



OXFORD DIOCESAN BUCKS SCHOOLS TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

OXFORD DIOCESAN BUCKS SCHOOLS TRUST

(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and administrative details	1 – 2
Trustees' report	3 – 12
Governance statement	13 – 17
Statement on regularity, propriety and compliance	18
Statement of trustees' responsibilities	19
Independent auditor's report on the financial statements	20 – 22
Independent reporting accountant's report on regularity	23 – 24
Statement of financial activities incorporating income and expenditure account	25
Balance sheet	26
Statement of cash flows	27
Notes to the financial statements	28 – 51

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members

Right Reverend Steven Croft, Bishop of Oxford
Oxford Diocesan Board of Education acting corporately (currently Mr Gordon Joyner, Deputy Director, Oxford Diocesan Board of Education)
Mrs Maureen Lomas
Mr Peter Norman

Trustees

Right Reverend Dr Alan Wilson, Bishop of Buckingham (Appointed 1 September 2017)
Reverend Canon Rosie Harper (Appointed 1 September 2017)
Mr Steve Edgar (Appointed 1 September 2017)
Mr Michael Phipps (Appointed 1 September 2017)
Ms Kirsteen Roberts (Appointed 1 September 2017)
Mr Nat Wakely (Appointed 20 March 2018)
Reverend Cassa Messervy (Appointed 20 March 2018)
Mr Malcolm Peckham (Appointed 5 November 2018)
Ex Officio: Diocesan Director of Education (Oxford) – Mrs Fiona Craig, Oxford Diocesan Board of Education (Appointed 1 September 2017)
Ex Officio: Chief Executive Officer – Mr David Cousins (Appointed 6 October 2017)

Company Secretary

None Appointed

Senior Management Team

Mr D Cousins - Accounting Officer
Mrs S Morrissey - Chief Operating Officer
Mrs S Bremner Milne – Chief Finance Officer (Resigned 31 March 2018)
Ms M Cummins - Chief Finance Officer (Appointed 1 April 2018)

Company Name

Oxford Diocesan Bucks Schools Trust

Principal and Registered Office

Church House Oxford, Langford Locks, Kidlington, Oxford, OX5 1GF

Company Registered Number

10943040 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Bankers

Lloyds Bank plc, PO Box 1000, BX1 1LT

Solicitors

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

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Oxford Diocesan Bucks Schools Trust (ODBST) is a new Diocesan Multi Academy Trust (MAT) established in September 2017 by the Oxford Diocesan Board of Education (ODBE) to provide an organisation for schools seeking to become an Academy within a MAT.

ODBST is open to schools within the Buckingham episcopal area (which covers Buckinghamshire and Milton Keynes). It is a mixed MAT for church controlled or aided schools, existing academies or community schools to join.

The Trust currently has six primary schools with pupils aged 2 to 11 yrs, with an active pipeline of schools waiting for academy orders and expressing interest in joining the MAT.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Oxford Diocesan Bucks Schools Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Oxford Diocesan Bucks Schools Trust (ODBST).

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

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.

Method of Recruitment and Appointment or Election of Trustees

The number of Trustees is to be no less than five and is not subject to a maximum. The Articles provide for the Members to appoint a minimum of three Trustees. There are two Ex-Officio Trustees, the Chief Executive Officer (CEO) and the Diocesan Director of Education (DDE), providing they agree to act. The Trustees, with the consent of the Diocesan Board of Education, may also appoint up to two Trustees for such term up to a maximum of four years and upon such conditions as they shall think fit.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Method of Recruitment and Appointment or Election of Trustees (continued)

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 according to the foundation of the school. In the case of former Voluntary Aided Church of England Schools, 75% of its members will be appointed by the Diocesan Board of Education, having regard to the advice of the Directors. In the case of former Voluntary Controlled Church of England Schools 25% of its members will be appointed by the Diocesan Board of Education having regard to the advice of the Directors. For all other members, including in the case of former Community Schools, the Trustees will appoint the remaining members of the LGB (having regard for local election of Parent and Staff representatives). All members of the LGB are accountable to the Board of Trustees.

The Trustees regularly maintain and review the skills audit assessment for the board to consider areas of development and gaps that need to be filled through recruitment. Thus far, all Trustee appointments have been by the Members, although the Articles enable Trustees to appoint up to two Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

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

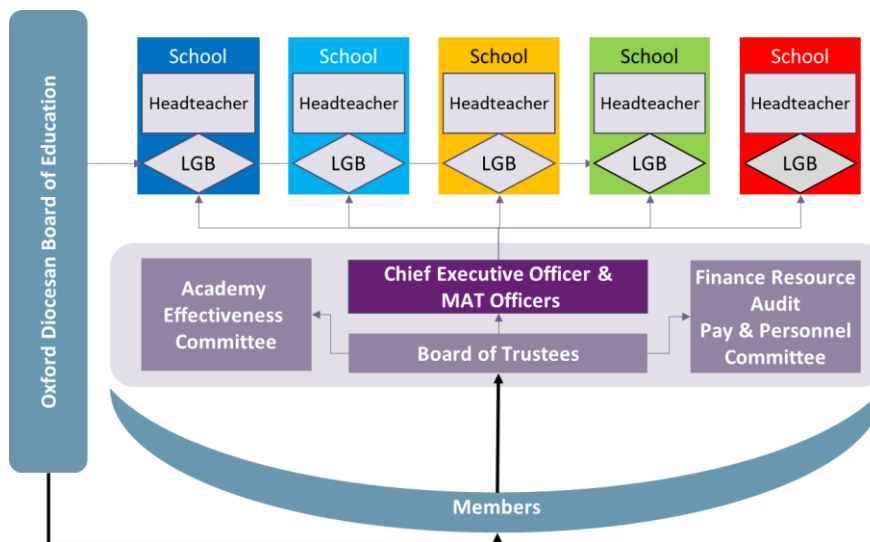
- Trust's governing documents (i.e. the Memorandum and Articles of Association) as well as access to the Master Funding Agreement and Supplemental Funding Agreements for the Academies;
- other documents such as minutes, accounts, budgets and other documents relating to the Trust.
- relevant documentation 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 the Trust run leadership briefings and leadership conferences, so they can meet headteachers and local governing body members in both a formal and an informal context. Trustees have access to the online system where minutes of meetings for Trustees and LGBs are stored. Resources, research and government papers are shared through this platform. There are regular opportunities for training, both internal and external to help further develop their skills and understanding of the Trust. In addition, the Board holds an annual strategy day.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Organisational Structure



