

ODST

Oxford Diocesan
Schools Trust

Oxford Diocesan Schools Trust

(a company limited by guarantee)

**Annual Report and Financial Statements
For the year ended 31 August 2019**

Registered number: 08143249

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

Members

Oxford Diocesan Board of Education

The Revd M A Harwood

The Right Revd A Wilson

Mrs K M Winrow

Trustees

Mr S Barber

Sir C Booth, Chair of Finance Committee ¹

Dr P Chadwick

Revd Canon B D Clover

Mrs F Craig (ceased 31st December 2018)

Revd Dr M Daffern (ceased 11th January 2019)

Mrs J A Dellar (Davey until 22nd October 2019), Accounting Officer¹

Ms J Fageant

The Right Revd C Fletcher

Mrs J Moriarty

Mr P Sanderson (appointed 22nd March 2019)

Mr C Wheaton¹

Mr T Wilson (appointed 1st January 2019)

Mrs K M Winrow, Chair of Board of Trustees¹

¹ Member of Finance Committee

Registered Company Number

08143249

Principal and Registered Office

Church House Oxford

Langford Locks

Kidlington

Oxford

OX5 1GF

Chief Executive Officer

Mrs J A Dellar

Key Management Personnel

Mrs J A Dellar, Chief Executive Officer

Mr D Locke, Chief Operating Officer and Finance Director (up to 30th November 2018)

Mr D Cousins, Director of Schools (up to 31st December 2018)

Mr I Elkington, Deputy Chief Executive Officer/Lead Education Officer (from 1st January 2019)

Mrs M Richards, Chief Financial Officer (from 1st October 2018)

Independent Auditor

Haysmacintyre LLP

10 Queen Street Place,

London

EC4R 1AG

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Bankers

Lloyds Bank plc
PO Box 1000
Bristol
BX1 1LT

Solicitors

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

Trustees' Report for the year ended 31 August 2019

The Trustees (who are also the Directors of the Company under company law) present their Annual Report together with the audited financial statements of the Oxford Diocesan Schools Trust (the "Trust") for the period from 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a Strategic Report under company law.

At 31 August 2019, the Trust operated 33 primary academies in the area covered by the Oxford Diocese (which covers Berkshire, Buckinghamshire, Oxfordshire and Milton Keynes), with a combined pupil capacity of 7,226 and 6,130 pupils currently enrolled based on the January 2019 school census. An additional school, Wootton-by-Woodstock CE Primary joined on 1st October 2018.

Structure, governance and management

CONSTITUTION

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

Details of the Trustees who served during the period are included in the Reference and Administrative Details on Page 1.

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

There were thirty-two academies within the Trust at 31 August 2018, in order of joining, as follows:

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

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- Wroxton C of E Primary School
- Dr Radcliffe's C of E Primary School, Steeple Aston
- South Moreton Primary School
- Deddington C of E Primary School
- Kidmore End C of E Primary School
- North Hinksey C of E Primary School
- St Mary's C of E Primary School, Banbury
- Northbourne C of E Primary School
- St Nicholas C of E Infants School, Wallingford
- Fir Tree Junior School, Wallingford

During the 2018/9 year another school joined the Trust:

- Wootton-by-Woodstock C of E Primary School 1st October 2018

MEMBERS' LIABILITY

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

TRUSTEES' INDEMNITIES

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

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

PRINCIPAL ACTIVITIES

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

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

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

The Trust has an Executive Committee with a remit to scrutinise the skill set of existing Trustees of the Board and to identify potential new Trustees as appropriate, to recommend to Members for appointment. Members consider the recommendations, taking the skill set of existing Trustees into account, and a full induction process is put into place once the appointment is confirmed.

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

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

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

- Trust's governing documents (i.e. the Memorandum and Articles of Association) as well as access to the Master Funding Agreement and Supplemental Funding Agreements for the academies;
- other documents such as minutes, accounts, budgets and other documents relating to the Trust;
- relevant documentation issued by the Department for Education, ESFA, the Charity Commission and their professional advisers as necessary are provided to enable the Trustees to meet their legal obligations and follow best practice in respect of their role as Trustees (and Company Directors,) for example the Academies Financial Handbook.

All Trustees (both new and existing) are encouraged to make visits to the schools within the Trust, and to attend leadership briefings and the leadership conferences, so they can meet headteachers and local governing body members in both a formal and an informal context. They also have access to Governorhub (an online service for governors and MAT Trustees for communication and coordination) and are offered regular opportunities for training, both internal and external to help further develop their skills and understanding of the Trust. In addition, the Board holds strategy days to which Members are invited.

ORGANISATIONAL STRUCTURE

The Board of Trustees governs the activities of the Trust and oversees the work of each school's LGB. The structure consists of the Board and seven sub-committees;

- Finance;
- Ethos and Governance;
- Education, Quality Standards and Impact;
- Pay and Personnel;
- Estates Health and Safety (including Safeguarding);
- Audit; and
- Executive

The Trustees are also ultimately responsible for the strategic direction of the Trust ensuring that its aims are met and its ethos maintained. Specifically, this includes setting general policy, adopting an annual plan and budget, monitoring the Trust's financial performance and educational outcomes. The Trustees are also responsible for making major decisions about the direction of the Trust.

As briefly outlined above, the LGBs oversee the work and outcomes of individual schools within the Trust. These LGBs comprise a mix of local people including staff, parents, members of the local faith community, where appropriate, and others appointed by the Trust for their skills and experience. They act as a critical support to the Headteacher and the school. They are responsible for ensuring high standards of education and financial effectiveness; they review the overall impact of each school within the community it serves and are responsible for ensuring the Trust's ethos and vision are upheld.

The Senior Leadership Team of the Trust was restructured during the accounting period, and now comprises the CEO, the Deputy CEO/Lead Education Officer, the Chief Financial Officer, the Operations Manager, the HR Manager and the Principal Advisor. They lead and manage the Trust, setting strategy and implementing policy in conjunction with the Board of Trustees generally. Headteachers and Deputy Headteachers, as employees of the Trust, lead and manage the individual schools.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

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

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

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

TRADE UNION FACILITY TIME

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

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY/ TRANSACTIONS

The Trustees are appointed in accordance with the skills and experience each can offer to the Trust. Some are drawn from other organisations in the Diocesan family, local employers or other organisations which from time to time have dealings with the Trust in the course of their work. All transactions between any Trustee's employers and/or organisations and the Trust were properly procured through an open and fair process and carried out at arm's length. All material transactions were undertaken at not more than cost. A register of each Trustee's business interests is also maintained.

During the period, the Trust obtained a number of essential support services from the Oxford Diocesan Board of Education (a corporate Member of the Trust) at a cost of £211,857 (2017/2018: £346,702). These services included education advisers, management of capital building projects and other support services which are procured in order to obtain the benefit of economies of scale from a larger organisation.

The Trust is aware of the Academies Financial Handbook requirements for related party transactions, including notifying the ESFA of all transactions made on or after 1st April 2019 and the need to obtain their approval where required. These regulations have been adhered to throughout this accounting period.

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

Objectives and Activities

OBJECTS AND AIMS

The Trust's object is specifically restricted to:

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

- a) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant Funding Agreement) and having regard to any advice issued by the Diocesan Board of Education; and
- b) Other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England.

OBJECTIVES, STRATEGIES AND ACTIVITIES

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

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

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

PUBLIC BENEFIT

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

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

The Trustees have complied with their duty under the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties as charity Trustees. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning future activities.

Strategic Report

ACHIEVEMENTS AND PERFORMANCE

The Trust welcomed one new school during the accounting period. This was:

- Wootton-by-Woodstock C of E Primary School (48 pupils)

Academic performance in our schools rose once again this year and we expect the validated data to indicate that our performance as a whole is at or above the national averages.

- **Early Years Foundation Stage (EYFS)** – Outcomes in 2019 show that approximately three quarters of ODST's pupils reached a Good Level of Development (GLD) by the end of their foundation stage.
- **Y1 Phonics Check:** In 2019, the percentage of children meeting the expected standard, rose again this year to over 83%
- **KS1 SATS:** the percentage of 7-year-old children meeting the expected standard at the end of KS1 remained pleasingly above the national average this year, with reading at 79%, writing at 71% and mathematics at 77%.
- **KS2:** The percentage of ODST pupils achieving the expected standard in reading, writing and mathematics (combined) rose for the third year in a row and brings ODST schools broadly in line with the national average, with a comparable improvement in progress scores. 13% of ODST pupils achieved the higher standard in 2019, compared to the national average of 10.5%

Eight Trust schools were subject to inspection by Ofsted during the period, with four schools being judged above their previous grade, and the remaining four retaining their "Good" ratings. Of our 33 schools 97% have an Ofsted grade of Good or above.

In January 2019, ODST was the first multi academy trust to be reviewed under Ofsted's new summary evaluation framework, receiving positive feedback and being described as a "listening Trust". ODST was praised in many areas with emphasis on empowerment for individual schools, a strong culture of safeguarding, solid governance by Trustees to ensure oversight of finance and steering the Trust skilfully through a challenging economic climate, and identifying collaboration between schools, particularly within the first local hubs. The full findings are available on our website.

In order to improve the service from the centre to individual schools, and ensure we have sufficient capacity to absorb new schools, we successfully completed a restructuring of the central team, thus allowing us to place more leadership emphasis on school improvement. In January 2019 we recruited a Deputy Chief Executive Officer/ Lead Education Officer and a further 1.0 FTE School Improvement Adviser.

In addition, we recruited an Operations Manager who is responsible for health, safety and compliance across the Trust securing the day-to-day running of the organisation. This role has enabled an improved focus on health and safety management and improvements in risk management have been embedded, with further focus to be made on business continuity processes and planning.

Our hub structure has been further developed during this period, with regular hub meetings being organised and attended by headteachers and central staff. This has allowed us to focus on local issues and interests and supports further collaboration and joint working across schools, sharing best practice and resources accordingly. Links between Trustees and hubs have been strengthened through school visits, attendance at strategic briefings and leadership conferences attended by both headteachers and governors.

Key areas for improvement are identified across the Trust, and core and bespoke CPD programmes for teachers, leaders and governors have been effectively used in order to raise standards, as identified in the Trust improvement plan. Expertise has been used more extensively to support staff and leaders (e.g. moderation, coaching and improving teaching and learning.) An ODST middle leadership programme has further increased capacity for peer to peer support. Regular leadership conferences and training for governors and leaders have increased challenge and support across the Trust.

