODST, Main Board</u></b>	<b><u>Finance</u></b>	<b><u>Pay and Personnel</u></b>	<b><u>Ethos &amp; Governance</u></b>	<b><u>Education Quality, Standards &amp; Impact</u></b>	<b><u>Audit</u></b>	
<b>* Kathy Winrow</b>	<b>* Sir Clive Booth</b>	<b>* Joanna Moriarty</b>	<b>*Brendan Clover</b>	<b>*Kathy Winrow</b>	<b>* Sarah Appleby</b>	
Brendan Clover (Vice Chair)	Anne Davey	Stephen Barber	Priscilla Chadwick	Anne Davey	Sir Clive Booth	
Stephen Barber	Kathy Winrow	Sir Clive Booth	Anne Davey	Jo Fageant	Richard Ireson	
Sir Clive Booth	Chris Wheaton	Anne Davey		Chris Wheaton	Alison Jestico	
Tony Wilson		Kathy Winrow				
Priscilla Chadwick						
Anne Davey						
Jo Fageant						
Bishop Colin Fletcher						
Joanna Moriarty						

Chris Wheaton						
<b>Associate Members</b>	Catherine Jones	Ben Williams	Linda Hull, HT Kldmore End	Liz Tansley		
	Martin York		Christian McGuinness, HT Leaffield			
<b>In attendance</b>						
Ian Elkington – Deputy CEO	Madhu Richards	Mark Jones	Sharon Mullins/ Ian Elkington	Sharon Mullins/ Ian Elkington	Madhu Richards	
Madhu Richards - Finance Director						
Mark Jones HR Adviser						
Sharon Mullins – School Improvement						
Susan Newell - Legal						

<b>Executive</b>	<b>Estates, Health &amp; Safety</b>
Kathy Winrow*	Stephen Barber*
Brendan Clover	Anne Davey
Sir Clive Booth	Sarah Rodda – Associate Member
	Tony Wilson

<b>In attendance:</b>	
Anne Davey CEO	Mike Bingham – Operations Manager

<b>Director</b>	<b>Term of office start</b>	<b>Term of office end</b>
Stephen Barber	April 2018	April 2022
Sir Clive Booth	July 2016	July 2020
Brendan Clover	October 2016	October 2020
Priscilla Chadwick	October 2016	October 2020
Jo Fageant	April 2018	April 2022
Anne Davey	July 2012	NA
Kathy Winrow	August 2016	August 2020
Bishop Colin Fletcher	Oct 2016	Oct 2020
Joanna Moriarty	January 2018	January 2022
Chris Wheaton	April 2018	April 2022
Tony Wilson	January 2019	January 2023
<b>Associate/Independent Members</b>		
Sarah Appleby		
Linda Hull		
Richard Ireson		
Alison Jesticoe		
Catherine Jones		
Christian McGuinness		
Sarah Rodda		
Ben Williams		
Martin York		
Liz Tansley		





# Oxford Diocesan Schools Trust

## Register of Business and other interests of the Trustees/Members of the Board and Committees declared on (date)

<b>Trustee or Member</b> (incl <ul style="list-style-type: none"> <li>• Full name/title</li> <li>• Nationality</li> <li>• Appointing body [ODST]</li> <li>• Date appointed, if known)</li> </ul>	<b>Relevant business and other interests</b> (incl other schools/Trusts) to include: <ul style="list-style-type: none"> <li>• Name of organisation</li> <li>• Nature of business</li> <li>• Nature of interest</li> </ul>	<b>Other educational establishments governed</b> (ie Trustee/Board/LGB member elsewhere)	<b>Relationships</b> to include those of your: <ul style="list-style-type: none"> <li>• spouses</li> <li>• partners</li> <li>• relatives</li> </ul> and of their Trustee/Board/LGB membership elsewhere; their employment/business related interests	<b>Date declared</b>
<b>Bishop Colin Fletcher</b> British ODST October 2016	<b>Governor Cokethorpe School</b> <b>Member Diocesan Board of Finance</b> <b>Member Diocesan Board of Education</b> <b>Chair of Trustees Bible Reading Fellowship</b> <b>Trustee Creation Theatre</b>	<b>Cokethorpe School</b>		<b>27/07/2018</b>
<b>Sir Clive Booth</b> British ODST July 2016	<b>Oxford Civic Society</b> <b>Charity</b> <b>Hon President</b>  <b>BBOWT</b> <b>Wildlife conservation</b> <b>Hon Chairman to Oct 2017</b>	<b>College of Occupational Therapists</b> <b>Professional body</b> <b>Hon Vice President</b>	<b>Mrs G M Booth</b> <b>Oxford CAB</b>	<b>July 2018</b>