The diagram above outlines the structure of the company. The Articles of Association requires each academy to have a Local Governing Body, which is empowered through the Scheme of Delegation to 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. The LGB are responsible for ensuring high standards of education and financial 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 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 two subcommittees: Finance, Resource, Audit, Pay and Personnel (FRAPP) and Academy Effectiveness Committee (AEC). 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.

The Senior Leadership Team of the Trust are the CEO, the Chief Operating Officer and the Chief Finance Officer. 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. Headteachers come together twice termly, at the Headteacher's Forum and at the Leadership Conference enabling collaborative working.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration for the CEO is set by the Board of Trustees. The CEO determines pay and remuneration for the Executive Team. Pay scales for the corporate central team were benchmarked externally to ensure consistency and objectivity and further internal controls have been applied by the HR and finance teams, supported by Trustees. The Trust is concerned to ensure that it recruits and retains high quality employees whilst ensuring value for money. Performance management is in line with public sector protocols, with annual review of the pay scales, in line with inflation, and incremental pay progression available subject to the delivery of agreed performance objectives.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Arrangements for setting pay and remuneration of key management personnel (continued)

Pay and remuneration for Headteachers is set by the Local Governing Body, following local performance management processes in line with the Trust's Pay Policy, which is set annually by the Board with reference to the Department for Education's School Teachers' Pay and Conditions Document.

There is no pay and remuneration in place for trustees or LGB members, other than the opportunity to claim expenses.

Trade union facility time

There are no appointed Union representatives employed by the Trust.

Related Parties and other Connected Charities and Organisations

ODBST was established with the support and grant funding from the Oxford Diocesan Board of Education, and as such the DBE (acting corporately) are represented with the Members. However, all Trustees have been appointed based on skill and experience. The register of pecuniary interests is reviewed at each meeting.

In line with requirements within the Articles, where decisions are taken in relation to services where conflicts arise, trustees are required to exclude themselves from discussions. It is noted that the following trustees are excluded from discussions relating to services from the DBE:

- The Chairman of the Diocesan Board of Education.
- The Diocesan Director of Education
- The Assistant Director for Free Schools and Academies

During the period, the Trust purchased essential support services from the Oxford Diocesan Board of Education (a corporate Member of the Trust) at a cost of £178,612. These services included education advisers, premises management and admissions support services that are procured to obtain the benefit of economies of scale from a larger organisation.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Company's 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
- (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.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Objectives, Strategies and Activities

The purpose of the Trust is clear: we want our pupils to achieve all that they possibly can and, in doing so, that they and their families experience the best quality of education and care.

ODBST's mission is to empower our unique schools to excel. This is operated through a high level of accountability devolved to each Local Governing Body (LGB), which is supported by a "School to School" improvement model, facilitated by a core team of experienced professionals (i.e. ex-head teachers, lead HMI) at the centre of the organisation, in partnership with the Oxford Diocesan Board of Education.

All that we do across our trust is rooted in the Christian values of: wisdom, knowledge and skills; hope and aspiration; dignity and respect, as well as a commitment to building the community and living well together.

Our unique schools are committed to focus on excellence in education, ensuring they offer a broad and balanced curriculum. They are committed to being central to their community, and work collaboratively with other schools in the Trust.

Our learners and their families are also at the centre of all we do; empowered to learn and achieve; valued within our school as resilient, active and responsible citizens; served so that they develop and thrive (intellectually, socially, culturally and spiritually); aspire to educational excellence and reach their fullest potential.

Our Trust strives to enable strong and effective local leadership that is supported and challenged to recruit, train and retain quality staff; be passionate about being the best that they can be; provide opportunities for enriched learning and pathways for all pupils, and work with governors to make decisions at a local level.

Our Trustees relentlessly focus on improvement. Trustees are tasked to embody these values in their contacts with our schools; to celebrate success and agree to build partnerships to develop the schools we serve.

Public Benefit

The Trustees of ODBST confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

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.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

STRATEGIC REPORT

Achievements and Performance

The first full year of operation has seen the trust welcome six schools:

- Chesham Bois Church of England School
- Thomas Harding Junior School
- Great Horwood Church of England School
- Padbury Church of England School
- St John's Church of England Primary School, Lacey Green
- Longwick Church of England Combined School

Together these schools have around 1120 pupils.

The trust is in the process of applying for academy orders for a further six schools in 2018-19 and have prepared for this expansion with improved systems and additional central posts.

The developing strong central team supports the key value of enabling each school to succeed and to improve the outcomes for children and young people. This team has enabled our school leaders to find high quality support in managing people; backing for setting budgets in the most complex national environment; finding security in ensuring our schools are safe and secure places to learn and lastly but most importantly assuring the quality of the education on offer improves so that ODBST schools achieve well.