GOING CONCERN

Based on the budget and cash flow, the Trustees have a reasonable expectation that the Trust and the schools currently within it have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies in note 1 to the financial statements.

The Balance Sheet also recognises a £16,548,000 (2018: £10,572,000) defined benefit pension scheme liability as required by the relevant accounting standards. This liability arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Trust. The Trust is not currently required to make accelerated payments to meet this liability, but, were arrangements to change, the Trust would have difficulty in making such payments without its public funding being adjusted to meet this liability and the Trust would then expect that cost to be covered by its public funding alongside all other reasonable costs of the education it provides. The Trustees, in any case, have noted that the Government has provided a guarantee that in the event of a school closure, any outstanding Local Government Pension Scheme liabilities would be met by the Department for Education.

In judging therefore whether the Trust is a going concern, the Trustees note that at the end of the financial period, whilst the total funds of the Trust stood at £429,040 deficit (2018: £4,844,308 as restated), the more relevant figure is the net current assets of the Trust (which exclude the fixed assets and the defined benefit pension scheme liability) of £4,394,141 (2018: £3,643,872).

The Trustees are pleased to report that they believe the Trust is in good financial health and is an active going concern. They base this on the evidence of an operating cashflow surplus, cash balance at year end of £5,383,422, achieving a balanced budget in 2018/19 and the setting of a balanced budget for 2019/20. The finance team regularly manage and update a rolling 12-month cash flow forecast, which supports this assessment.

KEY FINANCIAL PERFORMANCE INDICATORS

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

In terms of key financial indicators, the Board has carefully monitored the operational financial position throughout the year by means of monthly management reporting. An annual surplus of 1.57%, on this basis, was achieved compared to a budgeted deficit of 0.11% for 2018/19. The balance of funds held at the year-end was equivalent to approximately 1.3 months of operational expenditure compared to the target set of 1.5 months of operational expenditure.

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

The Trust's Funding Agreement is not subject to a specific carry forward limit on the amount of GAG funding. One financial performance indicator is the level of reserves held at the balance sheet date and, in particular, the amount of GAG funding carried forward at the balance sheet date. At 31 August 2019, the balance of the GAG Restricted Fund was £328,136 (2018: £476,948).

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funded plus other operating educational grants from the EFSA and/or Local Authority) for the year was 84.2% (2018: 81.4%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 74% (2018: 72%).

After adjusting for the transfer of the Local Government Pension Scheme (LGPS) deficits inherited on conversion and the further FRS102 adjustments to the LGPS deficit in the period, the Trust made a deficit for the year on its restricted general funds of £825,706 (2018: deficit of £676,784). This deficit was then funded via a transfer of funds from the Trust's unrestricted funds of £418,837, thereby giving a surplus carried forward on the restricted general funds, excluding the pension reserve, of £941,857. The surplus consists substantially of educational grants received in the year ended 31 August 2019. The expenditure that will be funded by these grants falls largely in the current year, although some may be held over until the following year if the Trust's plans require it.

Financial review

REVIEW OF ACTIVITIES

The Trustees approved an overall budget for the period from 1 September 2018 to 31 August 2019. The Trust monitors finances on a regular basis to ensure budgets are achieved. It also ensures that measures are in place to verify that all funds and grants are used for the purposes for which they were applied for or given, and to ensure the ongoing viability of the Trust and its schools.

The Trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during the year ended 31 August 2019. While the Statement of Financial Activities sets out the income and expenditure of these various funds for the year, this includes a number of one-off items of income and expenditure associated with those schools that joined the Trust during the year as well as FRS102 pension costs adjustments and depreciation charges.

| Operational Result | 2019 | 2018 |
|------------------------------------------------------------------------------------------------------|---------------------|-------------------|
| Net expenditure in Statement of Financial Activities | £(1,466,346) | £(407,256) |
| Less transfer from Local Authority on conversion | £(36,342) | £(1,790,936) |
| Capital grants income | £(2,333,665) | £(1,411,140) |
| Improvements to property owned by church land trustees occupied by ODST treated as grant expenditure | £1,986,513 | £1,507,731 |
| Depreciation | £250,908 | £631,245 |
| Defined benefit pension scheme cost less contributions | £1,823,000 | £1,401,000 |
| Defined benefit pension scheme finance costs | £304,000 | £310,000 |
| Total Operational Surplus | £528,068 | £240,644 |

ODST has not undertaken any material fundraising activities during the year ended 31 August 2019.

Restricted General Fund

The majority of the Trust's income was received through Education and Skills Funding Agency (ESFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Trust's charitable activities, being its educational operations. General Restricted Fund income for the year was £29,245,909 (2017/2018: £25,853,739); expenditure against these funds was £32,240,615 (2017/2018: £29,755,523), giving a restricted revenue fund deficit for the year of £2,994,706 (2017/2018: deficit of £3,901,784) before transfers to the Restricted Fixed Asset Fund and actuarial gains and losses on the defined benefit pension scheme. This deficit includes net defined benefit pension scheme liabilities transferred to the Trust from the schools that joined the Trust during the year of £42,000 (2018: £1,514,000) and a further pension cost adjustment under

FRS102 of £2,127,000 (2018: £1,711,000). Excluding these pension scheme liabilities and adjustments, the deficit on the General Restricted Fund for the year was £825,706 (2018: deficit of £676,784).

Unrestricted Funds

Income received into the Unrestricted Fund was £2,913,532 (2018: £2,948,337), of which £62,613 (2018: £469,095) related to funds inherited from the Local Authorities on conversion. Expenditure against the fund was £1,497,145 (2018: £1,561,814) for the period, giving an Unrestricted Fund surplus for the year of £1,416,387 (2018: £1,386,523).

Restricted Fixed Asset Fund

The Restricted Fixed Asset Fund balance is reduced by the annual depreciation charge over the expected useful life of the assets concerned in line with the Trust's depreciation policy and capital expenditure treated as grants to Site Trustees at church schools. Income received into the fund, including the value of the assets transferred from the schools that have joined the Trust this year was £2,349,394 (2018: £4,246,981 as restated). There is a £123,084 (2018: £2,765,530 surplus as restated) Restricted Fixed Asset Fund period end surplus after transfers between funds.

The total fund balances as at 31 August 2019 were deficit £429,040 (2018: £4,844,306 as restated). This comprises £2,740,053 (2018: £1,742,503) in Unrestricted Funds, £15,606,143 deficit (2018: deficit of £9,212,163) in Restricted General Funds (after accounting for defined benefit pension scheme deficit of £16,548,000 (2018: £10,572,000)), and £12,437,050 (2018: £12,313,966 as restated) in Restricted Fixed Asset Funds.

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

The net book value of the Trust's tangible fixed assets was £11,724,819 (2018: £11,772,434 as restated) at 31 August 2019 and the movement in this account is detailed in note 13 to the financial statements. The majority of this is represented by the value of the assets transferred to the Trust from the schools joining the Trust since its incorporation.

The Trust occupies land and buildings which are provided to it and owned by various land trustees ('the Site Trustees'). The Trust occupies this land and buildings under the terms of Church Land Supplemental Agreements between the Oxford Diocesan Board of Education, the Site Trustees and the Trust, which provide the Trust with the right to use the land and buildings of the schools for an indefinite period, subject to a 2-year termination notice period, which amounts to a mere licence. The Trustees continue to consider that prudence requires the exclusion from the balance sheet of land and buildings that are not beneficially owned. An enhanced disclosure has been given in the note 13 of the financial statements.

In the previous financial year, on conversion the land and buildings occupied by Fir Tree Junior School, were assigned to the Academy Trust under 125-year leases. The estimated fair value of the land and buildings utilised in the previous year's financial statements differ significantly to the valuation report received from Montagu Evans in the current year. Therefore, management and Trustees consider it appropriate to make a prior period adjustment to match the fair value assigned in the valuation certificate.

The Trust also has 125-year leases from Oxfordshire County Council and the Royal Borough of Windsor and Maidenhead for the playing fields of the various schools, which were transferred to the Trust on conversion.

During the year the Trust received valuations, from Montagu Evans LLP (land valuers for the DFE), for all the schools that had converted up to 31 August 2019. For the first time, these valuations included a separate estimate of the value of playing fields which indicates that the value of playing fields is negligible in comparison to the value of the main site. Therefore, a prior year adjustment has been made in order to reduce the value of playing fields to nil and remove the related depreciation charge.

Cash in hand at 31 August 2019 was £5,383,422 (2018: £4,882,028).

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has a risk management process to identify and monitor those risks faced by the Trust. A risk register is in place and reviewed regularly.

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

The Trust is a member of the risk protection arrangement (RPA) which is provided by the Department of Education (DfE) for academies and free schools. The RPA is a voluntary arrangement and is an alternative to insurance through which the cost of risks that materialise will be covered by government funds.

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

School Standards

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

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

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

Finances

Trustees understand that the Trust's effectiveness is ultimately limited by its funding. We are almost wholly reliant on government funding through the ESFA. Trustees recognise the importance of a flexible and dynamic approach to budgeting to be able to respond to unexpected local events, changes to government policy or practice, and to develop in the most effective way to make the greatest difference. We also recognise there is no assurance that government funding levels will continue on the same terms or at the same level. We mitigate risk by working to build up small surpluses when possible at both local and central budget levels, and to analyse

costs carefully at all times, to ensure value for money; taking advantage of the economies of scale possible in a large and growing Trust, whilst empowering local management of delegated funds to encourage careful husbandry in individual cases. Due diligence is completed on each school applying to join the Trust, to ensure no school joins needing funds the Trust cannot provide, and strong financial controls, using an integrated finance package, are in place to ensure existing schools are supported with proper budget monitoring. Trustees regularly review central staffing levels as the Trust grows to ensure central finance staffing remains sufficient to support schools effectively. Trustees also ensure insurance arrangements are in place.

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

Health & Safety and Safeguarding Risks

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

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

RESERVES POLICY

The Trust's budget plan has been developed to ensure that reserves are maintained within the reserve policy guidelines agreed with the Finance Committee and Board. Reserves are maintained to provide an appropriate level of working capital, to invest appropriately in infrastructure for the future and to provide a contingency against unforeseen cost and liabilities that might arise. The level of reserves held will be reviewed annually by the Board of Trustees to ensure that it is adequate but not excessive. It is assessed that in the medium-term cash reserves should be developed to equate to one to three months of budgeted operating expenditure. At the year-end reserves were equal to 1.9 months (2018: 1.9 months) of budgeted operating expenditure.

