

GREAT OAK MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members	The Chelmsford Diocese Educational Trust Chair (ex officio position) Rev David Tomlinson
Trustees	Mr G Benn Mr D Boatman, Vice Chair Mrs S Mitchell Mr A Taylor, Chair Mrs L Jeremy (resigned 16 May 2018) Mrs J Grandfield (resigned 12 September 2017) Mrs M Challinor Mr J Luke Mr A Armour
Company registered number	07769026
Company name	Great Oak Multi Academy Trust
Registered and principal office	School Street Great Chesterford Saffron Walden Essex CB10 1NN
Company Secretary	Mrs Barbara Benn
Chief Executive Officer	Mrs Sarah Mitchell
Senior Leadership Team	Sarah Mitchell, Executive Headteacher Amy Sargeant, Deputy Headteacher Louise Gurney, Headteacher Joanne Fradd, Deputy Headteacher Barbara Benn, Business Manager Sharon Dyster, MAT Office Manager
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Banking Group 3 King Street Saffron Walden Essex CB10 1HF

GREAT OAK MULTI ACADEMY 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 Great Oak Multi Academy Trust (The Trust or the Charitable Company) for the year ended 31 August 2018. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates 2 primary academies (the academies are the schools) serving a catchment area in Uttlesford. The Academies have a combined capacity of 371 and had a roll of 308 in the 2018 school census.

Structure, Governance and Management

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- Great Chesterford C. of E. Primary Academy (GCPA) converted 9 September 2011.
- Debden C. of E. Primary Academy (DPA) converted and joined the Trust on 1 January 2017.

The operation of the Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through regular Board meetings. Throughout this report the Board of Trustees is referred to as the Main Governing Body (MGB). Each Academy has appointed Local Governing Bodies (LGB) who have delegated authority to administer their Academy within agreed budgets.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section. Within this Report the term Trustee refers to a member of the MGB and the term Governor to a member of an LGB. Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

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 and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Members, Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. Details are included in note 12 of the financial statements.

Method of Recruitment and Appointment or Election of Trustees

The arrangements for the appointment of Trustees are as set out in the Articles of Association and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO) is an ex officio member of the MGB. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 9 Trustees plus the CEO.

Policies and Procedures Adopted for the Induction and Training of Trustees and Governors

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end The Trust encourages continued professional development to maintain and improve skills by providing in-house training in addition to sign posting external provision (both on-line and face to face). The induction programme would involve a tour of the relevant Academy, meetings with students and staff and provision of policy and procedures documents that are appropriate to the role they undertake with particular emphasis on the committee work that they will undertake.

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

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The MGB, meets on at least 4 occasions per year. The MGB is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure and senior staff appointments. The Governors within their LGB's are responsible for implementing strategic policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their Academy and monitoring performance against that budget and authorised capital limits.

The Senior Leadership Teams (SLT's) control the Academies at an executive level implementing policies and reporting to their LGB. Each SLT is responsible for the day to day operation of their Academy, in conjunction with the CEO, in particular organising staff, resources and students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The Trust's CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Academy group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the MGB.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from the local area, it is inevitable that from time to time transactions will take place with organisations in which members of the MGB may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

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

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Great Chesterford Parish Council
- Chesterfords' Pre-School, Great Chesterford
- Bell Day Nursery, Saffron Walden
- Westwood Montessori, Little Sampford
- Children's Cottage Day Nursery, Clavering
- Bright Horizons, Hinxton
- Crocus, Saffron Walden County High School, Saffron Walden
- Sawston Nursery, Sawston
- Babraham Nursey, Babraham Science Park
- Dame Bradbury School, Saffron Walden
- All Saints' Church, Great Chesterford
- Saint Mary's The Virgin and All Saints Church, Debden
- Carver Barracks, Wimbish
- Debden Pre-school, Debden
- Busy Bees Pre-School, Carver Barracks, Wimbish
- St Thomas More Catholic Primary School, Saffron Walden
- RA Butler Academy Infant and Junior Schools, Saffron Walden
- Bentfield Primary School, Stansted
- Katherine Semar Schools, Saffron Walden
- Saffron Walden High School, Saffron Walden
- Joyce Frankland Academy, Newport
- The Saffron Alliance
- Royal British Legion
- Chelmsford Diocese

The Trust does not have a formal sponsor.

Objectives and Activities

Objects and Aims

The Trust's principal activities are the provision of a free primary education to children of the ages 4 to 11 years, in a caring and Christian community, promoting high standards of attainment, extra-curricular activities and personal development. Our vision is to prepare children for their role in the wider world, to promote resilience and develop their skills to allow them to be valued members of society.

The Trust's object is specifically restricted to the following: to advance the public benefit of education in the United Kingdom, in particular but without prejudice to the work of GCPA and DPA by establishing, maintaining, carrying on and developing Schools with a designated Church of England religious character offering a broad and balanced curriculum. This will be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular to arranging for religious education and daily acts of worship (as required by the Funding Agreement), and in having regard to the advice of the Diocesan Board of Education.