Key Performance Indicators

We were very pleased with the results of our schools this year. Teachers and leaders have continued to respond positively to the raised expectations for levels of achievement and, as a result most of our pupils have exceeded the national results for primary schools nationally and made effective progress from their starting points.

Outcomes for the most able were particularly strong reflecting the high expectations for the trust across all its schools. Pupils made expected progress across the trust in all the key skills thereby preparing them well for transfer to the next phase of their education.

FSP	GLD		Reading		Writing		Number	
	Nat 2017	71%	Nat 2017	77%	Nat 2017	73%	Nat 2017	79%
ODBST	74%		81%		79%		85%	

Phonics	Year 1		Year 2	
	Nat 2018	82%	Nat 2017	92%
ODBST	79%		93%	

2018 KS1	Reading				Writing				Mathematics			
	At or GD		GD		At or GD		GD		At or GD		GD	
	NA 2018	75%	NA 2018	26%	NA 2018	70%	NA 2018	16%	NA 2018	76%	NA 2018	22%
ODBST	84%		31%		78%		16%		79%		24%	

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Key Performance Indicators (continued)

2018 KS2	Reading				Writing				Mathematics				RWM Combined	
	At or GD		GD		At or GD		GD		At or GD		GD		ARE or GD	
	NA 201 8	75 %	NA 201 8	28 %	NA 201 8	78 %	NA 201 8	20 %	NA 201 8	76 %	NA 201 8	24 %	NA 201 8	64 %
Progress	Floor		-5		Floor		-7		Floor		-5			
Attainment	79%		39%		81%		22%		80%		30%		73%	
Progress	-0.5				-0.6				-0.3					

The Trust continues to monitor the performance of each school and is working closely with the governing bodies and leadership teams of schools to ensure that pupils' progress and standards of attainment continue to improve.

Pupil attendance in our schools remains positive with absences overall below the primary school national average. We have continued to offer support and use the best practice from schools across the trust with specific schools and communities where there is a variance from this generally positive picture.

We have created an effective CPD programme to support our teachers and leaders to drive school improvement. During the accounting period we offered:

- Termly subject networks allowing teachers to strengthen their English, mathematics skills; assure leaders through the moderation of mathematics and writing outcomes and strengthen Early Years' leadership
- Termly leadership conferences have given our headteachers and their deputies regular, focused chances to learn from each other's' experience. This accounting period we have focused on the introduction of statutory relationships education alongside the trust's PSHE offer, work on the impact of parental engagement in the learning process and a risk management workshop.
- Support for the governance of our schools has been through regular, termly governor briefings with time to learn about new government and trust initiatives and network with colleague governors.
- Further opportunities for governor training have been extended through an 'Excellence in Governance' programme and bespoke training events.
- A Target Tracker 'champion' programme which has trained one leader for every school, plus 29 governors, to ensure a robust, best-practice-led approach to using achievement data

Going Concern

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

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

FINANCIAL REVIEW

Review of Activities

The Trust was incorporated on 1 September 2017 and has prepared accounts for the period ended 31 August 2018. During this period the Trust saw significant growth, with two schools joining the trust in October 2017 (Chesham Bois CofE and Thomas Harding Junior), one in November 2017 (Great Horwood CofE), a further two in February 2018 (Padbury CofE and St John's CofE, Lacey Green) and the final school joining in July 2018 (Longwick CofE).

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.

Financial Performance

The Statement of Financial Activities sets out the income and expenditure arising in restricted and unrestricted funds during the year.

Restricted General Funds

Most of the Trust's income for the period was received through the Education and Skills Funding Agency (ESFA), in the form of the General Annual Grant (£2,822,404). Additional income was received from the Oxford Diocesan Board of Education by way of donation, £270,000 and of capital funding allocation, £100,000. Funds inherited on the conversion of academies joining the Trust (excluding LGPS deficits of £930,000) amounted to £792,325. Total Income into general restricted fund for the year was £3,670,531 and expenditure against this was £3,895,072 giving rise to a deficit of £231,391. Excluding inherited pension deficits on conversion and pension adjustments for the year, this fund retains a surplus of £798,609.

The Local Government Pension Scheme as at 31 August 2018 was revalued as a deficit of £1,030,000 after actuarial gains of £35,000 and pension charges of £135,000.

Unrestricted Funds

Unrestricted funds comprise income from lettings, before and after school clubs and other self-generated income totalling £111,193. Expenditure arising in relation to this income totals £13,511 giving rise to a balance on unrestricted reserves of £97,682.

Restricted Fixed Asset Funds

Fixed asset funds include the value of leasehold land and buildings transferred to the Trust on conversion together with additions to fixed assets during the year and capital funding received in the form of Devolved Capital allocations and School Conditions Allocation (SCA). The fund is reduced by depreciation charged in line with the Trust's fixed assets policy.

The balance at 31st August was £4,161,774.

On conversion the land and buildings occupied by Thomas Harding Junior School were assigned to the academy Trust under a 125-year lease from Buckinghamshire County Council (BCC). The fair value of the associated land and buildings totalling £4,065,000 has been recognised in accordance with valuations provided by the Government's appointed valuers. The Trust also has 125-year leases from BCC for the playing fields of the various academies, which were transferred to the Trust on conversion.

Total Funds

Total income for the year amounted to £7,995,818 and expenditure for the year was £4,002,753. The balance of total income over expenditure amounted £4,028,065 and this is represented by the total funds of the Trust at 31 August 2018. Operational performance (excluding capital and pensions) includes income of £3,919,395 and expenditure of £3,773,580 giving rise to an operating surplus of £145,816. A summary of reserves balances is provided in the section below.