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

INVESTMENTS POLICY

The Trust has no investments other than balances held in current accounts at Lloyds bank for the Trust itself and its schools. We do not anticipate having sufficient surplus funds for investment other than balances in the current account. Trustees will continue to monitor the situation closely and will develop a formal investment policy if and when necessary. At that time full consideration will be given to the extent to which social and ethical considerations will influence investment decisions.

Plans for future periods

FUTURE DEVELOPMENTS

Following a year of consolidating our position as an effective, stable organisation, we plan for a small number of new schools to join the Trust during 2019-20. In addition, we consider ourselves to be in a position to sponsor a school in need.

In order to ensure the long-term sustainability of our schools, we intend to strengthen our hub model further and identify options to share both staff and resources where appropriate to allow for collaboration, efficient financial management and additional support, especially for our very small schools.

We intend to strengthen support for the professional development of all our staff, both teaching and non-teaching, and intend to develop our CPD offer in furtherance of this aim, to include providing training for governors as well as newly qualified teachers (NQTs).

As the Trust continues to expand both the number of schools it serves and the level of support it offers from the central team to those schools, we need to increase our central team's office space. Plans are in place to operate from two sites in the future – Church House in Kidlington and Community of St Mary the Virgin (CSMV) in Wantage, building on the relationship already established with the Community of St Mary the Virgin.

Following a successful review of the MAT by Ofsted, improved outcomes and Ofsted judgements (97% of schools graded as Good or Outstanding) we are in a position to individually tailor our school improvement offer to schools to enable a more bespoke and flexible programme for each individual school.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

DISCLOSURE OF INFORMATION TO AUDITORS

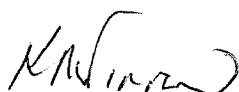
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

AUDITOR

Haysmacintyre LLP continue to be appointed as auditor to the charitable Trust in accordance with section 487(2) of the Companies Act 2006.

This report, incorporating the Strategic Report, was approved by order of the Board of Trustees on 9 December 2019.



Mrs K M Winrow
Chair of the Board of Trustees

Governance Statement

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

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustees | Meetings Attended | Out of a Possible |
|-------------------------|-------------------|-------------------|
| Mr S Barber | 5 | 5 |
| Sir C Booth | 4 | 5 |
| Dr P Chadwick | 4 | 5 |
| Rev'd Canon B D Clover | 5 | 5 |
| Mrs F Craig | 2 | 2 |
| Rev'd Dr M Daffern | 2 | 2 |
| Mrs J A Dellar | 5 | 5 |
| Ms J Fageant | 4 | 5 |
| The Rt Rev'd C Fletcher | 5 | 5 |
| Mrs J Moriarty | 4 | 5 |
| Mr C Wheaton | 3 | 5 |
| Mr P Sanderson | 2 | 2 |
| Mr T Wilson | 3 | 3 |
| Mrs K M Winrow | 5 | 5 |

Governance Reviews

The Finance Committee is a committee of the main Board of Trustees. Its purpose is to review the Trust's financial position closely and to provide delegated strategic financial direction.

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

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

| Members | Meetings Attended | Out of a Possible |
|----------------|--------------------------|--------------------------|
| Sir C Booth | 4 | 5 |
| Mrs J A Dellar | 5 | 5 |
| Mr C Wheaton | 5 | 5 |
| Mrs K M Winrow | 5 | 5 |
| Mr M York | 3 | 3 |

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

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

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

| Members | Meetings Attended | Out of a Possible |
|----------------|--------------------------|--------------------------|
| Ms S Appleby | 2 | 2 |
| Sir C Booth | 1 | 2 |
| Mr R Ireson | 2 | 2 |
| Mrs A Jestico | 1 | 2 |
| Mrs K M Winrow | 2 | 2 |

Review of Value for Money

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

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

The Accounting Officer for the Trust has delivered improved value for money during the year in many ways including:

- Ongoing review of a wide range of deals including energy, utilities, ICT, printers, copiers and stationery supplies. This enables the Trust to develop a supplier framework that offers the best value for money deals within our schools.
- Sharing of best practices within the schools in the Trust to ensure that the current procedures, processes and systems are used to maximum efficiency.
- Use of benchmarking data within the Trust, and that available on DfE website, to compare spend in key areas and identify efficiencies where ever possible.

During this accounting period the Operations Manager has reviewed key contracts for value for money and identified procurement areas to optimise efficiency and effectiveness for our schools to ensure resources are released and targeted to achieve improved pupil outcomes.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and undertaken a review of the options available. The decision has been taken to carry out this function via the central finance team. This rolling programme will be implemented in 2020/21 and will be monitored and reviewed by the Finance Committee. As per the guidance contained in the Academies Financial Handbook 2019 peer reviews will be carried out as part of the internal scrutiny process.

The external auditor undertook a range of checks, including site visits to a sample of schools, to look at the operation of controls in individual schools. No major control issues were identified. However, the work did identify improvements which could be made to the control system and these are being implemented by the Finance Committee and management.


REVIEW OF EFFECTIVENESS

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

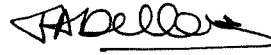
- the regular monitoring reports including monthly management accounts
- the work of the audit committee and finance committee
- the work of the external auditors
- the work of other outside agencies
- the financial management and governance self-assessment process
- the work of the finance and operations team within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 9 December 2019 and signed on its behalf by:



Mrs K M Winrow
Chair of the Board of Trustees



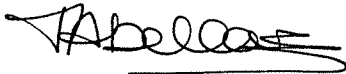
Mrs J A Dellar
CEO and Accounting Officer

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Oxford Diocesan Schools Trust, I have considered my responsibility to notify the ODST Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding received by the academy trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that the Board of Trustees and I are able to identify any material, irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2018.

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



Mrs J A Dellar
CEO and Accounting Officer

Date: 9 December 2019

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the Board of Trustees on 9th December 2019 and signed on its behalf by:



Mrs K M Winrow
Chair of the Board of Trustees

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

OPINION

We have audited the financial statements of the Oxford Diocesan Schools Trust for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 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 2018 to 2019.

BASIS OF OPINION

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

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of Oxford Diocesan Schools Trust (continued)

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

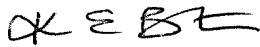
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

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

USE OF OUR REPORT

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



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

9 December 2019

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

In accordance with the terms of our engagement letter dated 4 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Oxford Diocesan Schools Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Oxford Diocesan Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Oxford Diocesan Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Oxford Diocesan Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of the Oxford Diocesan Schools Trust's funding agreement with the Secretary of State for Education dated 31 August 2012, and the Academies Financial Handbook extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion included:

- a review of internal control policies and procedures implemented by the Academy and an evaluation of their design and effectiveness to understand how the Academy has complied with the framework of authorities;

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

- a review of the minutes of meetings of the Trustees, relevant sub-committees and Local Governing Bodies and other evidence made available to us, relevant to our consideration of regularity; and
- detailed testing of the income and expenditure of the Academy based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haysmacintyre LLP

Reporting Accountant
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

9 December 2019

Oxford Diocesan Schools Trust

Statement of Financial Activities
For the year ended 31 August 2019
(including Income and Expenditure Account)

| | Note | Unrestricted Funds | Restricted General Funds | Restricted Fixed Asset Funds | Total 2019 | As restated Total 2018 |
|--------------------------------------------------------------|------|-----------------------|--------------------------------|------------------------------------|--------------------|------------------------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and capital grants | 2 | 571,659 | - | 2,333,665 | 2,905,324 | 1,958,353 |
| Transfer from local authority on conversion | 27 | 62,613 | (42,000) | 15,729 | 36,342 | 1,790,936 |
| Charitable activities: | | | | | | |
| Funding for the academy trust's educational operations | 3 | 1,109,861 | 29,287,909 | - | 30,397,770 | 28,328,867 |
| Other trading activities | 4 | 1,165,995 | - | - | 1,165,995 | 968,141 |
| Investments | 5 | 3,404 | - | - | 3,404 | 2,760 |
| Total | | 2,913,532 | 29,245,909 | 2,349,394 | 34,508,835 | 33,049,057 |
| Expenditure on: | | | | | | |
| Raising Funds | 6 | 442,305 | - | - | 442,305 | 381,855 |
| Charitable activities: | | | | | | |
| Grants | 7 | - | - | 1,986,513 | 1,986,513 | 1,507,731 |
| Academy Trust educational operations | 8 | 1,054,840 | 32,240,615 | 250,908 | 33,546,363 | 31,566,727 |
| Total | | 1,497,145 | 32,240,615 | 2,237,421 | 35,975,181 | 33,456,313 |
| Net income / (expenditure) | | 1,416,387 | (2,994,706) | 111,973 | (1,466,346) | (407,256) |
| Transfers between funds | 16 | (418,837) | 407,726 | 11,111 | - | - |
| Other recognised gains / (losses) | | | | | | |
| Actuarial (losses)/ gains on defined benefit pension schemes | 25 | - | (3,807,000) | - | (3,807,000) | 3,240,000 |
| Net movement in funds | | 997,550 | (6,393,980) | 123,084 | (5,273,346) | 2,832,744 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward (restated as per Note 1(b)) | | 1,742,503 | (9,212,163) | 12,313,966 | 4,844,306 | 2,011,562 |
| Total funds carried forward at 31 August 2019 | 16 | 2,740,053 | (15,606,143) | 12,437,050 | (429,040) | 4,844,306 |

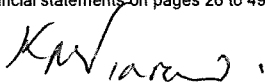
The notes on pages 29 to 49 form part of these accounts.

