

**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Mr M E Allbrook Mr M R Butler Mr W J J Crawshay Diocese of Norwich Education Umbrella Trust
<b>Trustees</b>	Mr M E Allbrook Mr C Hedges Ms D M King (resigned 17 September 2019) Mr W J J Crawshay, Chair Mr P Dunning Mr N P Loveday Mr S Cox Ms P E Wells (resigned 19 July 2019) Mr D Wright Ms L Parker Ms J Bourne Miss S Bunting (appointed 1 February 2019) Mr P Mason (appointed 1 September 2019) Ms J Mitchell (appointed 4 July 2019)
<b>Company registered number</b>	08737435
<b>Company name</b>	The Diocese of Norwich Education and Academies Trust
<b>Principal and registered office</b>	Diocesan House 109 Dereham Road Easton Norwich Norfolk NR9 5ES
<b>Senior management team</b>	Mr W J J Crawshay, Chairman Mr O Burwood, Chief Executive and Accounting Officer Mr H Nelson, Chief Operating Officer
<b>Independent auditors</b>	Larking Gowen LLP Chartered Accountants Statutory Auditors King Street House 15 Upper King Street Norwich NR3 1RB

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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<b>Bankers</b>	Barclays plc 3 St James Court Whitefriars Norwich NR3 1RJ
<b>Solicitors</b>	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors report of The Diocese of Norwich Education and Academies Trust (the Trust) for the year ended 31st August 2019. The Trustees confirm that the Annual report and financial statements of the Diocese of Norwich Education & Academies Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Charities SORP (FRS 102). The annual report serves the purposes of both a trustees' report and a directors' report under company law.

During the year the Trust grew to thirty-two Academies from within the area of the Diocese of Norwich.

**Structure, governance and management**

**a. Constitution**

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association, as revised and approved August 2016, are the primary governing documents of the Trust.

The Trustees of The Diocese of Norwich Education and Academies Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is also known as DNEAT.

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

**b. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

**c. Method of recruitment and appointment or election of Trustees**

The Trustees have been elected and co-opted on the basis of their skills and experience. The management of the Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**d. Policies adopted for the induction and training of Trustees**

The Trust ensures all new Trustees receive an induction from the Chair of the Board and/or the Chief Executive Officer. An annual self-assessment takes place in July and includes an element of training. Individual Trustees have attended training events across the region including events provided by the Trust, the Regional Schools Commissioner and with the Church of England Education Office. The Trust Clerk regularly updates the online GovernorHub system with news and information to support Trustees in carrying out their duties. Link Trustees were again been designated for 2018-19 (e.g. safeguarding, health and safety, SEND) and they work closely with a member of the Senior Leadership Team.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Structure, governance and management (continued)**

**e. Organisational structure**

The Trustees are responsible for the management of the company, and operationally during the year has delegated powers to the Chairman and Accounting Officer (Chief Executive Officer) for day to day responsibility. As the Trust has grown additional officers have been employed during the year and they are responsible for day to day operations reporting to the Chief Executive Officer. The School Improvement capacity of the Trust has continued to effective through the employment of Academies Group Executive Principals with line management oversight of a group of academies in a geographic area of the Diocese. A Chief Operating Officer has strategic oversight of all financial and operational matters.

The Academies within the trust have powers delegated to them for operational and budgetary matters within the Academies through a Scheme of Delegation which is reviewed at least annually.

**f. Pay policy for key management personnel**

The arrangements for setting pay and remuneration are considered by the Personnel Committee on an annual basis. Remuneration of key management personnel is set at the point of recruitment in line with the Trust's pay policy and after a review of appropriate benchmarks. Key management personnel are then appointed at a pay point on the Trust's pay scales. Remuneration of key management personnel is then subject to review as part of the annual performance review cycle.

**g. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	-

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Structure, governance and management (continued)**

**h. Connected organisations, including related party relationships**

Norwich Diocesan Board of Finance, connected to DNEAT through its Trustees, provides accommodation and some services for the Trust on a cost recovery basis. The Trust is also connected with the Diocese of Norwich St Benet's Multi Academy Trust, to which DNEAT provided services in the year.

The Trust is under common control with The Diocese of Norwich Education Umbrella Trust.

**Objectives and activities**

**a. Objects and aims**

The Trust's object is to advance for the public benefit education in the united kingdom mainly but not exclusively by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum, and which shall include:

- Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education, and
- 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, and by
- providing childcare facilities and adult training to develop the capacity and skills of partens to-be and parents with children primarily but not exclusively under five in such a way that they are better able to identify and help meet the needs of children.

The Trust's further objects are:

- Promoting in the United Kingdom the physical, intellectual and social development of primarily but not exclusively children under five especially those who are socially and economically disadvantaged;
- Developing the capacity and skills of those inhabitants of the United Kingdom who are socially and economically disadvantaged in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;
- Relieving poverty among the inhabitants of the United Kingdom;
- Relieving unemployment in the United Kingdom for the benefit of the public in such ways as may be thought fit, including assistance to find employment;
- Advancing the health of the inhabitants of the United Kingdom;
- Providing recreational and leisure time facilities in the interests of social welfare for the inhabitants of the United Kingdom especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Objectives and activities (continued)**

**b. Objectives, strategies and activities**

Our objective is to establish an environment in which pupils / students, staff and all in the learning community can flourish and be successful. This is achieved by providing an education of the highest quality within the context of Christian belief and practice. Our approach is collaborative where all are valued and encouraged to achieve of their best. Whilst working closely as a family of academies we are also outward looking and work with other organisation to ensure new and innovative best practice is a feature of our ways of working.

Our 'Strategy for improving teaching, learning and leadership' sets high expectations and effective ways of working which ensure rapid school improvement. Consistent reporting and tracking of pupil progress are core elements of this approach as well as external scrutiny to ensure accuracy of our own judgements. A career entitlement for Joint Professional Development has been developed demonstrating the Trust's commitment to investing in staff.