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

The total balance of cash at bank across the Trust at 31 August 2018 was £1,174,360.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Reserves Policy

The Trust and its academies are expected to normally hold contingency reserves from their annual GAG funding or other income to cover a minimum of one month's (maximum three months) budgeting operating expenditure, subject to the constraint that the level of reserve does not exceed the level permitted by the ESFA.

If such a reserve is not already in place, there should be a plan to achieve this within a period of no more than three years. A target level of reserves through transition is set at 5% of total income.

Reserves

At 31 August 2018 the total funds comprised:

Unrestricted		97,682
Restricted:	Fixed asset funds	4,161,774
	Pension reserve	(1,030,000)
	Other	<u>798,609</u>
		<u>£4,028,065</u>

Investment Policy

The policy of the Trust is to hold surplus funds as cash at bank for risk management and operational reasons.

Principal Risks and Uncertainties

The key risks identified by the MAT are:

- Financial insolvency (due to reduced income and the knock-on cashflow implication and/or poor financial control)
- Poor educational attainment of schools
- Inadequate safeguarding/health and safety controls in schools
- Poor decision making made at a local level, outside of the scope of the company
- Poor people management

All these risks are identified in the Trust's Risk Register, which is reviewed on a regular basis at the FRAPP committee and at the Full Board meeting. All items considered by the SLT and by Trustees consider the opportunities and risks associated with the decision.

A template Risk Register has been developed with schools, ensuring each LGB manages and regularly reviews a risk register with these identified risks to ensure risks at the academy level are able to be escalated appropriately.

Internal audit, and the external audit play a key part in ensuring effective controls are in place and improvements are made where identified.

FUNDRAISING

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

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

PLANS FOR FUTURE PERIODS

The focus of the Trust, in conjunction with the staff in its schools, remains the excellent provision of education in our schools.

To continue to do this, the Trust will:

- Seek to increase the number of schools in the Trust to at least a total of nine schools, to ensure effective financial sustainability of the MAT's operational model. This will include:
 - securing Sponsor Status for the Trust,
 - working with the Department for Education on the brokering of a Sponsored Academy into the Trust,
 - continuing work with Bucks County Council on the potential to open a free school in the county,
- Closely monitor the growth of the Trust, and plan for effective working structures ahead of the 2019/20 academic year.
- Seek to support the further establishment of collaborative working arrangements for schools within the trust.
- Seek to enable strong schools within the Trust to work collaboratively with maintained schools and single academy trusts.
- Ensure the Trust continues to deliver and adjusts practices in line with statutory requirements.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITOR

In so far as the trustees are aware:

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

This Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18 December 2018 and signed on the board's behalf by:

.....
The Rt Rev Dr Alan Wilson
Chair of the Board of Trustee

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

SCOPE OF RESPONSIBILITY

As trustees we acknowledge we have overall responsibility for ensuring that Oxford Diocesan Bucks Schools 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 Oxford Diocesan Bucks Schools 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 Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee Name	Trustee Board Meeting Attended/Out of	Comments and Appointment Dates
Mr David Cousins (<i>Principal and Accounting Officer</i>)	4/4	New Trustee 10/2017
Mrs Fiona Craig	4/5	01/09/2017
Mr Steven Edgar	3/5	01/09/2017
Revd Canon Rosie Harper	5/5	01/09/2017
Revd Cassa Messervy	0/1	New Trustee 20/03/2018
Mr Michael Phipps	5/5	01/09/2017
Ms Kirsteen Roberts	5/5	01/09/2017
Mr Nathaniel Wakely	1/1	New Trustee 20/03/2018
Rt Revd Alan Wilson <i>Chair of Trustees</i>	5/5	01/09/2017

During the year, two new trustees (Revd Cassa Messervy and Mr Nathaniel Wakely) have been appointed. In addition to this Mr Malcolm Peckham was appointed in November 2018. This has increased the board from seven to ten trustees.

Governance Reviews

The Trust has commissioned an external review of Governance from Claudia Wade (NLG), carried out in October 2018. The review concluded "*ODBST is well organised and has Governance structures compliant with the Articles of Association*". The review included a set of recommendations to prepare for the changes to the Academies Financial Handbook 2018 (coming into effect from April 2019), which will be actioned by the Trust.

Committees

The Trust Board operates two committees: Finance, Resources, Audit, Pay and Personnel (FRAPP) and Academy Effectiveness Committee (AEC).

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018**

GOVERNANCE (continued)

Finance, Resources, Audit, Pay and Personnel Committee is a sub-committee of the main board of trustees.

The specific purposes of the Finance Resource Audit Pay and Personnel Committee are to:

- monitor the work of the trust in terms of its financial control, audit and property matters,
- to make appropriate recommendations on audit, pay and personnel matters to the board of ODBST.