Oxford Diocesan Schools Trust

Balance Sheet
As at 31 August 2019

| | Notes | As restated | | | |
|------------------------------------------------------|-------|---------------------|---------------------|---------------------|---------------------|
| | | 2019 £ | 2019 £ | 2018 £ | 2018 £ |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 11,724,819 | | 11,772,434 |
| Current assets | | | | | |
| Debtors | 14 | 1,642,933 | | 1,532,913 | |
| Cash at bank and in hand | | <u>5,383,422</u> | | <u>4,882,028</u> | |
| | | 7,026,355 | | 6,414,941 | |
| Liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | <u>(2,632,214)</u> | | <u>(2,771,069)</u> | |
| Net current assets | | | <u>4,394,141</u> | | <u>3,643,872</u> |
| Total assets less current liabilities | | | <u>16,118,960</u> | | <u>15,416,306</u> |
| Net assets excluding pension scheme liability | | | <u>16,118,960</u> | | <u>15,416,306</u> |
| Defined benefit pension scheme liability | 25 | | <u>(16,548,000)</u> | | <u>(10,572,000)</u> |
| Total net (liabilities)/assets | | | <u>(429,040)</u> | | <u>4,844,306</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| Fixed asset fund | 16 | 12,437,050 | | 12,313,966 | |
| Restricted Income Fund | 16 | 941,857 | | 1,359,837 | |
| Pension reserve | 16 | <u>(16,548,000)</u> | | <u>(10,572,000)</u> | |
| Total restricted funds | | | <u>(3,169,093)</u> | | <u>3,101,803</u> |
| Unrestricted income funds | 16 | | <u>2,740,053</u> | | <u>1,742,503</u> |
| Total funds | | | <u>(429,040)</u> | | <u>4,844,306</u> |

The financial statements on pages 26 to 49 were approved by the trustees, and authorised for issue on 9 December 2019 and are signed on their behalf by:



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

Company registration no: 08143249 (England & Wales)

Oxford Diocesan Schools Trust

Cash Flow Statement For the year ended 31 August 2019

| | Notes | 2019 £ | 2018 £ |
|--------------------------------------------------------------------|-------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash (used in)/provided by operating activities | 21 | (1,635,582) | 185,201 |
| Cash flows from investing activities | 22 | 2,136,976 | 1,261,488 |
| Change in cash and cash equivalents in the reporting period | | <u>501,394</u> | <u>1,446,689</u> |
| Cash and cash equivalents at 1 September 2018 | | <u>4,882,028</u> | <u>3,435,339</u> |
| Cash and cash equivalents at 31 August 2019 | 23 | <u>5,383,422</u> | <u>4,882,028</u> |

Oxford Diocesan Schools Trust

Notes to the Financial Statements For the year ended 31 August 2019

1 Statement of Accounting Policies

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

(a) Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. Oxford Diocesan Schools Trust meets the definition of a public benefit entity under FRS 102.

(b) Prior year adjustments

The academy trust is required to measure assets and liabilities received by the academy trust on conversion at fair value as income and as assets and liabilities in the balance sheet. Management have employed techniques to estimate fair value for land and buildings on the basis of fair values attributed to similar assets adjusted for known local factors and the geographical size of the site upon which each school is situated.

During the financial year, the academy trust received the results of valuations as at 31 August 2018 performed by the DfE's appointed firm of chartered surveyors, Montagu Evans, in respect of land and buildings occupied by schools that joined the academy trust in the previous year and earlier accounting periods. While these valuations are performed for the purpose of the DfE's own accounts, they are considered a reliable estimate of fair value for financial reporting purposes. Due to the specialised nature of the land and buildings used by academy trusts, fair value is estimated on a depreciated replacement cost basis.

Analysis of the valuations received has given rise to two prior period adjustments as detailed below.

School playing fields assigned under long lease to church schools

It has been the academy trust's policy to recognise the value of playing fields assigned to the academy trust under separate lease agreement for church schools by apportioning the fair value of land on a straight line basis proportional to the total school site. On this basis, the total carrying value of playing fields separately recognised in the 2018 accounts as long leasehold land was £9,448,999. For the first time, the valuations received from the ESFA have included a separate estimate of the value of playing fields which indicates that the value of playing fields is negligible in comparison to the value of the main site on a depreciated replacement cost basis. Therefore, management and the trustees consider it appropriate to make a prior period adjustment in order to reduce the value of playing fields to nil, and remove the related depreciation charges.

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

- A reduction in the cost of long leasehold land brought forward of £9,669,361 and accumulated depreciation of £220,362. This is matched by a corresponding reduction in the restricted fixed asset fund of £9,448,999.
- A reduction in "Income from transfer from local authority on conversion" of £1,179,640 and a reduction in depreciation expense (included in expenditure on Charitable activities relating to the academy trust's educational operations) of £77,360 in the comparative Statement of Financial Activities. The net impact has been to reduce net income and net movement in restricted fixed asset and total funds reported in the previous year by £1,102,280.
- Restricted fixed asset funds brought forward as at 1 September 2017 has reduced by £8,346,719 in respect of the adjustment to the cost and accumulated depreciation to school playing fields assigned to the academy trust in respect of church schools prior to this date.

As the value of playing fields is negligible, no adjustment has been in respect of playing fields included in the valuation of land and buildings included in non-church schools.

Adjustment to fair value of land and buildings at Fir Tree Junior School, Wallingford

The estimated fair values of the land and buildings assigned under long lease in respect of Fir Tree School included in the valuation reports differ significantly to the best estimate of fair value utilised in the previous year's financial statements. Therefore, management and the trustees consider it appropriate to make a prior period adjustment in these financial statements to correct the fair values assigned on conversion to match those set out in Montagu Evan's valuation certificate.

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

- A reduction in the cost of long leasehold land brought forward of £1,267,750 and a reduction in the cost of long leasehold buildings brought forward of £1,421,000. Accumulated depreciation brought forward has also reduced by £10,144 in respect of long leasehold land and £28,420 in respect of long leasehold buildings. This is matched by a corresponding reduction in the restricted fixed asset fund.
- A reduction in "Income from transfer from local authority on conversion" of £2,688,750 and a reduction in depreciation expense (included in expenditure on Charitable activities relating to the academy trust's educational operations) of £38,564 in the comparative Statement of Financial Activities. The net impact has been to reduce net income and net movement in restricted fixed asset and total funds reported in the previous year by £2,650,186.

(c) Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

(d) Income

All income is recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is no unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations

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

Oxford Diocesan Schools Trust

Notes to the Financial Statements For the year ended 31 August 2019

1 Statement of Accounting Policies (continued)

(d) Income (continued)

Other Income

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

Donated goods, facilities and services

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

Transfer on conversion

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Transfer of existing academies into the trust

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

(e) Expenditure

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

Expenditure on Raising Funds

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

Charitable Activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities. Governance costs are those attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and Directors' meetings and reimbursed expenses.

All resources expenses are inclusive of irrecoverable VAT.

(f) Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

The academy trust also occupies land being school playing fields, under 125 year leases with Oxfordshire County Council and Royal Borough of Windsor and Maidenhead. As these are considered to have negligible value, no value is assigned to school playing fields where assigned to the academy trust.

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

| | |
|--------------------------------|-----------------------------------|
| Fixtures and fittings | 5 years |
| Office equipment | 5 years |
| IT infra-structure and systems | 5 years |
| Computer equipment | 3 years |
| Long leasehold buildings | 50 years |
| Long leasehold improvements | 20 years |
| Long leasehold land | over the course of the lease term |

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.

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

1 Statement of Accounting Policies (continued)

(g) Liabilities

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

(h) Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

(i) Leased Assets

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

(j) Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

(k) Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(l) Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Schemes ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

1 Statement of Accounting Policies (continued)

(m) Fund Accounting

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

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

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

(n) Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Critical Areas of Judgement

Local government pension scheme actuarial assumptions

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

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

2 Donations and capital grants

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total 2019 £ | Total 2018 £ |
|----------------------|----------------------------|-------------------------------------|-----------------------------------------|--------------------|--------------------|
| Donations | 571,659 | - | - | 571,659 | 547,213 |
| Capital Grants | - | - | 2,333,665 | 2,333,665 | 1,411,140 |
| | <u>571,659</u> | <u>-</u> | <u>2,333,665</u> | <u>2,905,324</u> | <u>1,958,353</u> |
| 2017/18 total | <u>547,213</u> | <u>-</u> | <u>1,411,140</u> | <u>1,958,353</u> | |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

| 3 Funding for the Academy Trust's educational operations | Unrestricted | Restricted | Restricted | Total 2019 | Total 2018 |
|----------------------------------------------------------|------------------|-------------------|----------------------|-------------------|-------------------|
| | Funds | General Funds | Fixed Asset Funds | | |
| | £ | £ | £ | £ | £ |
| DfE / ESFA grants | | | | | |
| General Annual Grant (GAG) | - | 25,440,163 | - | 25,440,163 | 23,688,223 |
| Start Up Grants | - | - | - | - | 50,000 |
| Other DfE Group grants | - | 2,688,238 | - | 2,688,238 | 2,579,707 |
| | <u>-</u> | <u>28,128,401</u> | <u>-</u> | <u>28,128,401</u> | <u>26,317,930</u> |
| Other Government grants | | | | | |
| Local authority grants | - | 1,159,508 | - | 1,159,508 | 1,049,809 |
| | <u>-</u> | <u>1,159,508</u> | <u>-</u> | <u>1,159,508</u> | <u>1,049,809</u> |
| Catering income | 458,818 | - | - | 458,818 | 402,346 |
| Other income from educational operations | 651,043 | - | - | 651,043 | 558,782 |
| | <u>1,109,861</u> | <u>-</u> | <u>-</u> | <u>1,109,861</u> | <u>961,128</u> |
| | <u>1,109,861</u> | <u>29,287,909</u> | <u>-</u> | <u>30,397,770</u> | <u>28,328,867</u> |
| 2017/18 total | <u>961,128</u> | <u>27,367,739</u> | <u>-</u> | <u>28,328,867</u> | |
| 4 Other trading activities | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Hire of facilities | 96,748 | - | - | 96,748 | 63,069 |
| Extended services | 753,056 | - | - | 753,056 | 618,870 |
| Other income | 316,191 | - | - | 316,191 | 286,202 |
| | <u>1,165,995</u> | <u>-</u> | <u>-</u> | <u>1,165,995</u> | <u>968,141</u> |
| 2017/18 total | <u>968,141</u> | <u>-</u> | <u>-</u> | <u>968,141</u> | |
| 5 Investment Income | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Short term deposits | 3,404 | - | - | 3,404 | 2,760 |
| | <u>3,404</u> | <u>-</u> | <u>-</u> | <u>3,404</u> | <u>2,760</u> |
| 2017/18 total | <u>2,760</u> | <u>-</u> | <u>-</u> | <u>2,760</u> | |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