Objectives, Strategies and Activities

During the year, the Trust has worked towards these aims by the following specific objectives:

- To improve the quality of the teaching and learning environment. (GCPA)
- To instil a positive community for pupils and all stakeholders and the wider community. (GCPA)
- To ensure the School's curriculum inspires children to learn by providing a broad and balanced curriculum. (GCPA)
- To continue to review and improve the English Curriculum. (GCPA)
- To review and develop the teaching of Maths throughout the School. (DPA)
- To monitor, track and provide necessary intervention to close the gap for pupils in Year 3 who are currently not making expected progress. (DPA)
- To develop Subject and Middle Leaders to improve leadership and management. (DPA)
- Ensure that Christian Values are embedded and further develop Christian ethos. (DPA)

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

Our success in fulfilling our aims can be measured by:

- GCPA outcomes were excellent and highlights are listed under achievements and performance.
- Staff morale at GCPA remains high with little staff turnover.
- Numbers of pupils at GCPA is currently at 209. Several classes still have waiting lists.
- Outcomes at DPA have improved and highlights are listed under achievements and performance.
- Safeguarding procedures at DPA have been improved, including monitoring and physical improvements.
- Staff at both Academies are working together on activities such as moderation, assessment and subject leadership.
- Class reorganisation at DPA has contributed to an improved financial position; rigorous monitoring has been put in place for DPA financial procedures to ensure that the School operates within its budget and seeks value for money at every opportunity.
- Optimising financial controls at DPA has secured grants which has led to improvements in the external environment.

Public Benefit

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. The public benefit provided by the Trust has been recognised through its academic results and its contribution to the community.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their Academy.

Specific achievements were as follows:

Academic achievements at GCPA:

- 83% of children achieved GLD at the end of EYFS.
- 96% of children were successful in passing the Year One Phonics Check.
- 87% of children achieved expected standard in Reading at the end of KS1.
- 83% of children achieved expected standard in Writing at the end of KS1.
- 90% of children achieved expected standard in Maths at the end of KS1.
- 87% of children achieved expected standard in Reading, Writing and Maths at the end of KS1.
- 47% of children achieved greater depth in Reading at the end of KS1.
- 27% of children achieved greater depth in Writing at the end of KS1.
- 30% of children achieved greater depth in Maths at the end of KS1.
- 93% of children achieved expected standard in Reading at the end of KS2.
- 66% of children achieved greater depth in Reading at the end of KS2.
- 93% of children achieved expected standard in Writing at the end of KS2.
- 97% of children achieved expected standard in Maths at the end of KS2.
- 45% of children achieved greater depth in Maths at the end of KS2.
- 100% of children achieved expected standard in SPAG at the end of KS2.
- 55% of children achieved greater depth in SPAG at the end of KS2.
- 86% of children achieved expected standard in Reading, Writing and Maths at the end of KS2.
- 21% of children achieved greater depth in Reading, Writing and Maths at the end of KS2.

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

Academic achievements at DPA:

- 71% of children achieved GLD at the end of EYFS.
- 100% of children were successful in passing the Year One Phonics Check.
- 21% of children achieved greater depth in Reading at the end of KS1.
- 74% of children achieved expected standard in Maths at the end of KS1.
- 92% of children achieved expected standard in Reading at the end of KS2.
- 39% of children achieved greater depth in Reading at the end of KS2.
- 85% of children achieved expected standard in Writing at the end of KS2.
- 23% of children achieved greater depth in Writing at the end of KS2.
- 77% of children achieved expected standard in Maths at the end of KS2.
- 31% of children achieved greater depth in SPAG at the end of KS2.
- 77% of children achieved expected standard in Reading, Writing and Maths at the end of KS2.

Attendance at both Academies is high: 96.45% (GCPA) 96.46% (DPA)

Additional achievements:

GCPA :

Gold Sports Mark Award 2018

Gold level for SMSC National Quality Mark

DPA :

SIAMs Inspection outcome – Good (Autumn 2017)

Silver Sports Mark Award 2018

General feedback from Year 7 pupils has been very positive; pupils at all nine destinations have made excellent transitions and most continue to play an active role in all aspects of school life (Feedback from pupils, parents and secondary schools).

Key Performance Indicators

The Trustees receive regular information at each MGB to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Total pupil numbers for 2018 were 309.

Another key financial performance indicator is staffing costs as a percentage of total income (excluding capital grants). For 2017/18 this was 74.53%. The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalents and staffing structures all approved by the MGB.

The Finance and Premises Committees also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the MGB.

Going Concern

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

Financial Review

The principal source of funding for the Trust is the General Annual Grant (GAG) other grants and other activities that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2018 the Trust's income was £1,641,912. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. The Trust brought forward from 16/17, £460,780 restricted funds and £214,013 unrestricted funding. The carry forward for 17/18 is £106,969, restricted funding and £264,901 unrestricted funding. The reduction in funds was planned as part of a major capital project which was funded from restricted general and unrestricted funds. The capital project involved non-recurring expenditure of £368,736 all of which was paid from restricted general funds.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £477,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

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

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £229,228.

The Trust's balance on restricted general funds (excluding pension reserve, donation in kind and fixed assets) plus the balance on unrestricted funds at 31 August 2018 was £336,197.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £516,338. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the committee Business Manager reports.