Key Issues for the FRAPP Committee this year included:

- Appointment of an internal audit provider
- Appointment of an external audit provider
- Scrutiny of the Trust's financial position and growth forecasts
- Scrutiny of the Trust's budget
- Ensuring the trust was ready for General Data Protection Regulation (GDPR)
- Scrutiny of the Risk Register

During the year Nat Wakely joined the committee. Attendance at meetings in the year was as follows:

Trustee Name	Finance, Resources, Audit, Pay and Personnel Committee
David Cousins (<i>Principal and Accounting Officer</i>)	2/4
Steven Edgar	1/4
Michael Phipps	4/4
Kirsteen Roberts	4/4
Nat Wakely	3/3

Academy Effectiveness Committee (AEC) is a sub-committee of the main board of trustees and meets on a regular basis to monitor the effectiveness of schools in the Trust and the support being provided to ensure schools deliver excellent education.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the Academy Trust 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 appropriate. The accounting officer for the Academy Trust has delivered improved value for money during our first year by:

- Ensuring new systems being purchased for the Trust were competitively assessed, and where possible procured in collaboration with other trusts to achieve value for money and beneficial rates for larger organisations.
- Carrying out a review of the budgeting software used across the Trust, which has reduced the cost for the Trust and will improve budget management controls.
- Carrying out a procurement exercise for staff absence insurance policies for schools in the Trust, resulting in reduced costs for five schools

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 on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oxford Diocesan Bucks Schools Trust for the period 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 Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 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.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint MHA MacIntyre Hudson as internal auditor.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On annual basis, the auditor reports to the board of trustees, through the Finance Resource Audit Pay and Personnel Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The auditors have delivered their programme of work during of work during the year ended 31 August 2018 as planned. While no significant internal control weaknesses were identified from the work completed, the Trustees and management have developed an action plan to continue to strengthen and improve internal controls over the next 12 months.

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

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 work of the internal auditor
- the work of the external auditor
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 18 December 2018 and signed on its behalf by:

.....
The Rt Rev Dr Alan Wilson
Chair of the Board of Trustee

.....
David Cousins
Accounting Officer

**OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2018**

As accounting officer of Oxford Diocesan Bucks School Trust, I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding received by the Academy Trust, under the funding agreement in place between the Academy 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 I and the Academy Trust board of trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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.

.....
David Cousins
Accounting officer

18 December 2018

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Academies Accounts Direction issued by the Education & 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 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 18 December 2018 and signed on its behalf by:

.....
The Rt Rev Dr Alan Wilson
Chair of the Board of Trustee

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OXFORD DIOCESAN BUCKS SCHOOLS TRUST

OPINION

We have audited the financial statements of Oxford Diocesan Bucks Schools Trust (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 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 issued by the Education & Skills Funding Agency.

BASIS FOR 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of 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 Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OXFORD DIOCESAN BUCKS SCHOOLS TRUST

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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OXFORD DIOCESAN BUCKS SCHOOLS TRUST

AUDITORS' 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 Auditors' 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. This description forms part of our Auditors' Report.

USE OF OUR REPORT

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

Bianca Silva BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

Date: 20 December 2018

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OXFORD DIOCESAN BUCKS SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education & 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 Oxford Diocesan Bucks Schools Trust during the year 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 Oxford Diocesan Bucks Schools Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Oxford Diocesan Bucks Schools Trust and the 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 Oxford Diocesan Bucks Schools Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF OXFORD DIOCESAN BUCKS SCHOOLS TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Oxford Diocesan Bucks Schools Trust's funding agreement with the Secretary of State for Education dated 1 September 2017, 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 year 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 the 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 Academy Trust's income and expenditure.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OXFORD DIOCESAN BUCKS SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the Trustees' meetings and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing a sample of payroll payments to staff;
- testing a sample of payments to suppliers and other third parties;
- testing a sample of grants received and other income streams;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquiries of the Accounting Officer.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 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

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

Date: 20 December 2018

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
INCOME FROM:					
Donations & capital grants:					
Funds transferred on conversion	2	-	(137,675)	4,083,438	3,945,763
Other donations and capital grants	2	-	307,907	130,656	438,563
Charitable activities	5	-	3,490,299	-	3,490,299
Other trading activities	3	110,981	10,000	-	120,981
Investments	4	212	-	-	212
TOTAL INCOME		111,193	3,670,531	4,214,094	7,995,818
EXPENDITURE ON:					
Charitable activities		13,511	3,895,072	94,170	4,002,753
TOTAL EXPENDITURE	6	13,511	3,895,072	94,170	4,002,753
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		97,682	(224,541)	4,119,924	3,993,065
Transfers between Funds	16	-	(41,850)	41,850	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		97,682	(266,391)	4,161,774	3,993,065
Actuarial gains on defined benefit pension schemes	23	-	35,000	-	35,000
NET MOVEMENT IN FUNDS		97,682	(231,391)	4,161,774	4,028,065
RECONCILIATION OF FUNDS:					
Total funds brought forward	16	-	-	-	-
TOTAL FUNDS CARRIED FORWARD		97,682	(231,391)	4,161,774	4,028,065

The notes on pages 28 to 51 form part of these financial statements.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10943040

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £
FIXED ASSETS			
Tangible assets	13		4,054,035
CURRENT ASSETS			
Debtors	14	217,650	
Cash at bank and in hand	20	1,174,360	
		<u>1,392,010</u>	
CREDITORS: amounts falling due within one year	15	<u>(387,980)</u>	
NET CURRENT ASSETS			<u>1,004,030</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,058,065</u>
Defined benefit pension scheme liability	23		<u>(1,030,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>4,028,065</u></u>
FUNDS OF THE ACADEMY			
Restricted income funds:			
Restricted income funds	16	798,609	
Restricted fixed asset funds	16	4,161,774	
		<u>4,960,383</u>	
Restricted income funds excluding pension liability			
Pension reserve	16	<u>(1,030,000)</u>	
Total restricted income funds			<u>3,930,383</u>
Unrestricted income funds	16		<u>97,682</u>
TOTAL FUNDS			<u><u>4,028,065</u></u>

The financial statements on pages 25 to 51 were approved by the Trustees, and authorised for issue, on 18 December 2018 and are signed on their behalf, by:

.....
The Rt Rev Dr Alan Wilson
Chair of the Board of Trustee

The notes on pages 28 to 51 form part of these financial statements.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £
Cash flows from operating activities		
Net cash provided by operating activities	19	<u>1,108,259</u>
Cash flows from investing activities:		
Investment income		212
Purchase of tangible fixed assets		(83,205)
Capital grants from DfE Group		49,094
Capital funding received from sponsors and others		<u>100,000</u>
Net cash provided by investing activities		<u>66,101</u>
Change in cash and cash equivalents in the year		1,174,360
Cash and cash equivalents brought forward		-
Cash and cash equivalents carried forward	20	<u><u>1,174,360</u></u>

The notes on pages 28 to 51 form part of these financial statements.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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 (FRS 102), 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 (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 incorporating Income and Expenditure Account 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

1.4 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 charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.7 Taxation

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

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.10 Tangible fixed assets and depreciation

All assets costing more than £3,000 are capitalised 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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account.