6 Expenditure

| | Staff Costs £ | Non Pay Premises £ | Expenditure Other £ | Total 2019 £ |
|----------------------------------|---------------------|--------------------------|---------------------------|--------------------|
| Current year | | | | |
| Expenditure on raising funds | 387,775 | - | 54,530 | 442,305 |
| Grants | - | 1,986,513 | - | 1,986,513 |
| Academy's educational operations | | | | |
| Direct costs | 20,299,987 | - | 1,697,742 | 21,997,729 |
| Allocated support costs | 5,800,810 | 2,101,178 | 3,646,646 | 11,548,634 |
| | <u>26,488,572</u> | <u>4,087,691</u> | <u>5,398,918</u> | <u>35,975,181</u> |

| | Staff Costs £ | Non Pay Premises £ | Expenditure Other £ | As restated Total 2018 £ |
|----------------------------------|---------------------|--------------------------|---------------------------|-----------------------------------|
| Previous year | | | | |
| Expenditure on raising funds | 325,140 | - | 56,715 | 381,855 |
| Grants | - | 1,507,731 | - | 1,507,731 |
| Academy's educational operations | | | | |
| Direct costs | 18,513,999 | - | 1,869,562 | 20,383,561 |
| Allocated support costs | 5,155,350 | 1,708,543 | 4,319,273 | 11,183,166 |
| | <u>23,994,489</u> | <u>3,216,274</u> | <u>6,245,550</u> | <u>33,456,313</u> |

| Net income/(expenditure) for the period includes: | 2019 £ | 2018 £ |
|---------------------------------------------------|-----------|-----------|
| Operating lease rentals | 24,552 | 23,174 |
| Depreciation | 250,908 | 631,245 |
| Fees payable to auditor for: | | |
| Audit | 28,381 | 32,025 |
| Other services | 7,400 | 7,155 |

Included within expenditure are the following transactions:

| | Total £ | Individual items over £5,000 | | Total 2019 £ | Total 2018 £ |
|--------------------------------------------------------------------------------------|----------------------------|-------------------------------------|-----------------------------------------|--------------------|--------------------|
| | | Amount £ | Reason | | |
| Unrecoverable debts | 13,293 | 13,293 | Debtor has gone into administration | | |
| 7 Analysis of grants | | | | | |
| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total 2019 £ | Total 2018 £ |
| Improvements to property owned by church land trustees occupied by the academy trust | - | - | 1,986,513 | 1,986,513 | 1,507,731 |
| | <u>-</u> | <u>-</u> | <u>1,986,513</u> | <u>1,986,513</u> | <u>1,507,731</u> |
| 2017/18 total | <u>-</u> | <u>-</u> | <u>1,507,731</u> | <u>1,507,731</u> | |

8 Charitable Activities

| | Total 2019 £ | As restated Total 2018 £ | |
|----------------------------------------|--------------------------------|-----------------------------------|--------------------|
| Direct costs - educational operations | 21,997,729 | 20,383,561 | |
| Support costs - educational operations | 11,548,634 | 11,183,166 | |
| | <u>33,546,363</u> | <u>31,566,727</u> | |
| Analysis of support costs | | | |
| | Educational operations £ | Total 2019 £ | Total 2018 £ |
| Support staff costs | 5,800,810 | 5,800,810 | 5,155,350 |
| Depreciation | 250,908 | 250,908 | 631,245 |
| Technology costs | 355,296 | 355,296 | 431,017 |
| Premises costs | 1,850,270 | 1,850,270 | 1,824,467 |
| Other support costs | 3,186,696 | 3,186,696 | 3,028,326 |
| Governance costs | 104,654 | 104,654 | 112,761 |
| | <u>11,548,634</u> | <u>11,548,634</u> | <u>11,183,166</u> |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

9 Staff

a. Staff costs

| | 2019 | 2018 |
|----------------------------------------------------|-------------------|-------------------|
| | £ | £ |
| Staff costs during the period were: | | |
| Wages and salaries | 19,079,866 | 17,341,169 |
| Social security costs | 1,572,302 | 1,414,248 |
| Operating costs of defined benefit pension schemes | 5,125,600 | 4,298,180 |
| Apprenticeship Levy | 82,005 | 73,374 |
| | <u>25,859,773</u> | <u>23,126,971</u> |
| Supply staff costs | 520,249 | 508,964 |
| Staff restructuring costs | 108,550 | 48,555 |
| | <u>26,488,572</u> | <u>23,684,490</u> |
| Staff restructuring costs comprise: | | |
| Redundancy payments | 50,825 | 13,273 |
| Termination (including severance) payments | 57,725 | 35,282 |
| | <u>108,550</u> | <u>48,555</u> |

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £32,446 (2018: £48,555). Individually, the payments were £800, £2,536, £4,391, £4,820, £4,964, £5,083 and £9,852.

c. Staff numbers

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

| | 2019 | 2018 |
|--------------------------------------------|--------------|------------|
| | No. | No. |
| Teachers | 379 | 311 |
| Management, Administration & Support staff | 687 | 610 |
| | <u>1,066</u> | <u>921</u> |

d. Higher paid staff

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

| | 2019 | 2018 |
|--------------------|-----------|----------|
| | No. | No. |
| £60,001 - £70,000 | 11 | 6 |
| £70,001 - £80,000 | 2 | 3 |
| £90,001 - £100,000 | 1 | - |
| | <u>14</u> | <u>6</u> |

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £298,024 (2018: £269,477).

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

10 Central Services

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

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

The trust charges for these services on the following basis:

5% of the Academy's GAG for the period to 31 August 2019

The actual amounts charged during the year were as follows:

| | 2019 | 2018 |
|-----------------------------------------------------|------------------|------------------|
| | £ | £ |
| John Henry Newman CE England Academy, Littlemore | 65,511 | 70,721 |
| Grove CE Primary School | 32,867 | 34,579 |
| The Hendreds CE Primary School | 27,236 | 28,908 |
| St Christopher's C of E Primary School, Cowley | 79,451 | 80,660 |
| Wheatley C of E Primary School | 59,945 | 62,963 |
| St Peter's C of E Middle School, Old Windsor | 45,723 | 49,526 |
| Burchetts Green C of E Infants School | 18,591 | 17,257 |
| St Luke's C of E Primary School, Maidenhead | 56,434 | 57,152 |
| The Blake C of E Primary School, Witney | 71,333 | 71,856 |
| St Christopher's C of E Primary School, Langford | 29,174 | 28,076 |
| St Peter's C of E Primary School, Alvescot | 14,976 | 15,346 |
| North Leigh C of E Primary School | 34,532 | 33,984 |
| Bampton C of E Primary School | 32,915 | 27,359 |
| The Batt C of E Primary School, Witney | 59,551 | 58,372 |
| Burford Primary School | 23,724 | 23,122 |
| Brize Norton Primary School | 24,821 | 24,646 |
| Holyport C of E Primary School | 59,966 | 64,860 |
| St Mary's C of E Infants School, Witney | 22,141 | 20,522 |
| Deddington C of E Primary School | 36,428 | 36,083 |
| Dr South's C of E Primary School, Islip | 21,761 | 21,723 |
| Datchet St Mary's C of E Primary Academy | 43,993 | 46,376 |
| Kidmore End C of E Primary School | 36,327 | 37,726 |
| Leafield C of E Primary School | 21,869 | 22,072 |
| South Moreton Primary School | 30,180 | 31,369 |
| Dr Radcliffe's C of E Primary School, Steeple Aston | 37,071 | 37,047 |
| Tackley C of E Primary School | 20,936 | 22,872 |
| Wroxton C of E Primary School | 24,027 | 22,314 |
| North Hinksey C of E Primary School | 37,594 | 34,283 |
| St Marys C of E Primary School, Banbury | 36,279 | 30,302 |
| Northbourne C of E Primary School | 57,524 | 36,606 |
| St Nicholas C of E Primary School, Wallingford | 32,744 | 13,726 |
| Fir Tree Junior School, Wallingford | 40,494 | 16,974 |
| Woolton-by-Woodstock C of E Primary School | 12,837 | - |
| | 1,248,955 | 1,179,382 |

11 Related Party Transactions - Trustees' Remuneration & Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal only receives remuneration in respect of services they provide undertaking the roles of principal under their contract of employment, and not in respect of their role as trustee. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs J A Dellar (principal and trustee) Remuneration: £90,000 - £95,000
Employer's pension contributions: £15,000 - £20,000

In the previous year Mrs J A Dellar was employed directly by the Oxford Diocesan Board of Education as detailed in Note 26 (Related party transactions).

During the period ended 31 August 2019, travel and subsistence expenses totalling £3,408 were reimbursed or paid directly to 5 trustees (2018: £4,780 to 6 trustees).

12 Trustees' and Officers' Insurance

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

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

| 13 Tangible Fixed Assets | Long Leasehold Land £ | Long Leasehold Buildings £ | Plant and Machinery £ | Computer Equipment £ | IT infra- structure and systems £ | Total £ |
|---------------------------------------------|--------------------------------|-------------------------------------|-----------------------------|----------------------------|--------------------------------------------|-------------------|
| Cost | | | | | | |
| At 1 September 2018 as restated (Note 1(b)) | 6,098,610 | 5,588,529 | 747,772 | 669,399 | 29,550 | 13,133,860 |
| Transfer on conversion | - | - | - | 3,200 | - | 3,200 |
| Additions | - | 32,889 | 49,295 | 117,909 | - | 200,093 |
| At 31 August 2019 | <u>6,098,610</u> | <u>5,621,418</u> | <u>797,067</u> | <u>790,508</u> | <u>29,550</u> | <u>13,337,153</u> |
| Depreciation | | | | | | |
| At 1 September 2018 as restated (Note 1(b)) | 94,095 | 284,417 | 468,572 | 504,879 | 9,463 | 1,361,426 |
| Charged in year | 48,784 | 16,892 | 115,248 | 97,812 | 5,956 | 250,908 |
| At 31 August 2019 | <u>142,879</u> | <u>267,525</u> | <u>583,820</u> | <u>602,691</u> | <u>15,419</u> | <u>1,612,334</u> |
| Net book values | | | | | | |
| At 31 August 2019 | <u>5,955,731</u> | <u>5,353,893</u> | <u>213,247</u> | <u>187,817</u> | <u>14,131</u> | <u>11,724,819</u> |
| At 31 August 2018 | <u>6,004,515</u> | <u>5,304,112</u> | <u>279,200</u> | <u>164,520</u> | <u>20,087</u> | <u>11,772,434</u> |

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

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

| 14 Debtors | 2019 £ | 2018 £ |
|----------------------------------------------------------|------------------|------------------|
| Trade debtors | 305,672 | 83,945 |
| VAT recoverable | 828,241 | 561,161 |
| Other debtors | 13,189 | 26,543 |
| Prepayments and accrued income | 495,831 | 861,264 |
| | <u>1,642,933</u> | <u>1,532,913</u> |
| 15 Creditors: Amounts falling due within one year | | |
| | 2019 £ | 2018 £ |
| Trade creditors | 638,940 | 1,050,314 |
| Other taxation and social security | 409,199 | 394,467 |
| Other creditors | 399,134 | 384,048 |
| Accruals and deferred income | 1,184,941 | 942,240 |
| | <u>2,632,214</u> | <u>2,771,069</u> |
| Deferred income | | |
| | 2019 £ | 2018 £ |
| Deferred income at 1 September 2018 | 630,003 | 470,293 |
| Released from previous years | (630,003) | (470,293) |
| Resources deferred in the year | 842,003 | 630,003 |
| Deferred income at 31 August 2019 | <u>842,003</u> | <u>630,003</u> |

The majority of the balance of the deferred income at 31 August 2019 relates to funds received in 2019 for Universal Infant Free School Meals grants which will be utilised in the year ended 31 August 2020.