**c. Activities for achieving objectives**

Significant achievements from the year have included:

- Significantly improved Ofsted outcomes following 24 inspections over the last two years. The percentage of academies judged good or better across the Trust has risen from 53% in 2017 to 81% in 2019.
- Raised standards at a faster pace than found nationally at Key Stage 2. Over the last three years to 2019, the DNEAT combined Reading, Writing and Math's at the expected standard and above improved by 14% compared to a national improvement of 12%. In reading standards in DNEAT academies improved by 11% over the same period compared to 7% nationally. In math's, DNEAT standards have risen by 18% which is double the national rate of improvement of 9%.
- Maintained last year's best performance at Key Stage 4 and improved progress 8 measures for the second year running. GCSE results were the highest grades in the Open Academies history.
- Built on the positive MAT review by Ofsted in the previous year
- Developed a strong reputation with our key partners at the DfE, Ofsted and the LA.
- Strengthened our school improvement, central finance and operational teams by making excellent appointments.
- Closed a small, non-viable school with no negative reaction.
- Continued to build a strong self-improving school system across the Trust by systematically investing in professional capital.

Local Governing Bodies are well supported through the work of the Governance Manager. Training, standard agendas and other supporting material are provided and GovernorHub is used enthusiastically as the online communication tool. The Governance Manager has introduced a Quality Assurance system to analyse the effectiveness of local governing bodies. The existence of guidance, training, documentation and support produced by the Governance Manager and Trust Clerk has contributed towards this; with assurance on compliance actively sought.

A number of recent Ofsted reports have commended Trust governance and one noted that "the trust board provides effective, well organised and structured governance. The board has a clear committee structure with a remit to scrutinise the work of the trust. It fulfils its core functions effectively to provide the school with clear strategic direction, holding leaders to account for pupils' performance and ensuring that money is well spent. The regional standards group, overseen by regional trustees, provides the school with the right balance of support and challenge. Minutes of meetings show that this work is rigorous and challenging".



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Objectives and activities (continued)**

**d. Public benefit**

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

Financial performance is monitored against budgets set and approved by the Trust Board. The main benchmarking criteria evaluated are income, staff costs as a percentage of GAG, total costs and operational surplus. Due to the number of small schools in the Trust this comparison has needed careful interpretation. The outcome for the KPIs for this year is shown below.

	<b>2019</b>	<b>2018</b>
Total Income	£33,235,645	£30,258,106
Staff costs as a percentage of GAG	104.1%	101.4%
Total costs as a percentage of GAG	137.9%	135.2%
Operational surplus	(£1,542,389)	(£1,089,286)

**b. Going concern**

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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 accounting policies.

**c. Review of activities**

During the year an additional three schools became Academies within the Trust and one small school was closed at the end of preceding year. As described above the Trust has taken great steps forward in identifying and securing further personnel and consultancy to deliver and manage this future growth and deliver on its aims and objectives.

All of the academies are measured for performance outcomes against Ofsted Inspection criteria on conversion and regularly during the year to monitor the improvement of those historically underperforming, to progress good schools to outstanding and to maintain those already outstanding. All Primary Academies use a common pupil attainment and monitoring system to provide central information as part of this monitoring.

A consistent theme through the latest Ofsted reports is that the quality of support provided by DNEAT was recognised by inspectors. There have also been positive comments reflected the high expectation and rigour of DNEAT in supporting and challenging academies to improve.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**d. Investment policy and performance**

The Trust's governance document allows Trustees to invest or deposit any funds not immediately required for the furtherance of its objects. Due to the start-up nature of the Trust and the growth, the Trustees have decided to keep all funds immediately available. The Trustees will review this on a regular basis.

**e. Factors relevant to achieve objectives**

Balancing growth whilst ensuring a clear focus on school improvement continues to be managed carefully.

**Financial review**

**a. Reserves policy**

The in-year surplus/(deficit) figure excluding pension and restricted fixed asset reserves for 2019 is (£489,028), bringing the total balance on those reserves to £1,840,951 (2018: £2,329,978).

At the end of the year, unrestricted reserves stood at £1,541,113 (2018: £1,621,057) and the General Annual Grant (GAG) reserves stood at £33,712 (2018: £479,032). The combined balance of these two funds at 31 August 2019 was £1,574,825 (2018: £2,100,089) which equates to approximately 0.5 months (2018: 0.8 months) of expenditure. The current policy is to maintain free reserves at this level.

The fixed asset fund stood at £33,032,648 (2018: £32,207,010).

The pension reserve stood at a deficit of £13.1 million (2018: deficit £6.2million), representing obligations to the Local Government Pension Scheme. The trust is making payments at the levels recommended by the scheme actuary.

Further restricted reserves stood at £266,126 (2018: £229,889). Total funds stood at £21,772,599 (2018: £28,316,988).

**b. Principal risks and uncertainties**

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trust has in place policies and plans for Financial and Risk Management. These detailed management of these is allocated to the appropriate Trust Committee and reviewed at each meeting. The full Board receives updates on Risk Management at each meeting.

The key risks identified relate to not achieving high standards for pupils in all academies, staff recruitment, financial pressures due to rising costs and the risk of growth being curtailed by the Regional Schools Commissioner thereby damaging financial plans. These are analysed and reviewed regularly, and suitable mitigation strategies are put in place.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Financial review (continued)**

**c. Financial risk management objectives and policies**

The Trust has in place policies and plans for Financial and Risk Management. In a period of growth and change these are being regularly reviewed and updated to reflect the changes in the organisation. Within the year the Trust met its objectives and aims as described above in supporting and providing Primary and Secondary education and Childcare and Family support. The Trust also expended grants to improve standards in the member academies within the Trust and to provide the structures for further support and growth. Effective financial management achieved a surplus to carry on the aims and support going forward.