<b>Christopher Courtenay Wheaton</b> British 3 <sup>rd</sup> March 2018	n/a	The Hendreds School Foundation Governor, Chair of LGB and Chair of Finance committee	Eliza Wheaton Governor, Our Lady's Abingdon school	<b>24/7/2018</b>
<b>Joanna Moriarty</b> British ODST January 2018	Employment – Green Park Executive Search, recruitment Sandford St Martin Trust Charity – religious broadcasting Trustee  Feed the Minds NGO Trustee  ODBE elected member	Becoming a member of Phoenix College IEB Special school	Husband, Iain Adams Eucodia (employer)  Community Savings and Loan (Berkshire Credit Union Ltd) Director	<b>01/08/2018</b>
<b>Stephen Barber</b> British ODST March 2018	The Greystones Press Small independent publisher Director		Mary Hoffman (wife) Fellow Director of The Greystones Press	<b>23/07/2018</b>
<b>Tony Wilson</b> British ODST January 2019	Diocesan Director of Education  TJ Education Ltd employee	Diocesan Board of Education  Trustee ODBST		<b>01/04/2019</b>
<b>Dr Priscilla Chadwick</b> UK ODST October 2016	Culham St Gabriel's Trust  Educational charity	Uppingham School, Westminster School, Harris Westminster		<b>17/08/2018</b>

	<b>Chair of Trustees</b>	<b>School, Bishop Gilpin School</b>  <b>Governor</b>		
<b>Kathy Winrow</b> <b>UK</b> <b>ODST</b> <b>July 2012</b>	<b>General Synod—House of Laity</b>  <b>Trustee of LEAF(Linking Education, Environment and Farming)</b>	<b>DBE</b>	<b>Husband(priest and associate Area Dean in Oxford Diocese)</b>	<b>22/08/2018</b>
<b>Ms Josephine Elizabeth Fageant</b> <b>British</b> <b>ODST</b> <b>April 2018</b>	<b>JEF Consultancy</b> <b>SIAMS inspections and inspector training</b> <b>Global Neighbours Award</b> <b>Inspector, inspector trainer, Global Neighbours assessor</b>	<b>St Nicolas CE Junior School, Newbury</b> <b>Associate governor</b>		<b>11/04/2018</b>
<b>Canon Brendan David Clover</b> <b>British</b> <b>ODST</b> <b>2012</b>	<b>Senior Provost at Woodard Schools</b> <b>Alderley Edge School for Girls Education</b> <b>Governor</b>	<b>AESfG</b> <b>Governor</b>		<b>05/09/2018</b>
<b>Mrs Jacqueline Anne Davey</b> <b>British</b> <b>June 2012</b>			<b>Howard Dellar, partner:</b>  <b>Lee Bolton Monier Williams Solicitors – Partner</b> <b>Lee Bolton and Lee Nominees Ltd – Director</b> <b>Laces Educational – Director</b> <b>The Weald Foundation – Secretary</b> <b>Mowgli Mentoring – Secretary</b> <b>OREF Ltd – Secretary and Director</b> <b>The Joshua Watson Trust – Secretary</b> <b>The Arbory Trust – Director</b>	<b>10/09/2018</b>

			<p>Anglo Catholic Futures – Director SIL Trading Ltd – Secretary The Society of Inner Light Ltd - Secretary Mowgli Mentoring Secretary James Percy Foundation – Secretary</p> <p>Secretary of the Archbishop of Canterbury's Charitable Foundation Secretary of the Bletchington Community Foundation Secretary of the Friendly Hand</p> <p>Non company trusteeships:</p> <p>Chair and trustee of the St Mary Magdalen Oxford Development and Restoration Trust Chair of the Bletchington Charity Chair of Bishopsland Educational Trust Trustee of the Ozanne Foundation</p> <p>Registrar of:</p> <p>The Archbishop of Canterbury's Faculty Office Guildford Diocesan Registry Hereford Diocesan Registry Ely Diocesan Registry Liverpool Diocesan</p>	
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			<b>Registry Deputy Registrar of Lincoln Diocesan Registry</b>	
<b><u>Associate Committee Members</u></b>				
<b>Linda Hull</b>	<b>Headteacher Kidmore End Primary School</b>		<b>Mr Andrew James Hull (spouse) Governor at St John's Primary School, Wallingford Actuary at Prudential UK</b>	<b>13/11/2018</b>
<b>Ben Williams</b>	<b>Earthwatch Europe - Delivery of environmental services, including funded education initiatives to local schools</b>	<b>Deddington Primary School – Governor and Chair (ODST Academy)</b>	<b>Alexandra Williams (spouse) Muddy Feet Training – provider of forest school and outdoor learning training and consultancy services.</b>	<b>13/12/2018</b>
<b>Christian McGuinness</b>	<b>Headteacher Leaffield Primary School</b>	<b>Foundation Governor St John the Evangelist Primary School, Carterton</b>	<b>Spouse: teacher at Bartholomew Eynsham Partnership Academy</b>	<b>17/11/2018</b>
<b>Catherine Jones</b>		<b>Governor at St Christopher's Langford (ODST) Primary School</b>		<b>October 2018</b>
<b>Martin York</b>		<b>Foundation Governor and Chair Tackley C of E Primary School</b>	<b>Mrs Gillian York (spouse) Officer Administrator (p/t)</b>	<b>14/10/2018</b>

<b>Sarah Rodda</b>	<b>Hemdean People Ltd Consultancy Business/employer</b>	<b>Kidmore End CE School – Chair of Governors</b>		<b>20/3/2019</b>
<b>Liz Tansley</b> – <i>declarations to follow</i>				