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

| 16 Funds | As restated Balance at 1 September 2018 £ | Income £ | Expenditure £ | Gains, Losses & Transfers £ | Balance at 31 August 2019 £ |
|--------------------------------------------------------|-------------------------------------------------------|--------------------------|----------------------------|--------------------------------------|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 476,948 | 25,440,163 | (26,404,946) | 815,971 | 328,136 |
| Other DfE Group grants | 871,658 | 2,688,238 | (2,484,840) | (461,335) | 613,721 |
| School Improvement grant | 11,231 | - | (11,231) | - | - |
| Local Authority grants | - | 1,159,508 | (1,212,598) | 53,090 | - |
| Pension reserve | (10,572,000) | (42,000) | (2,127,000) | (3,807,000) | (16,548,000) |
| | <u>(9,212,163)</u> | <u>29,245,909</u> | <u>(32,240,615)</u> | <u>(3,399,274)</u> | <u>(15,606,143)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion and from existing trusts | 11,543,942 | 3,200 | 3,661 | - | 11,550,803 |
| DfE Group capital grants transferred on conversion | - | 12,529 | - | (12,529) | - |
| DfE Group capital grants | 541,532 | 2,333,665 | - | (2,162,966) | 712,231 |
| Capital expenditure treated as grants to Site Trustees | - | - | (1,986,513) | 1,986,513 | - |
| Fixed assets purchased with capital grants | 228,492 | - | (254,569) | 200,093 | 174,016 |
| | <u>12,313,966</u> | <u>2,349,394</u> | <u>(2,237,421)</u> | <u>11,111</u> | <u>12,437,050</u> |
| Total restricted funds | <u>3,101,803</u> | <u>31,595,303</u> | <u>(34,478,036)</u> | <u>(3,388,163)</u> | <u>(3,169,093)</u> |
| Unrestricted funds | | | | | |
| Unrestricted funds | 1,742,503 | 2,913,532 | (1,497,145) | (418,837) | 2,740,053 |
| Total unrestricted funds | <u>1,742,503</u> | <u>2,913,532</u> | <u>(1,497,145)</u> | <u>(418,837)</u> | <u>2,740,053</u> |
| Total funds | <u>4,844,306</u> | <u>34,508,835</u> | <u>(35,975,181)</u> | <u>(3,807,000)</u> | <u>(429,040)</u> |

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

General annual grant

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

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Other DfE/ESFA grants

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

Local Authority grants

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

Pension reserve

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

Fixed asset fund

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

Transfers between funds

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

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

16 Funds (continued)

| Comparative information in respect of the preceding period is as follows: | As restated Balance at 1 September 2017 £ | Income £ | Expenditure £ | Gains, Losses & Transfers £ | As restated Balance at 31 August 2018 £ |
|---------------------------------------------------------------------------|-------------------------------------------------------|-------------------|---------------------|--------------------------------------|-----------------------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 292,464 | 23,688,223 | (24,263,588) | 759,849 | 476,948 |
| Other DfE Group grants | 881,292 | 2,579,707 | (2,589,341) | - | 871,658 |
| Start Up Grant | 197,970 | 50,000 | (138,138) | (109,832) | - |
| School Improvement grant | 14,878 | - | (3,647) | - | 11,231 |
| Local Authority grants | - | 1,049,809 | (1,049,809) | - | - |
| Pension reserve | (10,587,000) | (1,514,000) | (1,711,000) | 3,240,000 | (10,572,000) |
| | <u>(9,200,396)</u> | <u>25,853,739</u> | <u>(29,755,523)</u> | <u>3,890,017</u> | <u>(9,212,163)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion and from existing trusts | 9,116,801 | 2,791,342 | (364,201) | - | 11,543,942 |
| DfE Group capital grants transferred on conversion | - | 44,499 | - | (44,499) | - |
| DfE Group capital grants | 62,186 | 1,411,140 | - | (931,794) | 541,532 |
| Other capital grants | 12,000 | - | - | (12,000) | - |
| Capital expenditure treated as grants to Site Trustees | - | - | (1,507,731) | 1,507,731 | - |
| Fixed assets purchased with capital grants | 357,449 | - | (267,044) | 138,087 | 228,492 |
| | <u>9,548,436</u> | <u>4,246,981</u> | <u>(2,138,976)</u> | <u>657,525</u> | <u>12,313,966</u> |
| Total restricted funds | <u>348,040</u> | <u>30,100,720</u> | <u>(31,894,499)</u> | <u>4,547,542</u> | <u>3,101,803</u> |
| Unrestricted funds | | | | | |
| Unrestricted funds | 1,663,522 | 2,948,337 | (1,561,814) | (1,307,542) | 1,742,503 |
| Total unrestricted funds | <u>1,663,522</u> | <u>2,948,337</u> | <u>(1,561,814)</u> | <u>(1,307,542)</u> | <u>1,742,503</u> |
| Total funds | <u>2,011,562</u> | <u>33,049,057</u> | <u>(33,456,313)</u> | <u>3,240,000</u> | <u>4,844,306</u> |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2019 were allocated as follows:

| | Total 2019 £ | Total 2018 £ |
|------------------------------------------------------|--------------------|--------------------|
| John Henry Newman CE England Academy, Littlemore | 252,023 | 164,817 |
| Grove CE Primary School | 32,964 | 15,850 |
| The Hendreds CE Primary School | 259,788 | 265,407 |
| St Christopher's C of E Primary School, Cowley | 352,798 | 302,428 |
| Wheatley C of E Primary School | 18,432 | 73,551 |
| St Peter's C of E Middle School, Old Windsor | (5,528) | (13,661) |
| Burchetts Green C of E Infants School | 95,658 | 121,656 |
| St Luke's C of E Primary School, Maidenhead | 135,738 | 139,147 |
| The Blake C of E Primary School, Witney | 76,241 | 22,058 |
| St Christopher's C of E Primary School, Langford | 86,299 | 121,522 |
| St Peter's C of E Primary School, Alvescot | 20,426 | 45,290 |
| North Leigh C of E Primary School | 127,615 | 129,064 |
| Bampton C of E Primary School | 67,061 | 55,070 |
| The Batt C of E Primary School, Witney | 110,668 | 110,555 |
| Burford Primary School | 70,746 | 83,571 |
| Brize Norton Primary School | 23,413 | 42,453 |
| Holyport C of E Primary School | 270,048 | 122,098 |
| St Mary's C of E Infants School, Witney | 63,608 | 57,934 |
| Deddington C of E Primary School | 50,800 | 49,253 |
| Dr South's C of E Primary School, Islip | 40,254 | 41,140 |
| Datchet St Mary's C of E Primary Academy | 114,261 | 110,157 |
| Kidmore End C of E Primary School | 69,578 | 61,347 |
| Leafield C of E Primary School | 130,750 | 108,819 |
| South Moreton Primary School | 131,209 | 83,675 |
| Dr Radcliffe's C of E Primary School, Steeple Aston | 79,963 | 62,313 |
| Tackley C of E Primary School | 91,204 | 95,640 |
| Wroxton C of E Primary School | 43,693 | 22,651 |
| North Hinksey C of E Primary School | 69,579 | 31,137 |
| St Marys C of E Primary School, Banbury | 134,555 | 90,354 |
| Northbourne C of E Primary School | 86,286 | 78,593 |
| St Nicholas C of E Primary School, Wallingford | 79,488 | 55,206 |
| Fir Tree Junior School, Wallingford | 65,607 | 79,112 |
| Wootton-by-Woodstock C of E Primary School | 18,436 | - |
| Central services | 418,249 | 274,134 |
| Total before fixed assets and pension reserve | 3,681,910 | 3,102,340 |
| Restricted fixed asset fund | 12,437,050 | 12,313,966 |
| Pension reserve | (16,548,000) | (10,572,000) |
| Total | (429,040) | 4,844,306 |

St Peter's C of E Middle School, Old Windsor is carrying a historical deficit of £5,528 due to additional expenditure on school improvement in the first 3 years to help the school out of special measures which was achieved in September 2017, when the school was rated Good in all areas.

The academy trust's school improvement and central finance teams are working closely with the school's leadership team, to ensure all measures are being taken to maintain the improved standards whilst working towards a balanced school budget. The school is to receive additional funding in 2019/20 to be allocated against expansion plans.