Investment Policy

An Investment Policy was approved by the MGB on the 22 May 2017; this policy was updated and approved by the MGB on 5 September 2018.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trust maintains a central risk register identifying the major risks, to which it is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the MGB as a whole. In addition, each individual Academy maintains its own specific Risk Register and reports to the MGB on monitoring and changes. The internal control systems and the exposure to identified risks will be monitored on behalf of the Trustees at each Audit and Risk Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academies at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

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

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- each Academy within the Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the individual Academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline;
- staffing - the success of the Academies is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Trust has appointed Sarah Smith to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any Academy ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust and each Academy have continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Plans for Future Periods

The key objective for The Trust is to strengthen the effectiveness of the MAT with the centralised financial and personnel services; review staffing structure across the MAT to ensure value for money.

Specific objectives for the forthcoming year as follows:

GOMAT:

- monitoring of academy performance;
- staffing structure of MAT; and
- further development / expansion of the MAT.

DPA:

- leadership and Management development;
- to strengthen teaching and learning across the Academy – consistent standards and outcomes;
- to develop a robust assessment system across the Academy;
- to review and develop the teaching of English across the Academy;
- develop positive learning behaviours; and
- to provide a balanced and inclusive curriculum.

GCPA:

- assessment - reviewing and developing Academy processes;
- to review and develop the teaching of Computing across the Academy to ensure that children are digitally literate;
- to ensure the Academy's environment is engaging, safe and inspirational to our learners; and
- health, well-being and citizenship: to provide a positive learning / working Christian community for pupils and all stakeholders, underpinned by our core values.

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

Fundraising

The Academy Trust only held small fundraising events during the year including: non-uniform days, film nights, fetes, cake sales and discos. The Academy Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year, no complaints or issues have arisen as a result of the fundraising events.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is unaware, and
- 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.

The Trustees' Report, incorporating a Strategic Report, was approved by the MGB on 4 December 2018 and signed on its behalf by:

Mr A Taylor
Chair of Trustees

GREAT OAK MULTI ACADEMY TRUST

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Great Oak Multi Academy 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 MGB has delegated the day-to-day responsibility to the CEO, 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 Great Oak Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the MGB 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 MGB has formally met 5 times during the year. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr G Benn	4	5
Mr D Boatman	4	5
Mrs S Mitchell	5	5
Mr A Taylor	5	5
Mrs L Jeremy (resigned 16 May 2018)	3	3
Mrs J Grandfield (resigned 11 September 2017)	0	0
Mrs M Challinor	4	5
Mr J Luke	3	5
Mr A Armour	5	5

Two members of the MGB have resigned during this financial year; the key challenge has been ensuring continued high teaching standards and performance of the two Schools in the MAT. Additional challenges have included the formation of an Audit Committee managing the budget at DPA; a high governor turn over on DPA's LGB; setting up new procedures as the Trust has developed its centralised services which has led to staff changes at both Academies and at trust level.

Self-evaluation has been a key part of the continuation of the MGB. The result has been clarification of the delegation to the LGBs (each with their own Finance and Premises sub-committee), appointment of two independent members of the Audit Committee.

The Trust intends to conduct a self-evaluation or external review of governance in Autumn 2018 after a full academic year of existence.

Since the formation of Great Oak Multi Academy Trust, finance has been dealt with by the MGB and an Audit Committee including independent members has now been set up to check these financial systems moving forwards.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Luke	0	0
Mrs M Challinor	0	0
Mr A Armour	0	0
Mrs U Lyons - independent	0	0
Mr P Gray - independent	0	0

Future challenges expected to be faced by the Trust include implementing an effective Audit Committee which ensures the role and responsibilities are clear between itself and each Finance and Personnel Committee.

A major challenge will be to manage budgets when funding is being reduced, for example, managing increased pay awards for teaching staff and efficiently running where reduced pupil numbers would have a negative impact on the School's budget.

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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the MGB where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year as follows:

- Rigorous procedures across the Trust for establishing, reviewing and evaluating the school budget including comparisons against national good practise. We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements.
- Targeting resources in key subjects areas (English and maths) – particularly: talk for writing project, maths resources and KS2 booster groups.
- Monitoring the needs of particular pupils and ensuring that the support they receive is relevant to them – one to one support in KS1 and KS2; one to one targeted tuition across Key Stage 2; one to one targeted tuition in Year 2.
- Targeting resources to children with specific SEND requirements with additional Learning Support Assistants.
- Using resources to ensure pupils are inspired to learn through a broad and balanced curriculum – demonstrated to our stakeholders through half termly Theme Weeks at GCPA. A science week was planned across the Trust to introduce these weeks to DPA.
- Curriculum leads working across the Trust to ensure curriculum coverage and the introduction of a robust assessment system for the foundation subjects at DPA.
- The effectiveness of these strategies:
 - GCPA - in the continual improvement in results in Early Years, and the excellent achievements at the end of each Key Stage in comparison to national trends. The school has also retained the Gold Sports Award. GCPA was also successful in achieving Gold in the national SMSC validation. Positive feedback was also given following a monitoring visit with regards to the provision for LAC at GCPA.
 - DPA – improvement in results in Key Stage One Phonics and end of Key Stage Two achievements in comparison to national outcomes. The school achieved good in its SIAMs Inspection in the Autumn Term. The school improved its outcomes for reading, writing and maths combined from last academic year at Key Stage Two. DPA successfully achieved the Silver Sports Award for the first time.
 - Both academies had positive progress scores for reading, writing and maths at Key Stage Two.
- A rigorous policy, ensuring value for money comparisons for purchased items, Examples include:
 - Reviewing alternative purchasing options to find the best value.
 - Monitoring providers and leases across the Trust to ensure value for money and check if further savings can be made when ordering / purchasing for two academies.
 - Careful consideration as to whether a purchase is absolutely necessary continues to be the expectation across the MAT.
 - Tender processes for major purchases and contracts.
 - Collaboration with other schools to secure better value for bulk buying of common products; provision of training and educational service personnel; including: Educational Psychologist support and Play Therapists. This has also been used for GDPR training.
 - Collaborative purchasing and sharing of resources within the Trust – for example governor training.
- Rigorous evaluation of impact on pupil outcomes including examination results, progress, pupil attendance and transitions.
- Financial Governance. Our governance arrangements include regular monitoring by the Board of Directors, each Governing Body and their committees. They receive regular CEO Reports, Headteacher reports and SDP updates, and ask relevant questions as recorded in minutes. The work of these committees is further informed by termly Responsible Officer visits and reports.