**d. Principal funding**

The notes to the accounts provide a breakdown of income received. Our principal funding is from the Education Funding Agency in respect of grants for the operation of Academies.

**Fundraising**

The Trust does not use professional fundraisers. We have a number of "friends of schools" associations who are associated with our academies who raise funds to support the school. We do not work with any commercial or professional fundraisers. Any complaints about any aspect of fundraising are dealt with using the Trust complaints policy. As we do not use professional fundraisers there is no risk arising from the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

**Plans for future periods**

The Trust is committed to growing the number of Academies and the resources to support this so that the schools in the Diocese can join a Diocesan Multi Academy Trust committed to high educational outcomes for its pupils.

**Employee involvement and employment of the disabled**

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's equal opportunities policy, the Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

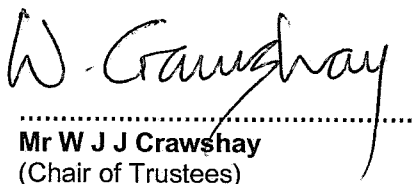
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**Disclosure of information to auditors**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 13 December 2019 and signed on its behalf by:

  
.....  
**Mr W J J Crawshay**  
(Chair of Trustees)

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that The Diocese of Norwich Education and Academies 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 Diocese of Norwich Education and Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 4 times during the year. The trust operates a number of subcommittees including finance, audit, personnel, standards and academy improvements reviews, and together these provide effective oversight of the trust's funds.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr M E Allbrook	4	4
Mr C Hedges	4	4
Ms D M King	2	4
Mr W J J Crawshay, Chair	4	4
Mr P Dunning	4	4
Mr N P Loveday	3	4
Mr S Cox	3	4
Ms P E Wells	2	4
Mr D Wright	4	4
Ms L Parker	4	4
Ms J Bourne	3	4
Miss S Bunting	2	2
Ms J Mitchell	1	1

The work of the Trustee Board has continued to evolve in line with the Trust risk register and the demands of the Education and Skills Funding Agency. A recent internal audit report confirmed that the DNEAT Governance Structure is in line with best practice expectations. The board has met regularly throughout the year. The board continues to review where it needs to update and strengthen its membership. An annual self-assessment took place in the year. Strengths identified included Governance Structures, Risk Management and Strategy and Vision.

The Standards and Strategic Development Committee is a sub-committee of the Board. It is responsible for overseeing and approving the development of an effective strategy for academy improvement that results in high standards and good or better inspection outcomes. Academic performance data is collected from Pupil Asset and SIMs and scrutinised at Academy Level and Trust level. Performance is compared against national and regional data sets and this gives Trustees a clear picture of performance against others. There are clear reports for the Board.

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

A Personnel Committee met three times in the year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr W J J Crawshay. Chair	2	3
Mr P Dunning	2	3
Mr D Wright	3	3

The Finance Audit and Resources Committee is a sub-committee of the Board of Trustees. Its purpose is to assist the decision making of the board of trustees by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring and probity.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr W J J Crawshay	4	4
Ms S Bunting	2	2
Mr S Cox	2	4
Mr N P Loveday	4	4
Mr D Wright	4	4

**Review of value for money**

As accounting officer, the Chief Executive Officer 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 appropriate. The accounting officer for the Trust has delivered improved value for money during the year by the following means.

**Approach to Value for Money**

The Trust applied the principles of best value when making decisions about:

- The allocation of resources to best promote the aims and values of the school
- The targeting of resources to best improve standards and the quality of provision
- The use of resources to best support the various educational needs of all pupils

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money (continued)**

**Improving Educational Results**

- More pupils achieved the expected standard in reading, writing and mathematics. In 2019, 55% of pupils reached the expected standard compared with 54% in 2018.
- To ensure that standards are continually raised the Trust has its own school improvement team (Academies Group Executive Principals) and this has been effective at supporting schools in improving teaching, learning and assessment through strong and effective support to our academies. It has been noted by Ofsted that role of the Academy Group Executive Principal has had a positive impact on pupil outcomes.
- The Trust has engaged with other educational providers and experts to share good practice and drive up standards for the least cost.

**Purchasing, the efficient and effective use of resources**

The Trust currently operates at over thirty-four sites and savings have been made by sharing administration and procurement costs across the Trust. The Trust has also run a number of forums to share best practice and ensure that the most effective and efficient processes are increasingly being used across the Trust.

A review of procurement across the Trust has been completed and procedures have been reviewed for assessing need, obtaining goods and services which provide 'best value' in terms of suitability, efficiency, time and cost. An active and vigorous plan has been implemented to achieve savings across the Trust. This has included the tendering of major services such as catering, the use of national frameworks to leverage improved value, as well as the use of competitive tenders for smaller items. The plan has been prioritised so that time and resource is not wasted on investigating minor areas where few improvements and savings can be achieved as this is not considered cost effective and can distract management from more valuable areas.

**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 Diocese of Norwich Education and Academies 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.

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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework**

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint RSM Risk Assurance Services LLP as internal auditor.

RSM Risk Assurance Services LLP was appointed by the Diocese of Norwich Education and Academies Trust to deliver a series of internal audit assignments in 2018/19, addressing areas where management and/or the audit committee required coverage or testing to inform their decisions and knowledge of the governance, risk and control environment.

During the year, the Trust's internal auditors carried out a wide range of reviews. 5 schools were also visited and received a reasonable assurance opinion.