Depreciation is provided on all tangible fixed assets other than leasehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold buildings	-	19 to 50 years
Long leasehold land	-	over the life of the lease
Furniture and fixtures	-	3-10 years

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 incorporating Income and Expenditure Account.

The Academy Trust occupies land and buildings which is held in trust by Trustees, who are the Incumbent and the Churchwardens of Diocesan Trustees (Oxford) Limited. These Trustees are the providers of the property to the Academy Trust on the same basis as when the academy was a maintained school. The Academy Trust occupies the property under a licence. This continuing permission of these Trustees is pursuant to, and subject to, the Trustees' charitable objects. The licence delegates aspects of the management of the property to the Academy Trust for the time being, but does not vest any rights over the property in the Academy Trust. These Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the property.

Having considered the factual matrix under which the Academy Trust is occupying the property, and the guidance in the Academies Accounts Direction for the year ended 31 August 2018, the Academy Trust Trustees have concluded that the property transferred on conversion to the Academy Trust should not be recognised on the balance sheet of the Academy Trust. However, the Academy Trust Trustees consider that property improvements since conversion should be recognised at fair value on the balance sheet of the Academy Trust.

The value of the donation for use of premises for its operations in the period has not been recognised as it cannot be reliably measured.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the Bank.

1.12 Liabilities and provisions

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

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.

1.13 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. 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 instruments.

1.14 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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.14 Pensions (continued)

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 incorporating Income and Expenditure Account 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.

1.15 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Chesham Bois School, Thomas Harding Junior School, Great Horwood Church of England School, Padbury Church of England School, St Johns Church of England School and Longwick Church of England School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in in the Statement of Financial Activities incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 21.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

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 pension 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.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Funds transferred on conversion	-	(137,675)	4,083,438	3,945,763
Donations	-	307,907	-	307,907
Capital grants	-	-	130,656	130,656
Subtotal	-	307,907	130,656	438,563
	-	170,232	4,214,094	4,384,326

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Sundry lettings and hire of facilities	15,471	-	15,471
Before and after school club	18,228	-	18,228
Receipts from supply teacher insurance	-	10,000	10,000
Other income	77,282	-	77,282
	<u>110,981</u>	<u>10,000</u>	<u>120,981</u>

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Bank interest receivable	212	-	212
	<u>212</u>	<u>-</u>	<u>212</u>

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

5. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	2,822,404	2,822,404
Pupil Premium	-	99,633	99,633
Other DfE/ESFA grants	-	156,890	156,890
Start up grant	-	175,000	175,000
	<u>-</u>	<u>3,253,927</u>	<u>3,253,927</u>
Other government grants			
SEN income	-	99,992	99,992
Other government grants	-	8,610	8,610
	<u>-</u>	<u>108,602</u>	<u>108,602</u>
Other funding			
Trip income	-	83,876	83,876
Catering income	-	43,894	43,894
	<u>-</u>	<u>127,770</u>	<u>127,770</u>
	<u>-</u>	<u>3,490,299</u>	<u>3,490,299</u>

There are no unfulfilled conditions or other contingencies attached to the government grants above.

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £
Academy's educational operations:				
Direct costs	2,210,727	-	228,781	2,439,508
Support costs	467,571	347,269	748,405	1,563,245
	<u>2,678,298</u>	<u>347,269</u>	<u>977,186</u>	<u>4,002,753</u>

In 2018, of the total expenditure of £4,002,753, £13,511 was to unrestricted funds, £3,895,072 was to restricted funds and £94,170 was to restricted fixed asset funds.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. CHARITABLE ACTIVITIES

	Total funds 2018 £
DIRECT COSTS - EDUCATIONAL OPERATIONS	
Teaching and educational support staff costs	2,210,727
Other staff expenses	6,247
Educational supplies	10,492
Examination fees	1,002
Staff development	20,891
Educational consultancy	94,122
Technology costs	3,818
Other direct costs	92,209
	<hr/> 2,439,508 <hr/>
SUPPORT COSTS - EDUCATIONAL OPERATIONS	
Support staff costs	467,571
Depreciation	94,170
Pension finance cost	16,000
Technology costs	148,194
Legal and professional	337,406
Maintenance of premises and equipment	41,726
Other premises costs	38,014
Cleaning and caretaking	35,112
Rates	19,321
Energy	49,782
Risk protection arrangement fees	55,844
Security and transport	5,672
Bank charges	384
Catering	124,243
Other support costs	90,679
Governance	39,127
	<hr/> 1,563,245 <hr/>
	<hr/> 4,002,753 <hr/> <hr/>

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

8. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	
	£	Amount	Reason
		£	
Gifts made by the trust	202	-	
Unrecoverable debts	617	-	

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018
	£
Depreciation of tangible fixed assets:	
- owned by the charity	94,170
Auditors' remuneration - audit	13,500
Auditors' remuneration - other services	15,500
Operating lease rentals	4,362