GREAT OAK MULTI ACADEMY TRUST

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GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Great Oak Multi Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The MGB has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The MGB is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the MGB.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the MGB;
- regular reviews by the Finance and Premises 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; and
- identification and management of risks.

The MGB has considered the need for a specific internal audit function and has decided to appoint Sarah Smith, who is the Consortium Manager, as the Internal Auditor.

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

- income;
- expenditure;
- governance;
- payroll;
- banking;
- VAT; and
- security.

On a termly basis, the Internal Auditor produces a report on the operation of the systems of control and on the discharge of the MGB's financial responsibilities.

A financial management checklist is worked through and extra tasks may be requested by MGB. In addition, the DFE internal audit work programme is completed which consists of income, expenditure and payroll checks, bank reconciliation checks, reviewing Finance Committee minutes including Terms of Reference, budget review and security. No material control issues have arisen.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the MGB on 4 December 2018 and signed on their behalf, by:

Mr A Taylor
Chair of Trustees

Mrs S Mitchell
Accounting Officer

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Great Oak Multi Academy Trust I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2017.

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

Mrs S Mitchell
Accounting Officer

Date: 4 December 2018

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

The Trustees of Great Oak Multi Academy Trust (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual 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; and
- 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 the MGB and signed on its behalf by:

Mr A Taylor
Chair of Trustees

Date: 4 December 2018

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT OAK MULTI ACADEMY TRUST

OPINION

We have audited the financial statements of Great Oak Multi Academy Trust (the '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 and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the 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 and 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 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 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.

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.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT OAK MULTI ACADEMY TRUST

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 including the Strategic 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 has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

We have nothing to report in respect of the following matters 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 Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.

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.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT OAK MULTI ACADEMY TRUST

USE OF OUR REPORT

This Report is made solely to the 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 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 Trust and its Members, as a body, for our audit work, for this Report, or for the opinions we have formed.

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
19 December 2018

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT OAK MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 5 September 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 Great Oak Multi Academy 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 Great Oak Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Great Oak Multi Academy 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 Great Oak Multi Academy Trust and the ESFA, for our work, for this Report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF GREAT OAK MULTI ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Great Oak Multi Academy Trust's funding agreement with the Secretary of State for Education dated 23 December 2016, 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 Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT OAK
MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

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

Price Bailey LLP

Chartered Accountants
Statutory Auditors

19 December 2018

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations & capital grants:					
Transferred on conversion	-	-	-	-	70,174
Other donations and capital grants	12,263	151,087	43,571	206,921	314,287
Charitable activities	40,145	1,349,933	-	1,390,078	1,317,183
Other trading activities	41,824	-	-	41,824	29,410
Investments	3,089	-	-	3,089	546
TOTAL INCOME	97,321	1,501,020	43,571	1,641,912	1,731,600
EXPENDITURE ON:					
Charitable activities	46,433	1,915,311	160,926	2,122,670	1,686,927
TOTAL EXPENDITURE	46,433	1,915,311	160,926	2,122,670	1,686,927
NET BEFORE TRANSFERS	50,888	(414,291)	(117,355)	(480,758)	44,673
Transfers between funds	-	(13,520)	13,520	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES	50,888	(427,811)	(103,835)	(480,758)	44,673
Actuarial gains on defined benefit pension schemes	-	142,000	-	142,000	62,000
NET MOVEMENT IN FUNDS	50,888	(285,811)	(103,835)	(338,758)	106,673
RECONCILIATION OF FUNDS:					
Total funds brought forward	214,013	254,780	126,288	595,081	488,408
TOTAL FUNDS CARRIED FORWARD	264,901	(31,031)	22,453	256,323	595,081

The notes on pages 24 to 42 form part of these financial statements.