On a quarterly basis, the internal auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

**Review of effectiveness**

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

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

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



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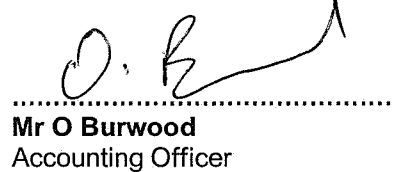
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**GOVERNANCE STATEMENT (CONTINUED)**

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Approved by order of the members of the board of Trustees on 13 December 2019 and signed on their behalf by:

  
.....  
**Mr W J J Crawshaw**  
Chair of Trustees

  
.....  
**Mr O Burwood**  
Accounting Officer

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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



**Mr O Burwood**  
Accounting Officer  
Date:

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

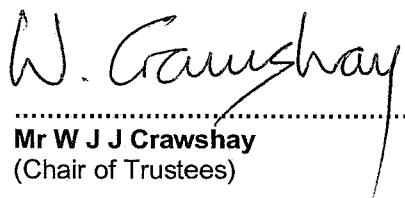
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 13 December 2019 and signed on its behalf by:

  
.....  
**Mr W J J Crawshay**  
(Chair of Trustees)

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**

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**Opinion**

We have audited the financial statements of The Diocese of Norwich Education and Academies Trust (the 'trust') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST (CONTINUED)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. 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 matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST (CONTINUED)**

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**Responsibilities of trustees**

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

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

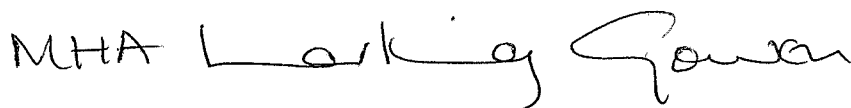
**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



**Julie Grimmer (Senior statutory auditor)**

for and on behalf of  
**Larking Gowen LLP**  
Chartered Accountants  
Statutory Auditors  
King Street House  
15 Upper King Street  
Norwich  
NR3 1RB

18 December 2019

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST AND THE EDUCATION & SKILLS  
FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 2 August 2018 and further to the requirements of the Education & 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 Diocese of Norwich Education and Academies Trust during the year 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 Diocese of Norwich Education and Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Diocese of Norwich Education and Academies 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 Diocese of Norwich Education and Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Diocese of Norwich Education and Academies Trust's  
accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Diocese of Norwich Education and Academies Trust's funding agreement with the Secretary of State for Education dated 1 November 2013 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 year 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.

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST AND THE EDUCATION & SKILLS  
FUNDING AGENCY (CONTINUED)**

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**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.

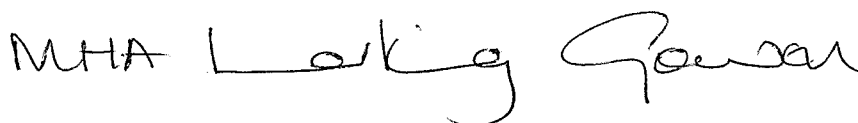
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Multi Academy Trust's Trustees;
- Inspection and review of the accounting records, meeting minutes, internal control procedures; management representations and declarations of interest;
- Review of governance;
- Review of internal audit reports; and
- Observation and re-performance of the financial controls.

**Conclusion**

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



**Reporting Accountant**

**Larking Gowen LLP**

Date: 18 December 2019



**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>						
Donations and capital grants:	3					
Transfer from local authority upon conversion		157,356	(442,000)	860,000	575,356	972,006
Other donations and capital grants		130,899	1,034,066	94,000	1,258,965	368,759
Charitable activities		914,511	28,891,666	887,480	30,693,657	28,216,696
Other trading activities		705,598	-	-	705,598	699,626
Investments	5	2,069	-	-	2,069	1,019
<b>Total income</b>		<b>1,910,433</b>	<b>29,483,732</b>	<b>1,841,480</b>	<b>33,235,645</b>	<b>30,258,106</b>
<b>Expenditure on:</b>						
Charitable activities		1,990,377	31,301,700	1,485,957	34,778,034	31,347,392
<b>Total expenditure</b>		<b>1,990,377</b>	<b>31,301,700</b>	<b>1,485,957</b>	<b>34,778,034</b>	<b>31,347,392</b>
<b>Net (expenditure)/income</b>		<b>(79,944)</b>	<b>(1,817,968)</b>	<b>355,523</b>	<b>(1,542,389)</b>	<b>(1,089,286)</b>
Transfers between funds	19	-	(470,115)	470,115	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(79,944)</b>	<b>(2,288,083)</b>	<b>825,638</b>	<b>(1,542,389)</b>	<b>(1,089,286)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	26	-	(5,002,000)	-	(5,002,000)	2,983,000
<b>Net movement in funds</b>		<b>(79,944)</b>	<b>(7,290,083)</b>	<b>825,638</b>	<b>(6,544,389)</b>	<b>1,893,714</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,621,057	(5,511,079)	32,207,010	28,316,988	26,423,274
Net movement in funds		(79,944)	(7,290,083)	825,638	(6,544,389)	1,893,714
<b>Total funds carried forward</b>		<b>1,541,113</b>	<b>(12,801,162)</b>	<b>33,032,648</b>	<b>21,772,599</b>	<b>28,316,988</b>

The Statement of financial activities includes all gains and losses recognised in the year.

**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 08737435**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	14	31,867,548	31,291,788
		<u>31,867,548</u>	<u>31,291,788</u>
<b>Current assets</b>			
Stocks	15	-	12,564
Debtors	16	1,221,267	1,441,519
Cash at bank and in hand		4,234,813	4,152,318
		<u>5,456,080</u>	<u>5,606,401</u>
Creditors: amounts falling due within one year	17	(2,369,583)	(2,261,475)
<b>Net current assets</b>		<u>3,086,497</u>	<u>3,344,926</u>
<b>Total assets less current liabilities</b>		<u>34,954,045</u>	<u>34,636,714</u>
Creditors: amounts falling due after more than one year	18	(80,446)	(99,726)
<b>Net assets excluding pension liability</b>		<u>34,873,599</u>	<u>34,536,988</u>
Defined benefit pension scheme liability	26	(13,101,000)	(6,220,000)
<b>Total net assets</b>		<u><u>21,772,599</u></u>	<u><u>28,316,988</u></u>

**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	33,032,648	32,207,010
Restricted income funds	19	299,838	708,921
Restricted funds excluding pension asset	19	33,332,486	32,915,931
Pension reserve	19	(13,101,000)	(6,220,000)
<b>Total restricted funds</b>	19	20,231,486	26,695,931
<b>Unrestricted income funds</b>	19	1,541,113	1,621,057
<b>Total funds</b>		21,772,599	28,316,988

The financial statements on pages 23 to 65 were approved by the Trustees, and authorised for issue on 13 December 2019 and are signed on their behalf, by:

**Mr W J J Crawshay**  
(Chair of Trustees)



The notes on pages 27 to 65 form part of these financial statements.