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS

a. Staff costs

Staff costs during the year were as follows:

	2018
	£
Wages and salaries	1,981,061
Social security costs	163,570
Pension costs	480,864
	<hr/>
	2,625,495
Agency staff costs	52,803
	<hr/>
	2,678,298
	<hr/> <hr/>

b. Staff numbers

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

	2018
	No.
Teaching	68
Administration and support	99
Management	12
	<hr/>
	179
	<hr/> <hr/>

Average headcount expressed as a full time equivalent:

	2018
	No.
Teaching	50
Administration and support	52
Management	9
	<hr/>
	111
	<hr/> <hr/>

c. Higher paid staff

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

	2018
	No.
In the band £60,001 - £70,000	1

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2018 pension contributions for this staff member amounted to £10,505.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS (continued)

d. 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) received by key management personnel for their services to the Academy Trust was £38,575.

11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

No Trustees had been paid remuneration or received other benefits from an employment with the Academy Trust.

During the year ended 31 August 2018, expenses relating to travel and subsistence totalling £196 was reimbursed to 1 Trustee.

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 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.

13. TANGIBLE FIXED ASSETS

	Long leasehold property £	Furniture and fixtures £	Total £
Cost			
At 1 September 2017	-	-	-
Additions	68,975	14,230	83,205
Transfers on conversion	4,065,000	-	4,065,000
At 31 August 2018	<u>4,133,975</u>	<u>14,230</u>	<u>4,148,205</u>
Depreciation			
At 1 September 2017	-	-	-
Charge for the year	93,032	1,138	94,170
At 31 August 2018	<u>93,032</u>	<u>1,138</u>	<u>94,170</u>
Net book value			
At 31 August 2018	<u><u>4,040,943</u></u>	<u><u>13,092</u></u>	<u><u>4,054,035</u></u>

The transfer on conversion for long leasehold property above relates to Thomas Harding Junior School only.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

14. DEBTORS

	2018 £
Trade debtors	6,190
Other debtors	84,275
Prepayments and accrued income	59,964
VAT recoverable	67,221
	<hr/>
	217,650
	<hr/> <hr/>

15. CREDITORS: Amounts falling due within one year

	2018 £
Trade creditors	145,726
Other taxation and social security	56,924
Other creditors	67,458
Accruals and deferred income	117,872
	<hr/>
	387,980
	<hr/> <hr/>

Deferred income

Resources deferred during the year	52,812
Deferred income at 31 August 2018	52,812
	<hr/>
	52,812
	<hr/> <hr/>

At the Balance Sheet date the Academy Trust was holding funds received in advance for universal infant free school meals and rates relief.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	-	111,193	(13,511)	-	-	97,682
Restricted funds						
General Annual Grant	-	2,822,404	(2,789,649)	-	-	32,755
Other DfE/ESFA grants	-	156,890	(156,890)	-	-	-
Start up grants	-	175,000	(159,621)	-	-	15,379
Pupil premium	-	99,633	(99,633)	-	-	-
SEN income	-	99,992	(99,992)	-	-	-
Other restricted funds	-	454,287	(454,287)	-	-	-
Transfer from LA on conversion	-	792,325	-	(41,850)	-	750,475
Pension reserve	-	(930,000)	(135,000)	-	35,000	(1,030,000)
	-	3,670,531	(3,895,072)	(41,850)	35,000	(231,391)
Restricted fixed asset funds						
Fixed asset fund	-	-	(94,170)	4,148,205	-	4,054,035
Devolved formula capital	-	49,094	-	(26,705)	-	22,389
Other capital grants	-	100,000	-	(14,650)	-	85,350
Transfer from LA on conversion	-	4,065,000	-	(4,065,000)	-	-
	-	4,214,094	(94,170)	41,850	-	4,161,774
Total restricted funds	-	7,884,625	(3,989,242)	-	35,000	3,930,383
Total of funds	-	7,995,818	(4,002,753)	-	35,000	4,028,065

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. STATEMENT OF FUNDS (continued)

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

All general funds are held for the purposes of education in line with the Academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

Other government grants and DfE/ESFA grants represent grants from the respective bodies.

The pension reserve fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to Academy status, and through which all the pension scheme movements are recognised.

The transfers between the restricted funds and the restricted fixed asset funds represents amounts capitalised during the period.

The restricted fixed assets fund has been set up to recognise the tangible assets transferred to the Academy on conversion and purchased by the Academy following conversion.

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.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £
Chesham Bois School	166,961
Thomas Harding Junior School	146,697
Great Horwood CofE School	146,261
Padbury CofE School	118,713
St Johns CofE School	89,746
Longwick CofE School	120,516
Central	107,397
Total before fixed asset fund and pension reserve	896,291
Restricted fixed asset fund	4,161,774
Pension reserve	(1,030,000)
Total	4,028,065

The restricted fixed asset fund above includes assets per note 13 and unspent capital grants.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. STATEMENT OF 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 £
Chesham Bois School	518,946	66,786	61,831	117,428	764,991
Thomas Harding Junior School	625,422	87,707	47,869	150,232	911,230
Great Horwood CofE School	373,991	35,968	26,924	91,352	528,235
Padbury CofE School	197,023	13,914	26,384	34,816	272,137
St Johns CofE School	388,507	62,575	28,513	110,053	589,648
Longwick CofE School	99,599	18,545	1,512	6,528	126,184
Central	7,239	182,076	35,748	491,095	716,158
	<u>2,210,727</u>	<u>467,571</u>	<u>228,781</u>	<u>1,001,504</u>	<u>3,908,583</u>