GREAT OAK MULTI ACADEMY TRUST

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 07769026**

**BALANCE SHEET
AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		58,126		63,995
CURRENT ASSETS					
Debtors	14	397,712		438,774	
Cash at bank and in hand		516,338		912,788	
		<u>914,050</u>		<u>1,351,562</u>	
CREDITORS: amounts falling due within one year	15	(238,853)		(275,476)	
NET CURRENT ASSETS			675,197		1,076,086
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>733,323</u>		<u>1,140,081</u>
Defined benefit pension scheme liability	21		(477,000)		(545,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>256,323</u>		<u>595,081</u>
FUNDS OF THE TRUST					
Restricted income funds:					
Restricted income funds	16	445,969		799,780	
Restricted fixed asset funds	16	22,453		126,288	
		<u>468,422</u>		<u>926,068</u>	
Restricted income funds excluding pension liability		468,422		926,068	
Pension reserve		(477,000)		(545,000)	
		<u>(8,578)</u>		<u>381,068</u>	
Total restricted income funds			(8,578)		381,068
Unrestricted income funds	16		264,901		214,013
TOTAL FUNDS			<u>256,323</u>		<u>595,081</u>

The financial statements on pages 21 to 42 were approved by the Trustees, and authorised for issue, on 4 December 2018 and are signed on their behalf, by:

Mr A Taylor
Chair of Trustees

The notes on pages 24 to 42 form part of these financial statements.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(386,019)	235,266
Cash flows from investing activities:			
Interest received	5	3,089	546
Purchase of tangible fixed assets	13	(13,520)	(4,881)
Net cash used in investing activities		(10,431)	(4,335)
Change in cash and cash equivalents in the year		(396,450)	230,931
Cash and cash equivalents brought forward		912,788	681,857
Cash and cash equivalents carried forward		516,338	912,788

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements of the 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.

Great Oak Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

The Trusts functional and presentational currency is Pounds Sterling.

1.2 Company status

The Trust is a company limited by guarantee. The Members are noted on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member. The registered office is School Street, Great Chesterford, Saffron Walden, Essex, CB10 1NN.

1.3 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the 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 incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. 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.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

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.

1.5 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 Trust's educational operations, including support costs and those costs relating to the governance of the Trust apportioned to charitable activities.

1.6 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 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

The Trust occupies land and the buildings provided to it by the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contains a two year notice period. Having considered the fact that the Trust occupies the land and buildings by a license that transfers to it no rights or control over the site, save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Trust will not be recognised or valued within fixed assets.

The deemed expenditure of renting the premises for a year is put through the accounts and an equal and opposite donation from the Diocese is included in income. This figure is based on the insurance replacement value of the buildings spread over 50 years.

All other assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Capital improvements to Diocesan owned property are recognised as expenditure.

Depreciation is provided on all tangible fixed assets 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:

Furniture and fixtures	-	10% straight line
Computer equipment	-	20% straight line

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 .

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Accounts and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Accounts so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

1.8 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.

1.9 Taxation

The 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 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.

1.10 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.

1.11 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.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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 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 Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 costs 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 Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 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 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

GREAT OAK MULTI ACADEMY TRUST

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

1. ACCOUNTING POLICIES (continued)

1.15 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.

The Trustees make 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 LGPS 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 21, 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 Trust 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.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018	Restricted funds 2018	Restricted fixed asset funds 2018	Total funds 2018	Total funds 2017
Transferred on conversion	-	-	-	-	70,174
Donations	12,263	38,087	-	50,350	38,858
Notional rent (see note 23)	-	113,000	-	113,000	92,000
Capital grants	-	-	43,571	43,571	183,429
Subtotal	12,263	151,087	43,571	206,921	314,287
	12,263	151,087	43,571	206,921	384,461
Total 2017	72,580	108,423	203,458	384,461	

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3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,200,435	1,200,435	1,133,157
Other DfE / ESFA grants	-	129,136	129,136	55,732
Special educational projects	-	-	-	70,000
	<u>-</u>	<u>1,329,571</u>	<u>1,329,571</u>	<u>1,258,889</u>
Other government grants				
Local Authority grants	-	20,362	20,362	28,173
	<u>-</u>	<u>20,362</u>	<u>20,362</u>	<u>28,173</u>
Other funding				
Catering income	40,145	-	40,145	30,121
	<u>40,145</u>	<u>-</u>	<u>40,145</u>	<u>30,121</u>
	<u>40,145</u>	<u>1,349,933</u>	<u>1,390,078</u>	<u>1,317,183</u>
Total 2017	<u><u>30,121</u></u>	<u><u>1,287,062</u></u>	<u><u>1,317,183</u></u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Swimming income	7,610	-	7,610	530
Other activities	34,214	-	34,214	28,880
	<u>41,824</u>	<u>-</u>	<u>41,824</u>	<u>29,410</u>
Total 2017	<u><u>24,252</u></u>	<u><u>5,158</u></u>	<u><u>29,410</u></u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	3,089	-	3,089	546
Total 2017	<u><u>546</u></u>	<u><u>-</u></u>	<u><u>546</u></u>	