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

16 Funds (continued)

Analysis of academies by cost

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

| | Teaching and Educational Support Staff Costs | Other Support Staff Costs | Educational Supplies | Other Costs (excluding depreciation) | Total 2019 | Total 2018 |
|--------------------------------------------------|----------------------------------------------------------|---------------------------------|-------------------------|--------------------------------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ | £ |
| John Henry Newman CE England Academy | 1,141,916 | 146,782 | 32,583 | 252,851 | 1,574,132 | 1,740,545 |
| Grove CE Primary School | 488,017 | 79,809 | 17,840 | 122,153 | 707,819 | 771,750 |
| The Hendreds CE Primary School | 393,814 | 38,176 | 10,885 | 228,031 | 670,906 | 632,432 |
| St Christopher's C of E Primary School, Cowley | 1,404,479 | 187,160 | 28,565 | 305,337 | 1,925,541 | 1,833,175 |
| Wheatley C of E Primary School | 988,562 | 191,199 | 19,387 | 261,787 | 1,460,935 | 1,512,962 |
| St Peter's C of E Middle School, Old Windsor | 636,762 | 179,529 | 9,561 | 198,016 | 1,023,868 | 1,078,240 |
| Burchetts Green C of E Infants School | 272,810 | 52,089 | 11,992 | 135,551 | 472,442 | 420,554 |
| St Luke's C of E Primary School, Maidenhead | 969,762 | 149,420 | 32,412 | 339,572 | 1,491,166 | 1,434,646 |
| The Blake C of E Primary School, Witney | 1,200,317 | 193,430 | 24,237 | 274,172 | 1,692,156 | 1,717,180 |
| St Christopher's C of E Primary School, Langford | 507,897 | 80,346 | 12,857 | 161,888 | 762,988 | 688,057 |
| St Peter's C of E Primary School, Alvescot | 258,665 | 27,947 | 6,026 | 94,195 | 386,833 | 368,060 |
| North Leigh C of E Primary School | 559,456 | 89,521 | 6,753 | 163,292 | 819,022 | 828,463 |
| Bampton C of E Primary School | 549,418 | 105,967 | 11,244 | 122,768 | 789,397 | 780,714 |
| The Batt C of E Primary School, Witney | 974,282 | 114,143 | 28,138 | 270,750 | 1,387,313 | 1,370,666 |
| Burford Primary School | 384,362 | 120,803 | 32,317 | 104,418 | 641,900 | 601,963 |
| Brize Norton Primary School | 414,395 | 55,745 | 14,913 | 131,177 | 616,230 | 602,401 |
| Holyport C of E Primary School | 831,116 | 204,375 | 24,760 | 235,120 | 1,295,371 | 1,507,165 |
| St Mary's C of E Infants School, Witney | 291,800 | 53,787 | 3,777 | 128,391 | 477,755 | 462,581 |
| Deddington C of E Primary School | 577,837 | 57,023 | 18,240 | 200,078 | 853,178 | 525,218 |
| Dr South's C of E Primary School, Islip | 447,305 | 74,263 | 9,482 | 108,715 | 639,765 | 615,022 |
| Datchet St Mary's C of E Primary Academy | 763,219 | 160,367 | 14,400 | 204,571 | 1,142,557 | 1,209,832 |
| Kidmore End C of E Primary School | 556,715 | 110,165 | 18,440 | 184,362 | 869,682 | 496,631 |
| Leafield C of E Primary School | 311,720 | 52,906 | 27,335 | 134,790 | 526,751 | 527,515 |
| South Moreton Primary School | 433,819 | 72,707 | 17,453 | 179,820 | 703,799 | 995,960 |
| Dr Radcliffe's C of E Primary School | 669,291 | 119,555 | 27,680 | 186,158 | 1,002,684 | 709,709 |
| Tackley C of E Primary School | 315,879 | 36,519 | 14,260 | 142,629 | 509,287 | 827,238 |
| Wroxton C of E Primary School | 328,049 | 64,386 | 10,895 | 126,576 | 529,906 | 864,932 |
| North Hinksey C of E Primary School | 593,386 | 87,306 | 8,972 | 177,388 | 867,052 | 826,851 |
| St Marys C of E Primary School, Banbury | 586,707 | 83,889 | 10,801 | 160,732 | 842,129 | 758,413 |
| Northbourne C of E Primary School | 1,032,317 | 141,681 | 28,185 | 252,628 | 1,454,811 | 950,803 |
| St Nicholas C of E Primary School, Wallingford | 508,397 | 135,137 | 9,100 | 168,960 | 821,594 | 331,834 |
| Fir Tree Junior School, Wallingford | 658,314 | 196,860 | 11,703 | 156,621 | 1,023,498 | 418,260 |
| Woolton-by-Woodstock C of E Primary School | 246,278 | 32,585 | 3,540 | 67,012 | 349,415 | - |
| Central services | 2,924 | 2,669,486 | - | 733,468 | 3,405,878 | 2,907,565 |
| Academy Trust | 20,299,987 | 6,165,063 | 558,733 | 6,713,977 | 33,737,760 | 31,317,337 |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

17 Analysis of Net Assets between Funds

Fund balances at 31 August 2019 are represented by:

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total Funds £ |
|--------------------------|----------------------------|-------------------------------------|--------------------------------------------|---------------------|
| Tangible fixed assets | - | - | 11,724,819 | 11,724,819 |
| Current assets | 2,740,053 | 3,574,071 | 712,231 | 7,026,355 |
| Current liabilities | - | (2,632,214) | - | (2,632,214) |
| Pension scheme liability | - | (16,548,000) | - | (16,548,000) |
| Total net assets | 2,740,053 | (15,606,143) | 12,437,050 | (429,040) |

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

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total Funds £ |
|--------------------------|----------------------------|-------------------------------------|--------------------------------------------|---------------------|
| Tangible fixed assets | - | - | 11,772,434 | 11,772,434 |
| Current assets | 1,742,503 | 4,130,906 | 541,532 | 6,414,941 |
| Current liabilities | - | (2,771,069) | - | (2,771,069) |
| Pension scheme liability | - | (10,572,000) | - | (10,572,000) |
| Total net assets | 1,742,503 | (9,212,163) | 12,313,966 | 4,844,306 |

18 Financial instruments

| | 2019 £ | 2018 £ |
|---------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Financial assets that are debt instruments measured at amortised cost | <u>318,861</u> | <u>110,488</u> |
| Financial liabilities measured at amortised cost | <u>1,038,074</u> | <u>1,434,362</u> |
| Cash and cash equivalents | <u>5,383,422</u> | <u>4,882,028</u> |
| Financial assets include trade debtors and other debtors. Financial liabilities include trade creditors and other creditors. | | |

19 Capital Commitments

| | 2019 £ | 2018 £ |
|--------------------------------------------------------------|-----------|-----------|
| Contracted for, but not provided in the financial statements | <u>-</u> | <u>-</u> |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

| | | | |
|-----------|------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|
| 20 | Commitments under operating leases | | |
| | Operating Leases | | |
| | At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was: | | |
| | | 2019 | 2018 |
| | | £ | £ |
| | Amounts due within one year | 14,751 | 3,457 |
| | Amounts due between one and five years | 12,134 | 15,884 |
| | | <u>26,885</u> | <u>19,341</u> |
| 21 | Reconciliation of Net Expenditure to Net Cash Flow from Operating Activities | | |
| | | 2019 | 2018 |
| | | £ | £ |
| | Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities) | (1,466,346) | 3,345,210 |
| | Adjusted for: | | |
| | Depreciation charges (note 13) | 250,908 | 747,169 |
| | Transfer of fixed assets to expenditure | - | 14,325 |
| | Capital grants from DfE and other capital income | (2,333,665) | (1,411,140) |
| | Interest receivable (note 4) | (3,404) | (2,760) |
| | Fixed assets transferred from Local Authority on conversion | (3,200) | (6,659,732) |
| | Fixed assets transferred from existing academy trust | - | - |
| | Defined benefit pension scheme cost less contributions paid (see note 25) | 1,823,000 | 1,401,000 |
| | Defined benefit pension scheme finance costs (see note 25) | 304,000 | 310,000 |
| | LGPS deficit transferred on conversions and from existing academy trusts | 42,000 | 1,514,000 |
| | (Increase)/decrease in debtors | (110,020) | 86,124 |
| | (Decrease)/increase in creditors | (138,855) | 841,005 |
| | Net Cash (used in)/ provided by Operating Activities | <u>(1,635,582)</u> | <u>185,201</u> |
| 22 | Cash flow from Investing Activities | | |
| | | 2019 | 2018 |
| | | £ | £ |
| | Dividends, interest and rents from investments | 3,404 | 2,760 |
| | Purchase of tangible fixed assets | (200,093) | (152,412) |
| | Capital grants from DfE/ESFA | 2,333,665 | 1,411,140 |
| | Net cash provided by Investing Activities | <u>2,136,976</u> | <u>1,261,488</u> |
| 23 | Analysis of cash and cash equivalents | | |
| | | At 31 August | At 31 August |
| | | 2019 | 2018 |
| | | £ | £ |
| | Cash in hand and at bank | 5,383,422 | 4,882,028 |
| | | <u>5,383,422</u> | <u>4,882,028</u> |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

24 Members' Liability

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

25 Pension and Similar Obligations

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

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

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

Contributions amounting to £399,744 (2018: £363,600) were payable to the schemes at 31 August 2019 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
- The assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

25 Pension and Similar Obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £2,931,520 (2018: £1,706,573).

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

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

Local Government Pension Schemes

The LGPS' are funded defined benefit pension schemes, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £1,856,000 (2018: £1,502,000), of which employer's contributions totalled £1,422,000 (2018: £1,152,000) and employees' contributions totalled £434,000 (2018: £350,000). The agreed minimum employer contribution rate in respect of the Oxfordshire County Council Pension Fund is 19.3% and in respect of the Royal County of Berkshire Pension fund is 17.6%.

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

| Principal Actuarial Assumptions | Oxfordshire County Council | | Royal County of Berkshire | |
|----------------------------------------------------|----------------------------|-------------------|---------------------------|-------------------|
| | At 31 August 2019 | At 31 August 2018 | At 31 August 2019 | At 31 August 2018 |
| Rate of increase in salaries | 3.80% | 3.60% | 3.70% | 3.80% |
| Rate of increase for pensions in payment/inflation | 2.30% | 2.40% | 2.90% | 2.30% |
| Discount rate for scheme liabilities | 1.80% | 2.80% | 1.85% | 2.65% |
| Inflation assumption (CPI) | 1.50% | 2.30% | 2.20% | 2.30% |
| Commutation of pensions to lump sums | 50.00% | 50.00% | 50.00% | 50.00% |

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

| | At 31 August 2019 | At 31 August 2018 | At 31 August 2019 | At 31 August 2018 |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| <i>Retiring today</i> | | | | |
| Males | 22.7 | 23.4 | 22.1 | 23.1 |
| Females | 24.3 | 25.5 | 24.0 | 25.2 |
| <i>Retiring in 20 years</i> | | | | |
| Males | 24.0 | 25.7 | 23.7 | 25.3 |
| Females | 25.7 | 27.9 | 25.8 | 27.5 |

| Sensitivity analysis | Impact on present value of pension liabilities | | Impact on present value of pension liabilities | |
|----------------------------------------------------------------|------------------------------------------------|-------------------|------------------------------------------------|-------------------|
| | At 31 August 2019 | At 31 August 2018 | At 31 August 2019 | At 31 August 2018 |
| | £'000's | £'000's | £'000's | £'000's |
| Discount rate +0.1% | (651) | (458) | (5,460) | (101) |
| Discount rate -0.1% | 651 | 458 | 5,723 | 104 |
| Mortality assumption: 1 year increase | 560 | 560 | 5,789 | 146 |
| Mortality assumption: 1 year decrease | (560) | (560) | (5,398) | (141) |
| Adjustment to long term salary increases +0.1% | 106 | 87 | 5,605 | 12 |
| Adjustment to long term salary increases -0.1% | (106) | (87) | (5,575) | (12) |
| Adjustment to pension increases and deferred revaluation +0.1% | 530 | 363 | 5,475 | 92 |
| Adjustment to pension increases and deferred revaluation -0.1% | (530) | (363) | (90) | (90) |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