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	(371,567)	(711,885)
<b>Cash flows from investing activities</b>	23	472,020	417,090
<b>Cash flows from financing activities</b>	22	(17,958)	(20,333)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		82,495	(315,128)
Cash and cash equivalents at the beginning of the year		4,152,318	4,467,446
<b>Cash and cash equivalents at the end of the year</b>	24	<hr/> <b>4,234,813</b> <hr/>	<hr/> <b>4,152,318</b> <hr/>

The notes on pages 27 to 65 form part of these financial statements

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

The Diocese of Norwich Education and Academies Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.3 Income**

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

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted funds.

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

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year 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.

• **Transfer on conversion**

Where assets and liabilities 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 a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

**1.4 Expenditure**

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

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

All expenditure is inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets**

All assets costing more than £2,500 are capitalised.

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 incorporating income and expenditure account.

As described in note 15, the trust occupies school buildings under arrangements that are generally as follows: there are 2 year licence agreements with Norwich Diocesan Board of Finance, and playing fields occupied under 125 year leases with Norfolk and Suffolk County Councils.

The trustees have considered the licence agreements for the school buildings in the context of the accounting requirement set out in the Academies Direction and have determined that the conditions required to conclude that the trust has control over the properties are not met and consequently those buildings are not recognised in the financial statements. The licence arrangements allow the trust to occupy the buildings free of charge. No income or expenditure is recognised for the rent free occupation because the trustees do not consider that a reliable measure of the amount the trust would otherwise have to pay to secure the premises can be made. The costs of improvements to these properties is expensed.

Playing fields occupied under a lease for 125 years are capitalised within tangible fixed assets to reflect the academy trust's right to use these properties over the long term.

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**THE DIOCESE OF NORWICH EDUCATION AND ACADEMIES TRUST**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.5 Tangible fixed assets (continued)**

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

Long-term leasehold property	- 2% Straight Line
Furniture and equipment	- 25% Straight Line
Computer equipment	- 25% Straight Line
Assets under construction	- 10% Straight Line

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

**1.6 Interest receivable**

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

**1.7 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Trust. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities incorporating income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**1.8 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.10 Debtors**

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



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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. Accounting policies (continued)**

**1.11 Cash at bank and in hand**

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

**1.12 Liabilities and provisions**

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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specifically to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.13 Financial instruments**

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases 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 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

**1.14 Taxation**

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

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

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**1. Accounting policies (continued)**

**1.15 Pensions**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

**1.16 Conversion to an academy trust**

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

The assets and liabilities transferred on conversion from Brisley Church of England Voluntary Aided Primary School, Sandringham and West Newton Church of England Primary School, and Gayton Church of England Voluntary Controlled Primary School to the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 25.

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**1. Accounting policies (continued)**

**1.17 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

Critical areas of judgment:

As described in note 1.5, the trustees have determined that a reliable estimate of the amount the trust would otherwise have to pay to occupy its rent free premises can not be made.

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**3. Income from donations and capital grants**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
<b>Donations</b>				
Transfer from local authority upon conversion	157,356	(442,000)	860,000	575,356
	<u>157,356</u>	<u>(442,000)</u>	<u>860,000</u>	<u>575,356</u>
Donations	130,899	-	94,000	224,899
Capital Grants	-	1,034,066	-	1,034,066
	<u>130,899</u>	<u>1,034,066</u>	<u>94,000</u>	<u>1,258,965</u>
<b>Total 2019</b>	<u>288,255</u>	<u>592,066</u>	<u>954,000</u>	<u>1,834,321</u>

Included in donations is a pension deficit of £442,000 transferred on conversion.

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
<b>Donations</b>				
Transfer from local authority upon conversion	118,006	(411,000)	1,265,000	972,006
	<u>118,006</u>	<u>(411,000)</u>	<u>1,265,000</u>	<u>972,006</u>
Capital Grants	-	700,766	-	700,766
Donations	(332,007)	-	-	(332,007)
	<u>(332,007)</u>	<u>700,766</u>	<u>-</u>	<u>368,759</u>
<b>Total 2018</b>	<u>(214,001)</u>	<u>289,766</u>	<u>1,265,000</u>	<u>1,340,765</u>

Included in donations is a pension deficit of £411,000 transferred on conversion.

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Included within the negative donation in 2018 is the return of unused children centre development funds, totalling £457,438, to the local authority under the terms of the contract with the Trust for the delivery of children's centre services in King's Lynn and Belton.