GREAT OAK MULTI ACADEMY TRUST

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

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Provision of Education:					
Direct costs	995,277	-	102,079	1,097,356	924,354
Support costs	184,460	645,918	194,936	1,025,314	762,573
	<u>1,179,737</u>	<u>645,918</u>	<u>297,015</u>	<u>2,122,670</u>	<u>1,686,927</u>
Total 2017	<u>1,035,185</u>	<u>338,926</u>	<u>312,816</u>	<u>1,686,927</u>	

7. CHARITABLE ACTIVITIES

	2018 £	2017 £
Direct costs	1,097,356	924,354
Support costs	1,025,314	762,573
	<u>2,122,670</u>	<u>1,686,927</u>
Total	<u>2,122,670</u>	<u>1,686,927</u>

Analysis of support costs

	2018 £	2017 £
Support staff costs	184,460	177,477
Premises costs (excluding depreciation)	626,529	371,338
Governance costs	7,405	14,675
Other support costs	171,358	168,486
Depreciation	19,389	17,588
Technology costs	16,173	13,009
	<u>1,025,314</u>	<u>762,573</u>
Total	<u>1,025,314</u>	<u>762,573</u>

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the Trust	19,389	17,588
Auditors' remuneration - audit	5,665	5,500
Auditors' remuneration - other services	5,820	5,935
Operating lease rentals	2,038	1,358
	<u>33,712</u>	<u>30,381</u>

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

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	903,856	796,505
Social security costs	62,024	59,090
Pension costs	213,857	179,590
	1,179,737	1,035,185
	1,179,737	1,035,185

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

During the year, a non-contractual severance payment of £NIL (2017 - £1,000) was paid.

c. Staff numbers

The average number of persons employed by the Trust during the year expressed on the head count basis was as follows:

	2018 No.	2017 No.
Teachers	28	24
Support	43	34
Management	6	2
	77	60
	77	60

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	14	15
Support	15	14
Management	3	2
	32	31
	32	31

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £ 60,001 - £ 70,000	1	1

The above employee participated in the Teachers' Pension Scheme.

e. Key management personnel

The key management personnel of the 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 national insurance) received by key management personnel for their services to the Trust was £304,899 (2017 - £233,086). For the year ended 31 August 2018 the Senior Management Team consisted of 6 (2017: 4) members of staff.

Included in the above are employer pension contributions of £41,002 (2017 - £29,917) and employer national insurance contributions of £25,901 (2017 - £20,563).

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

10. CENTRAL SERVICES

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

- Financial services including audit
- Legal services
- Clerking services
- Central staffing

The Trust charges for these services on the following basis:

The central services are recharged and split by pupil headcount between the two member schools.

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Great Chesterford Church of England Primary Academy	23,805	21,841
Debden Church of England Primary Academy	13,420	12,062
Total	<u>37,225</u>	<u>33,903</u>

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

Mrs S Mitchell (Headteacher)

Remuneration £60,000-£65,000 (2017 - £60,000-£65,000)

Employer's Pension contributions paid £10,000-£15,000 (2017 - £5,000-£10,000)

Mrs N Starbuck

Remuneration £NIL (2017 - £5,000-£10,000)

Employer's Pension contributions paid £NIL (2017 - £0-£5,000)

Mrs A Sargeant

Remuneration £NIL (2017 - £45,000-£50,000)

Employer's Pension contributions paid £NIL (2017 - £5,000-£10,000)

Mrs N Starbuck and Mrs A Sargeant were Trustees in the year ended 31 August 2017.

Other related party transactions involving the Trustees are set out in note 23.

During the year ended 31 August 2018, expenses totalling £519 (2017 - £1,053) were reimbursed for travel costs to 1 Trustee (2017 - 2).

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13. TANGIBLE FIXED ASSETS

	Furniture and fixtures £	Plant and equipment £	Total £
Cost			
At 1 September 2017	65,631	72,430	138,061
Additions	13,520	-	13,520
At 31 August 2018	<u>79,151</u>	<u>72,430</u>	<u>151,581</u>
Depreciation			
At 1 September 2017	31,209	42,857	74,066
Charge for the year	7,916	11,473	19,389
At 31 August 2018	<u>39,125</u>	<u>54,330</u>	<u>93,455</u>
Net book value			
At 31 August 2018	<u>40,026</u>	<u>18,100</u>	<u>58,126</u>
At 31 August 2017	<u>34,422</u>	<u>29,573</u>	<u>63,995</u>

14. DEBTORS

	2018 £	2017 £
Due after more than one year		
Other debtors (see note 23)	226,000	226,000
Due within one year		
Recoverable VAT	29,640	64,317
Other debtors (see note 23)	115,045	113,000
Prepayments and accrued income	27,027	35,457
	<u>397,712</u>	<u>438,774</u>

15. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Payments received on account	-	6,679
Trade creditors	66,413	168,292
Other taxation and social security	16,085	15,814
Other creditors	17,422	18,996
Accruals and deferred income	138,933	65,695
	<u>238,853</u>	<u>275,476</u>

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15. CREDITORS: Amounts falling due within one year (continued)

	2018 £	2017 £
Deferred income		
Universal free school meals income received in advance	51,876	46,486
Rates relief	1,631	-
	53,507	46,486
Deferred income at 31 August 2018	53,507	46,486

16. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	214,013	97,321	(46,433)	-	-	264,901
	214,013	97,321	(46,433)	-	-	264,901
Restricted funds						
General Annual Grant (GAG)	395,005	1,200,435	(1,511,451)	(13,520)	-	70,469
Start Up Grant	7,654	-	(7,654)	-	-	-
SEN	-	20,362	(20,362)	-	-	-
Pupil Premium	-	40,060	(40,060)	-	-	-
Other Government grants	-	42,590	(42,590)	-	-	-
Restricted other	13,121	38,087	(51,208)	-	-	-
Infant FSM	-	46,486	(46,486)	-	-	-
Right to occupy	339,000	113,000	(113,000)	-	-	339,000
School Improvement Grant	45,000	-	(8,500)	-	-	36,500
Pension reserve	(545,000)	-	(74,000)	-	142,000	(477,000)
	254,780	1,501,020	(1,915,311)	(13,520)	142,000	(31,031)
	254,780	1,501,020	(1,915,311)	(13,520)	142,000	(31,031)
Restricted fixed asset funds						
Fixed asset funds	28,322	-	(19,389)	13,520	-	22,453
Devolved Formula Capital (DFC)	-	11,510	(11,510)	-	-	-
Conditional Improvement Funding	97,966	32,061	(130,027)	-	-	-
	126,288	43,571	(160,926)	13,520	-	22,453
	126,288	43,571	(160,926)	13,520	-	22,453
Total restricted funds	381,068	1,544,591	(2,076,237)	-	142,000	(8,578)
	381,068	1,544,591	(2,076,237)	-	142,000	(8,578)
Total of funds	595,081	1,641,912	(2,122,670)	-	142,000	256,323
	595,081	1,641,912	(2,122,670)	-	142,000	256,323

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**NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS (continued)

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

Unrestricted funds

This represents income received that does not have any restrictions.

General Annual Grant (GAG)

This represents funding from the EFSA to cover the costs of recurrent expenditure.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Other Government grants

This represents various small grants from local and national Government bodies for the provision of specific services to the pupils of the Schools.

Devolved Formula Capital (DFC) fund

The Trust is to use the DFC allocation to maintain and improve its building and facilities.

Pension reserve

The fund represents the Trust's share of the deficit on the LGPS transferred to the Trust on conversion from state controlled schools.

Donation in Kind

This fund represents the rent free occupation of the land and buildings from the Diocese of Chelmsford.

Start Up Grant

This represents funding for the creation of the Multi Academy Trust and the conversion of Debden Church of England (VC) Primary School into an Academy.

School Improvement Grant

This represents funding received to improve the outcome of pupils at Debden Church of England Primary Academy.

Condition Improvement Fund (CIF)

This represents capital grants received for the purpose of specific projects.

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16. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Great Chesterford Church of England Primary Academy	313,994	593,706
Debden Church of England Primary Academy	21,376	36,087
Central services	36,500	45,000
Right to occupy	339,000	339,000
	710,870	1,013,793
Total before fixed asset fund and pension reserve		
Restricted fixed asset fund	22,453	126,288
Pension reserve	(477,000)	(545,000)
	256,323	595,081
Total	256,323	595,081

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2018 £	Total 2017 £
Great Chesterford Church of England Primary Academy	562,304	134,014	44,516	595,043	1,335,877	1,125,885
Debden Church of England Primary Academy	408,539	76,532	17,150	265,183	767,404	523,454
	970,843	210,546	61,666	860,226	2,103,281	1,649,339
	970,843	210,546	61,666	860,226	2,103,281	1,649,339

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16. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (losses) £	Balance at 31 August 2017 £
Unrestricted funds	197,478	127,499	(110,964)	-	-	214,013
Restricted funds						
General Annual Grant (GAG)	470,930	1,133,157	(1,204,201)	(4,881)	-	395,005
Start Up Grant	-	25,000	(17,346)	-	-	7,654
SEN	-	14,202	(14,202)	-	-	-
Pupil Premium	-	30,290	(30,290)	-	-	-
Other Government grants	-	13,971	(13,971)	-	-	-
Restricted other	-	31,845	(18,724)	-	-	13,121
Infant FSM	-	22,178	(22,178)	-	-	-
Right to occupy	150,000	281,000	(92,000)	-	-	339,000
School Improvement Grant	-	45,000	-	-	-	45,000
Pension reserve	(351,000)	(196,000)	(60,000)	-	62,000	(545,000)
	<u>269,930</u>	<u>1,400,643</u>	<u>(1,472,912)</u>	<u>(4,881)</u>	<u>62,000</u>	<u>254,780</u>
Restricted fixed asset funds						
Fixed asset funds	21,000	20,029	(17,588)	4,881	-	28,322
Devolved Formula Capital (DFC)	-	11,803	(11,803)	-	-	-
Conditional Improvement Funding	-	171,626	(73,660)	-	-	97,966
	<u>21,000</u>	<u>203,458</u>	<u>(103,051)</u>	<u>4,881</u>	<u>-</u>	<u>126,288</u>
Total restricted funds	<u>290,930</u>	<u>1,604,101</u>	<u>(1,575,963)</u>	<u>-</u>	<u>62,000</u>	<u>381,068</u>
Total of funds	<u><u>488,408</u></u>	<u><u>1,731,600</u></u>	<u><u>(1,686,927)</u></u>	<u><u>-</u></u>	<u><u>62,000</u></u>	<u><u>595,081</u></u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	35,673	-	22,453	58,126
Debtors due after more than 1 year	-	226,000	-	226,000
Current assets	230,531	383,853	73,666	688,050
Creditors due within one year	(1,303)	(163,884)	(73,666)	(238,853)
Provisions for liabilities and charges	-	(477,000)	-	(477,000)
	<u>264,901</u>	<u>(31,031)</u>	<u>22,453</u>	<u>256,323</u>