25 Pension and Similar Obligations (continued)

| | Oxfordshire County Council | | Royal County of Berkshire | |
|-------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| | Fair value at 31 August 2019 £ | Fair value at 31 August 2018 £ | Fair value at 31 August 2019 £ | Fair value at 31 August 2018 £ |
| The academy's share of the assets in the scheme were: | | | | |
| Equities | 8,769,900 | 7,355,000 | 1,326,000 | 934,000 |
| Other bonds | 2,669,100 | 1,786,000 | 346,000 | 298,000 |
| Property | 762,600 | 841,000 | 301,000 | 272,000 |
| Cash | 508,400 | 525,000 | 187,000 | 294,000 |
| Target Return Portfolio | - | - | 114,000 | 81,000 |
| Commodities | - | - | 15,000 | 37,000 |
| Infrastructure | - | - | 233,000 | 133,000 |
| Longevity insurance | - | - | (138,000) | (60,000) |
| Total market value of assets | 12,710,000 | 10,507,000 | 2,384,000 | 1,989,000 |
| Amounts recognised in the statement of financial activities | | | 2019 | 2018 |
| | | | £ | £ |
| Current service cost | | | 2,633,000 | 2,551,000 |
| Past service costs | | | 610,000 | - |
| Net interest cost | | | 304,000 | 310,000 |
| Admin expenses | | | 2,000 | 2,000 |
| Loss on assumption of net liabilities on settlements | | | 42,000 | 1,514,000 |
| Total operating charge | | | 3,591,000 | 4,377,000 |
| Remeasurement of net defined benefit obligation | | | 2019 | 2018 |
| | | | £ | £ |
| Return on fund assets in excess of interest | | | 417,000 | 459,000 |
| Other actuarial gains/(losses) on assets | | | - | - |
| Change in financial assumptions | | | (6,289,000) | 2,781,000 |
| Change in demographic assumptions | | | 2,065,000 | - |
| Experience gain/(loss) on defined benefit obligation | | | - | - |
| Actuarial gain/(loss) on defined benefit pension schemes | | | (3,807,000) | 3,240,000 |
| Changes in the present value of defined benefit obligations were as follows: | | | 2019 | 2018 |
| | | | £ | £ |
| At 1 September | | | 23,068,000 | 19,448,000 |
| Current service cost | | | 2,633,000 | 2,551,000 |
| Interest cost | | | 676,000 | 582,000 |
| Change in financial assumptions | | | 6,289,000 | (2,781,000) |
| Change in demographic assumptions | | | (2,065,000) | - |
| Experience gain on defined benefit obligation | | | - | - |
| Employee contributions | | | 434,000 | 350,000 |
| Estimated benefits paid net of transfers in | | | (96,000) | (100,000) |
| Liabilities assumed on settlements | | | 93,000 | 3,018,000 |
| Past service costs | | | 610,000 | - |
| At 31 August | | | 31,642,000 | 23,068,000 |
| Changes in the fair value of academy's share of scheme assets: | | | 2019 | 2018 |
| | | | £ | £ |
| At 1 September | | | 12,496,000 | 8,861,000 |
| Interest on assets | | | 372,000 | 272,000 |
| Return on assets less interest | | | 417,000 | 459,000 |
| Other actuarial gains/(losses) | | | - | - |
| Administration expenses | | | (2,000) | (2,000) |
| Contributions by employer including unfunded | | | 1,422,000 | 1,152,000 |
| Contributions by scheme participants and other employers | | | 434,000 | 350,000 |
| Estimated benefits paid plus unfunded net of transfers in | | | (96,000) | (100,000) |
| Settlement prices received | | | 51,000 | 1,504,000 |
| At 31 August | | | 15,094,000 | 12,496,000 |
| | | | 2019 | 2018 |
| | | | £ | £ |
| Present value of defined benefit obligations | | | (31,642,000) | (23,068,000) |
| Fair value of share of scheme assets | | | 15,094,000 | 12,496,000 |
| Deficit in the schemes | | | (16,548,000) | (10,572,000) |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

26 Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtain their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

The Oxford Diocesan Board of Education ("ODBE") is a corporate member of the academy trust. Mrs K M Winrow is an unpaid director of the academy trust and also an unpaid director of the ODBE. During the year ended 31 August 2019, the academy trust paid £211,857 (2018: £346,702) to the ODBE for various support services, including training and SLA for Church Schools. In the previous year these charges also included the services of the CEO. At the year end the academy trust owed the ODBE £192 (2018: £73,383). The services have been provided at no more than cost and the ODBE has provided a statement of assurance confirming this.

Mrs J A Dellar is the CEO and a director of the academy trust. Lee Bolton Monier Williams ("LBMW"), the firm acting as the academy trust's solicitors is considered to be a related party as Mr H Dellar, an equity partner of LBMW is her spouse. During the year LBMW invoiced fees for academy conversions, HR and related advice totalling £24,207 (2018: £31,052). No decisions relating to the provision of legal services are made by the CEO, and the services are provided at direct cost.

The Oxford Academy is a single academy trust of which the ODBE is a corporate member. During the year, The Oxford Academy charged the trust £14,732 (2018: £141,505) for providing staffing services and premises support.

Mr D Cousins, a member of the senior leadership team of the academy trust, is also Director and CEO of the Oxford Diocesan Bucks Schools Trust ("ODBST"). The total amounts invoiced to the academy trust in the year were £4,900 (2018: £6,825) for school improvement advisory services for North Oxfordshire schools. The services have been provided at no more than cost and ODBST has provided a statement of assurance confirming this.

River Learning Trust ("RLT") is a multi-academy trust of which the ODBE is a corporate member. Ms S Appleby a non-trustee member of the audit committee, is the Finance Director of RLT. During the year RLT charged the trust £955 in respect of teaching training services under the Oxfordshire Schools Teaching Alliance. The services have been provided at no more than cost and RLT has provided a statement of assurance confirming this.

The Vale Academy Trust ("VAT") an academy trust of which the ODBE is a corporate member. During the year VAT charged the trust £9,695 (2018: £13,706) in respect of teaching training services under the Oxfordshire Schools Teaching Alliance.

27 Conversion to an academy trust

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

| School name | Date of conversion | Local authority |
|--------------------------------------------|--------------------|----------------------------|
| Wootton by Woodstock C of E Primary School | 01 October 2018 | Oxfordshire County Council |

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

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

| | Unrestricted Funds £ | Restricted General Fund £ | Restricted Fixed Asset Funds £ | Total £ |
|--------------------------------------------------|----------------------------|------------------------------------|-----------------------------------------|---------------|
| Tangible fixed assets | | | | |
| Other tangible fixed assets | - | - | 3,200 | 3,200 |
| Budget surplus / (deficit) on LA funds | 62,613 | - | 12,529 | 75,142 |
| Budget surplus / (deficit) on other school funds | - | - | - | - |
| LGPS pension deficit | - | (42,000) | - | (42,000) |
| Other identified assets and liabilities | - | - | - | - |
| Net assets/(liabilities) | 62,613 | (42,000) | 15,729 | 36,342 |

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

27 Conversion to an academy trust (continued)

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

| | Unrestricted Funds £ | Restricted General Fund £ | Restricted Fixed Asset Funds £ | Total £ |
|-----------------------------------------------|----------------------------|------------------------------------|-----------------------------------------|---------------|
| Wootton by Woodstock CE Primary School | | | | |
| Tangible fixed assets | | | | |
| Other tangible fixed assets | - | - | 3,200 | 3,200 |
| Budget surplus / (deficit) on LA funds | 59,010 | - | 12,529 | 71,539 |
| LGPS pension deficit | - | (42,000) | - | (42,000) |
| Net assets/(liabilities) | <u>59,010</u> | <u>(42,000)</u> | <u>15,729</u> | <u>32,739</u> |

Included in "transfer from local authority on conversion" are amounts relating to previous years, where estimated figures have been updated and further information has been made available, in respect of Northbourne C of E Primary School. The impact in the Statement of Financial Activities is as follows:

| | Unrestricted Funds £ | Restricted General Fund £ | Restricted Fixed Asset Funds £ | Total £ |
|----------------------------------------|----------------------------|------------------------------------|-----------------------------------------|--------------|
| Budget surplus / (deficit) on LA funds | 3,603 | - | - | 3,603 |
| Net assets | <u>3,603</u> | <u>-</u> | <u>-</u> | <u>3,603</u> |

28 Post balance sheet events

In October 2019, Benson C of E Primary School joined the academy trust.

Oxford Diocesan Schools Trust

Notes to the Financial Statements (continued)
For the year ended 31 August 2019

29 Prior year comparative Statement of Financial Activities - as restated

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total 2018 £ |
|--------------------------------------------------------|----------------------------|-------------------------------------|-----------------------------------------|--------------------|
| Income and endowments from: | | | | |
| Donations and capital grants | 547,213 | - | 1,411,140 | 1,958,353 |
| Transfer from local authority on conversion | 469,095 | (1,514,000) | 2,835,841 | 1,790,936 |
| Transfer from existing academy trust | - | - | - | - |
| Charitable activities: | | | | |
| Funding for the academy trust's educational operations | 961,128 | 27,367,739 | - | 28,328,867 |
| Other trading activities | 968,141 | - | - | 968,141 |
| Investments | 2,760 | - | - | 2,760 |
| Total | <u>2,948,337</u> | <u>25,853,739</u> | <u>4,246,981</u> | <u>33,049,057</u> |
| Expenditure on: | | | | |
| Raising Funds | 381,855 | - | - | 381,855 |
| Charitable activities: | | | | |
| Grants | - | - | 1,507,731 | 1,507,731 |
| Academy trust educational operations | 1,179,959 | 29,755,523 | 631,245 | 31,566,727 |
| Total | <u>1,561,814</u> | <u>29,755,523</u> | <u>2,138,976</u> | <u>33,456,313</u> |
| Net income / (expenditure) | 1,386,523 | (3,901,784) | 2,108,005 | (407,256) |
| Transfers between funds | (1,307,542) | 650,017 | 657,525 | - |
| Other recognised gains / (losses) | | | | |
| Actuarial losses on defined benefit pension schemes | - | 3,240,000 | - | 3,240,000 |
| Net movement in funds | <u>78,981</u> | <u>(11,767)</u> | <u>2,765,530</u> | <u>2,832,744</u> |