**4. Income from other trading activities**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Income from other charitable activities	167,851	<b>167,851</b>	270,430
Income from ancilliary trading activities	426,338	<b>426,338</b>	324,881
Hire of Facilities	111,409	<b>111,409</b>	104,315
	<hr/> 705,598	<hr/> <b>705,598</b>	<hr/> 699,626
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**5. Investment income**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Investment income	2,069	<b>2,069</b>	1,019
	<hr/> 2,069	<hr/> <b>2,069</b>	<hr/> 1,019
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**6. Funding for the Academy's Educational Operations**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	25,218,212	<b>25,218,212</b>
Pupil Premium	-	2,089,209	<b>2,089,209</b>
Other DfE Group Grants	-	887,480	<b>887,480</b>
Start Up Grant	-	25,000	<b>25,000</b>
Rates Relief	-	157,659	<b>157,659</b>
	-	28,377,560	<b>28,377,560</b>
<b>Other government grants</b>			
Local Authority Grants	-	1,308,090	-
	-	1,308,090	-
<b>Other income from the academy trust's educational operations</b>			
Income from other institutions	-	93,496	<b>93,496</b>
Catering income	537,203	-	<b>537,203</b>
Educational Visits	263,749	-	<b>263,749</b>
Recharge of services to Diocese of Norwich St Benet's Multi Academy Trust	113,559	-	<b>113,559</b>
	914,511	93,496	<b>1,008,007</b>
<b>Total 2019</b>	<b>914,511</b>	<b>29,779,146</b>	<b>30,693,657</b>

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	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	23,177,607	23,177,607
Pupil Premium	-	1,980,937	1,980,937
Other DfE Group Grants	-	490,568	490,568
Pre 16 High Needs Grant	-	100,000	100,000
Rates Relief	-	151,938	151,938
Start Up Grant	-	170,000	170,000
	-	26,071,050	26,071,050
<b>Other government grants</b>			
Local Authority Grants	-	1,340,290	1,340,290
	-	1,340,290	1,340,290
<b>Other income from the academy trust's educational operations</b>			
Income from other institutions	-	13,423	13,423
Catering income	475,911	-	475,911
Educational Visits	205,801	-	205,801
Nursery Fees	110,221	-	110,221
	791,933	13,423	805,356
<b>Total 2018</b>	<b>791,933</b>	<b>27,424,763</b>	<b>28,216,696</b>

**7. Expenditure**

	<b>Staff Costs 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>
Educational Operations:			
Direct costs	21,734,208	2,605,155	24,339,363
Support costs	4,520,741	5,829,248	10,349,989
Governance costs	-	88,682	88,682
	26,254,949	8,523,085	34,778,034

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	<i>Staff Costs</i> 2018 £	<i>Premises</i> 2018 £	<i>Other</i> 2018 £	<i>Total</i> 2018 £
Educational Operations:				
Direct costs	19,591,403	-	2,404,407	21,995,810
Allocated support costs	3,920,680	1,228,947	4,142,825	9,292,452
Governance costs	-	-	59,130	59,130
	<u>19,591,403</u>	<u>1,228,947</u>	<u>4,142,825</u>	<u>21,995,810</u>

**8. Analysis of expenditure by activities**

	<b>Direct costs</b> 2019 £	<b>Support costs</b> 2019 £	<b>Total funds</b> 2019 £
Educational operations	24,339,363	10,349,989	<b>34,689,352</b>
Governance	-	88,682	<b>88,682</b>
	<u>24,339,363</u>	<u>10,438,671</u>	<u><b>34,778,034</b></u>

	<i>Direct costs</i> 2018 £	<i>Support costs</i> 2018 £	<i>Total funds</i> 2018 £
Educational operations	21,995,810	9,292,452	31,288,262
Governance	-	59,130	59,130
	<u>21,995,810</u>	<u>9,351,582</u>	<u>31,347,392</u>



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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Educational Operations 2019 £</b>	<b>Governance 2019 £</b>	<b>Total funds 2019 £</b>
Staff costs	4,520,741	-	<b>4,520,741</b>
Depreciation	848,355	-	<b>848,355</b>
Technology costs	313,807	-	<b>313,807</b>
Maintenance of premises and equipment	1,701,552	-	<b>1,701,552</b>
Other support costs	2,570,499	-	<b>2,570,499</b>
Improvements to diocesan premises occupied under licence	288,103	-	<b>288,103</b>
Legal and professional fees	106,932	88,682	<b>195,614</b>
	<b>10,349,989</b>	<b>88,682</b>	<b>10,438,671</b>
	<b>Educational Operations 2018 £</b>	<b>Governance 2018 £</b>	<b>Total funds 2018 £</b>
Staff costs	3,920,680	-	<b>3,920,680</b>
Depreciation	780,562	-	<b>780,562</b>
Technology costs	221,558	-	<b>221,558</b>
Maintenance of premises and equipment	1,228,947	-	<b>1,228,947</b>
Other support costs	2,326,719	-	<b>2,326,719</b>
Improvements to diocesan premises occupied under licence	776,591	-	<b>776,591</b>
Legal and professional fees	37,395	59,130	<b>96,525</b>
	<b>9,292,452</b>	<b>59,130</b>	<b>9,351,582</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Net (expenditure)/income**

Net (expenditure)/income for the year includes:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Operating lease rentals	<b>57,353</b>	<b>40,131</b>
Depreciation of tangible fixed assets	<b>873,355</b>	<b>780,562</b>
Fees paid to auditors for:		
- audit	<b>36,200</b>	<b>32,000</b>
- other services	<b>15,140</b>	<b>7,900</b>
	<b><u>          </u></b>	<b><u>          </u></b>

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**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	19,315,473	17,085,714
Social security costs	1,588,021	1,380,527
Pension costs	4,582,318	4,284,774
	<u>25,485,812</u>	<u>22,751,015</u>
Agency staff costs	686,027	658,680
Staff restructuring costs	83,110	102,388
	<u>26,254,949</u>	<u>23,512,083</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Contractual redundancy payments	83,110	102,388
	<u>83,110</u>	<u>102,388</u>

**b. Staff numbers**

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

	2019 No.	2018 No.
Teachers	258	289
Administration and support	680	609
Management	58	54
	<u>996</u>	<u>952</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Staff costs (continued)**

**c. Higher paid staff**

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

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>11</b>	<b>9</b>
In the band £70,001 - £80,000	<b>5</b>	<b>6</b>
In the band £80,001 - £90,000	<b>2</b>	<b>1</b>
In the band £90,001 - £100,000	<b>1</b>	<b>-</b>

The above employees participate in the Teachers' Pension Scheme.