17. CENTRAL SERVICES

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

- Administration and governance costs

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

6% of GAG funding per school

The actual amounts charged during the year were as follows:

	2018 £
Chesham Bois School	42,788
Thomas Harding Junior School	49,639
Great Horwood CofE School	24,663
Padbury CofE School	15,442
St Johns CofE School	29,361
Longwick CofE School	7,451
Total	<u>169,344</u>

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	4,054,035	4,054,035
Current assets	97,682	1,186,589	107,739	1,392,010
Creditors due within one year	-	(387,980)	-	(387,980)
Pension scheme liability	-	(1,030,000)	-	(1,030,000)
	<u>97,682</u>	<u>(231,391)</u>	<u>4,161,774</u>	<u>4,028,065</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £
Net income for the year (as per Statement of Financial Activities)	3,993,065
Adjustment for:	
Depreciation charges	94,170
Interest received	(212)
Increase in debtors	(217,650)
Increase in creditors	387,980
Capital grants from DfE and other capital income	(149,094)
Pension adjustments	135,000
Net (loss) on assets and liabilities from local authority on conversion	(3,135,000)
Net cash provided by operating activities	<u>1,108,259</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £
Cash in hand	1,174,360
Total	<u>1,174,360</u>

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

21. CONVERSION TO AN ACADEMY TRUST

On 1 September 2017 Chesham Bois School, Thomas Harding Junior School, Great Horwood Church of England School, Padbury Church of England School, St Johns Church of England School and Longwick Church of England School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Oxford Diocesan Bucks Schools Trust from Buckinghamshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer from local authority on conversion

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating Income and Expenditure Account.

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	£	£	£	£
Freehold/leasehold land and buildings	-	-	4,065,000	4,065,000
Budget surplus/(deficit) on LA funds	-	548,212	-	548,212
LGPS pension surplus/(deficit)	-	(930,000)	-	(930,000)
DFC received on conversion	-	-	18,438	18,438
School fund	-	244,113	-	244,113
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets/(liabilities)	-	(137,675)	4,083,438	3,945,763
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The above net assets include £810,763 that were transferred as cash.

22. CAPITAL COMMITMENTS

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018
	£
Contracted for but not provided in these financial statements	119,573
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Buckinghamshire County Council. Both are multi-employer defined benefit pension schemes.

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 £65,488 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' 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

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%.

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 £217,483.

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS (continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £161,000, of which employer's contributions totalled £129,000 and employees' contributions totalled £32,000. The agreed contribution rates for future years are 22.8% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

	2018
Discount rate for scheme liabilities	2.65 %
Rate of increase in salaries	3.80 %
Rate of increase for pensions in payment / inflation	2.30 %
Inflation assumption (CPI)	2.30 %
Inflation (RPI)	3.30 %

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

	2018
Retiring today	
Males	24.0
Females	26.1
Retiring in 20 years	
Males	26.3
Females	28.5

	At 31 August 2018 £
Sensitivity analysis - present value of total obligation	
Discount rate +0.1%	1,943,000
Discount rate -0.1%	2,050,000
Mortality assumption - 1 year increase	2,060,000
Mortality assumption - 1 year decrease	1,934,000
CPI rate +0.1%	2,045,000
CPI rate -0.1%	1,949,000

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS (continued)

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £
Equities	507,000
Gilts	114,000
Other bonds	118,000
Property	71,000
Cash and other liquid assets	58,000
Alternative assets / other	98,000
Total market value of assets	966,000

The actual return on scheme assets was £26,000.

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £
Current service cost	(248,000)
Interest cost	(16,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	(472,000)
Total	(736,000)

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

	2018 £
Upon conversion	866,000
Current service cost	248,000
Interest cost	32,000
Employee contributions	32,000
Actuarial gains	(25,000)
Liabilities assumed/ (extinguished) on settlements	843,000
Closing defined benefit obligation	1,996,000

OXFORD DIOCESAN BUCKS SCHOOLS TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS (continued)

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

	2018 £
Upon conversion	408,000
Interest income	16,000
Actuarial gains	10,000
Employer contributions	129,000
Employee contributions	32,000
Settlement prices received/ (paid)	371,000
	<hr/>
Closing fair value of scheme assets	966,000
	<hr/> <hr/>

The amount shown in the Statement of Financial Activities is:

	2018 £
Changes in financial assumptions	25,000
Return on assets excluding amounts included in net interest	10,000
	<hr/>
Actuarial gains/(losses) on defined benefit pension schemes	35,000
	<hr/> <hr/>

The amount shown in the Balance Sheet is:

	2018 £
Present value of defined benefit obligation	(1,996,000)
Fair value of scheme assets	966,000
	<hr/>
Defined benefit pension scheme liability	(1,030,000)
	<hr/> <hr/>

24. OPERATING LEASE COMMITMENTS

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

	2018 £
Amounts payable:	
Within 1 year	8,741
Between 1 and 5 years	12,079
	<hr/>
Total	20,820
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

25. 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year the Academy Trust paid Oxford Diocesan Board of Education (ODBE), a company which employs trustees and members of the Academy Trust, £178,612 in respect of various services including school improvements and HR recharges. At the year end a balance of £52,784 was payable to ODBE.

During the year the Academy Trust paid Sue Bremner Milne, a member of the school leadership team, £53,137 in respect of subcontracted services. There was no balance payable at the year end.

During the year the Academy Trust received two donations, £100,000 which was restricted income and received as part of the SCA allocation for capital projects, and £270,000 for unrestricted spend, from ODBE.

26. MEMBERS' LIABILITY

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