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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2017 £	2017 £	2017 £	2017 £
Tangible fixed assets	35,673	-	28,322	63,995
Debtors due after more than 1 year	-	226,000	-	226,000
Current assets	453,816	573,780	97,966	1,125,562
Creditors due within one year	(275,476)	-	-	(275,476)
Provisions for liabilities and charges	-	(545,000)	-	(545,000)
	<u>214,013</u>	<u>254,780</u>	<u>126,288</u>	<u>595,081</u>

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

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(480,758)	44,673
Adjustment for:		
Depreciation charges	19,389	17,588
Interest	(3,089)	(546)
Decrease/(increase) in debtors	42,365	(88,360)
(Decrease)/increase in creditors	(37,926)	214,940
Pension adjustments	74,000	256,000
Fixed assets and right to occupy transferred on conversion	-	(209,029)
Net cash (used in)/provided by operating activities	<u>(386,019)</u>	<u>235,266</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	516,338	912,788
Total	<u>516,338</u>	<u>912,788</u>

20. 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.

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

21. PENSION COMMITMENTS

The 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 Essex 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 £18,373 were payable to the schemes at 31 August 2018 (2017 - 18,805) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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; and
- 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 £ 94,288 (2017 - £86,881).

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 a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

GREAT OAK MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

21. PENSION COMMITMENTS (continued)

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 £75,000 (2017 - £63,000), of which employer's contributions totalled £60,000 (2017 - £50,000) and employees' contributions totalled £15,000 (2017 - £13,000). The agreed contribution rates for future years are 12.3% for employers and 5.5-12.5% 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	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
Inflation assumption (RPI)	3.30 %	3.60 %

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

	2018	2017
Retiring today		
Males	22.3	22.2
Females	24.8	24.7
Retiring in 20 years		
Males	24.5	24.3
Females	27.1	27.0

As at the 31 August 2018 the Trust had a pension liability of £477,000 (2017 - £545,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way;

Sensitivity Movement	At 31 August 2018 £	At 31 August 2017 £
Discount rate +0.1%	(26,000)	(25,000)
Discount rate -0.1%	27,000	26,000
Mortality assumption - 1 year increase	34,000	32,000
Mortality assumption - 1 year decrease	(33,000)	(31,000)
CPI rate +0.1%	24,000	22,000
CPI rate -0.1%	(23,000)	(21,000)

GREAT OAK MULTI ACADEMY TRUST

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

21. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	353,000	295,000
Bonds	62,000	46,000
Alternative assets	50,000	34,000
Property	50,000	44,000
Cash and other liquid assets	19,000	13,000
Other managed funds	21,000	19,000
	<u>555,000</u>	<u>451,000</u>
Total market value of assets	<u>555,000</u>	<u>451,000</u>

The actual return on scheme assets was £30,000 (2017 - £51,000).

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

	2018 £	2017 £
Current service cost	(121,000)	(99,000)
Interest income	13,000	8,000
Interest cost	(26,000)	(19,000)
	<u>(134,000)</u>	<u>(110,000)</u>
Total	<u>(134,000)</u>	<u>(110,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	996,000	594,000
Upon conversion	-	312,000
Current service cost	121,000	99,000
Interest cost	26,000	19,000
Employee contributions	15,000	13,000
Actuarial gains	(125,000)	(32,000)
Benefits paid	(1,000)	(9,000)
	<u>1,032,000</u>	<u>996,000</u>
Closing defined benefit obligation	<u>1,032,000</u>	<u>996,000</u>

GREAT OAK MULTI ACADEMY TRUST

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

21. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	451,000	243,000
Upon conversion	-	116,000
Interest income	13,000	8,000
Returns on investments less interest	17,000	30,000
Employer contributions	60,000	50,000
Employee contributions	15,000	13,000
Benefits paid	(1,000)	(9,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	555,000	451,000
	<hr/>	<hr/>

22. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	1,340	2,038
Between 1 and 5 years	300	1,640
	<hr/>	<hr/>
Total	1,640	3,678
	<hr/>	<hr/>

23. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

The Trust operates from land and buildings provided rent free by the Diocese of Chelmsford. Under an agreement between the Diocese, the Academy and the Secretary of State the Diocese would be required to give 24 months notice from the year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end. The Trustees estimate that the cost of renting equivalent buildings would be £113,000 per annum, on this basis a donation from the Diocese of £113,000 is shown in the accounts together with a notional expense of the same amount. In addition, included within debtors is a donation in kind receivable of £339,000 representing the commitment by the Diocese to provide the land and buildings rent free for a further 36 months.

Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook. No other related party transactions took place in the period of account.