**d. Key management personnel**

Key management personnel of the Trust comprise the trustees and senior management team. The total amount of employee benefits (including employer pension contributions) received by the key management personnel for their services to the trust was £428,975 (2018: £435,257)

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**11. Central services**

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

- School Improvement
- Finance Support
- Legal Support
- Governor Support/Clerking

The Trust charges for these services on the following basis:

Primary academies        - 5.5% (2018: 5.5%)  
The Open Academy        - 1% (2018: 1%)

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Moorlands C of E Primary Academy	59,882	59,923
Kingfisher Partnership	40,796	39,670
Flitcham C of E Primary Academy	18,758	19,260
Whitefriars C of E Primary Academy	96,006	95,220
Kessingland C of E Primary Academy	51,043	46,795
Open Academy	30,269	26,097
Thomas Bullock C of E Primary Academy	38,742	37,939
St Peter & St Paul C of E Primary Academy	29,010	32,147
Swaffham C of E Primary Academy	53,133	49,242
Middleton C of E Primary Academy	-	22,018
The Churchside Federation	52,504	54,855
St Michael's (King's Lynn) Primary Academy	54,140	53,548
Peterhouse C of E Primary Academy	96,238	88,905
Dereham C of E Primary Academy	89,063	91,335
Unity Federation	65,975	51,591
St Andrews C of E Primary Academy	-	16,416
Nar Valley Federation	61,530	61,701
Trinity Federation	72,218	72,094
Rudham & Weasenham Federation	36,377	33,021
The Bishop's C of E Primary Academy	97,559	96,278
Cawston C of E Primary Academy	35,705	35,832
Hopton C of E Primary Academy	-	3,250
Sandringham and West Newton CofE Primary Academy	20,605	-
<b>Total</b>	<b>1,099,553</b>	<b>1,087,137</b>

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**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits *(2018 - £NIL)*.

During the year, retirement benefits were accruing to no Trustees *(2018 - none)* in respect of defined contribution pension schemes.

During the year ended 31 August 2019, expenses totalling £1,407 were reimbursed or paid directly to 4 Trustees *(2018 - £657 to 5 Trustees)*.

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to quantify the Trustees' and Officers' indemnity element from the overall cost of the RPA scheme.

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**14. Tangible fixed assets**

	Long-term leasehold property £	Fixtures and fittings £	Property improvements £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2018	32,378,277	918,249	785,580	753,536	34,835,642
Additions	-	278,791	94,428	190,896	564,115
Assets transferred on conversion	860,000	-	-	-	860,000
At 31 August 2019	<u>33,238,277</u>	<u>1,197,040</u>	<u>880,008</u>	<u>944,432</u>	<u>36,259,757</u>
<b>Depreciation</b>					
At 1 September 2018	1,974,022	802,535	171,394	595,903	3,543,854
Charge for the year	493,506	117,957	78,558	158,334	848,355
At 31 August 2019	<u>2,467,528</u>	<u>920,492</u>	<u>249,952</u>	<u>754,237</u>	<u>4,392,209</u>
<b>Net book value</b>					
At 31 August 2019	<u>30,770,749</u>	<u>276,548</u>	<u>630,056</u>	<u>190,195</u>	<u>31,867,548</u>
At 31 August 2018	<u>30,404,255</u>	<u>115,714</u>	<u>614,186</u>	<u>157,633</u>	<u>31,291,788</u>

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**14. Tangible fixed assets (continued)**

**Terms of Occupation of Premises**

<b>Academy Name</b>	<b>Buildings:</b>	<b>Land:</b>
Moorlands CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Ditchingham CofE Primary Academy	Licence, 2 years notice from NDBF	Licence, 2 years notice from NDBF
Fritcham CofE Primary Academy	Licence, 2 years notice from Vicar & Churchwardens	125 year lease from NCC
Open Academy	125 year lease from NCC	125 year lease from NCC
Kessingland CofE Primary Academy	Licence, 2 years notice from Vicar & Churchwardens	125 year lease from SCC
Whitefriars CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC subject to tenancy on caretakers house
Thomas Bullock CofE Primary Academy	Licence, 2 years notice from Thomas Bullock Charity	125 year lease from NCC
Mundford CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
St Peter & St Paul CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Middleton CofE Primary Academy	Licence, 2 years notice from NDBF	Licence, 2 years notice from NDBF
Swaffham CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
St Michael's (Gillingham) CE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Gooderstone CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
St Michael's (King's Lynn) Primary Academy	Licence, 2 years notice from NDBF	None
Peterhouse CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Dereham CofE Primary Academy	Licence, 2 years notice from Vicar & Churchwardens	125 year lease from NCC
Colkirk CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Sculthorpe CofE Primary Academy	Licence, 2 years notice from NDBF	Licence, 2 years notice from NDBF
West Raynham CofE Primary Academy	25 year underlease from NDBF	25 year underlease from NDBF
St Andrew's CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Sporle CofE Primary Academy	Licence, 2 years notice from Vicar & Churchwardens	125 year lease from NCC
Narborough CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Castle Acre CofE Primary Academy	Licence, 2 years notice from Vicar & Churchwardens	125 year lease from NCC
Great Witchingham CofE Primary Academy	Licence, 2 years notice from	None



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**14. Tangible fixed assets (continued)**

Hockering CofE Primary Academy	NDBF Licence, 2 years notice from NDBF	125 year lease from NCC
St Peter's CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Rudham CofE Primary Academy	Licence, 2 years notice from Vicar & Churchwardens	125 year lease from NCC
Weasenham CofE Primary Academy	Licence, 2 years notice from Vicar & Churchwardens	Licence, 2 years notice from Vicar & Churchwardens
The Bishop's CofE Primary Academy	Licence, 2 years notice from NDBF	25 year lease from NCC
Cawston CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Hopton CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Little Snoring Community Primary Academy	125 year lease from NCC	125 year lease from NCC
Brisley CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Gayton CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC
Sandringham and West Newton CofE Primary Academy	Licence, 2 years notice from NDBF	125 year lease from NCC

**15. Stocks**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	-	12,564

**16. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Trade debtors	63,446	123,371
Other debtors	43,083	118,831
Prepayments and accrued income	976,512	699,800
VAT recoverable	138,226	499,517
	<b>1,221,267</b>	<b>1,441,519</b>

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**17. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	910,357	1,056,194
Other taxation and social security	384,128	352,417
Obligations under finance lease and hire purchase contracts	22,958	21,636
Other creditors	395,009	440,186
Accruals and deferred income	657,131	391,042
	<u>2,369,583</u>	<u>2,261,475</u>
	2019 £	2018 £
Deferred income at 1 September 2018	326,137	473,138
Resources deferred during the year	451,064	326,137
Amounts released from previous periods	(326,137)	(473,138)
	<u>451,064</u>	<u>326,137</u>

At the balance sheet date the academy trust was holding funds received in advance. Included within this is £312,289 for Universal Infant Free School Meals grants.

**18. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
Net obligations under finance lease and hire purchase contracts	<u>80,446</u>	<u>99,726</u>

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**19. Statement of funds**

	As restated balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	1,621,057	1,910,433	(1,990,377)	-	-	1,541,113
<b>Restricted general funds</b>						
General Annual Grant (GAG)	479,032	25,218,212	(25,193,417)	(470,115)	-	33,712
Pupil Premium	-	2,089,209	(2,089,209)	-	-	-
Open Academy - Sponsor Chaplain Fund	229,889	-	36,237	-	-	266,126
Other restricted funds	-	2,618,311	(2,618,311)	-	-	-
Pension reserve	(6,220,000)	(442,000)	(1,437,000)	-	(5,002,000)	(13,101,000)
	<u>(5,511,079)</u>	<u>29,483,732</u>	<u>(31,301,700)</u>	<u>(470,115)</u>	<u>(5,002,000)</u>	<u>(12,801,162)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Fund	31,291,788	954,000	(848,355)	470,115	-	31,867,548
DFC/SCA	915,222	887,480	(637,602)	-	-	1,165,100
	<u>32,207,010</u>	<u>1,841,480</u>	<u>(1,485,957)</u>	<u>470,115</u>	<u>-</u>	<u>33,032,648</u>
<b>Total Restricted funds</b>	<u>26,695,931</u>	<u>31,325,212</u>	<u>(32,787,657)</u>	<u>-</u>	<u>(5,002,000)</u>	<u>20,231,486</u>
<b>Total funds</b>	<u>28,316,988</u>	<u>33,235,645</u>	<u>(34,778,034)</u>	<u>-</u>	<u>(5,002,000)</u>	<u>21,772,599</u>

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

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

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**19. Statement of funds (continued)**

The pension reserve identifies the pension deficit on the local authority pension scheme.

Included within other restricted funds is the local authority grants fund which recognises the restricted grant funding received from the local authority to be used for the purpose of specific projects and assisting with the education of children who require special assistance when it comes to learning.

The restricted fixed assets fund recognises the tangible fixed assets gifted to the trust upon conversion by the local authority and also those purchased by the academy following conversion that have been funded from GAG and other funds (via fund transfers). Depreciation charged on those tangible assets is allocated to the fund.

The capital grants fund represents capital grants received.

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Moorlands Church of England Primary Academy	(115,416)	(85,883)
Kingfisher Partnership	209,816	230,131
Flitcham Church of England Primary Academy	105,120	41,614
Open Academy	149,202	529,722
Kessingland Church of England Primary Academy	(8,317)	(24,631)
Whitefriars Church of England Primary Academy	397,387	269,085
Thomas Bullock Church of England Primary Academy	69,775	54,130
St Peter & St Paul Church of England Primary Academy	147,729	234,726
Middleton Church of England Primary Academy	(119,614)	(79,937)
Swaffham Church of England Primary Academy	148,569	146,058
The Churchside Federation	200,687	149,188
St Michael's (King's Lynn) Church of England Primary Academy	(67,730)	(143,794)
Peterhouse Church of England Primary Academy	715,801	571,442
Dereham Church of England Junior Academy	136,269	190,241
Unity Federation	174,794	164,289
St Andrew's Church of England Primary Academy	(1,723)	(1,723)
Nar Valley Federation	143,038	163,785
Trinity Federation	58,606	81,681
Rudham and Weasenham Academies	15,907	(5,464)
The Bishop's Church of England Primary Academy	610,415	500,763
Cawston Church of England Primary Academy	20,243	38,027
Central Services	(102,542)	144,431
Hopton Church of England Primary Academy	95,510	77,319
Brisley	22,525	-

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**19. Statement of funds (continued)**

	2019 £	2018 £
DFC/SCA - included above	(1,165,100)	(915,222)
Total before fixed asset funds and pension reserve	1,840,951	2,329,978
Restricted fixed asset fund	33,032,648	32,207,010
Pension reserve	(13,101,000)	(6,220,000)
<b>Total</b>	<b>21,772,599</b>	<b>28,316,988</b>

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Moorlands Church of England Primary Academy	(115,416)
Kessingland Church of England Primary Academy	(8,317)
Middleton Church of England Primary Academy	(119,614)
St Michael's (King's Lynn) Church of England Primary Academy	(67,730)
St Andrew's Church of England Primary Academy	(1,723)

The Trust is taking the following action to return the academies to surplus:

Moorlands C of E Primary Academy: Investments have been made during the year to improve educational outcomes at the academy. Budgets have been set to remedy the deficit over a period of time.

Kessingland C of E Primary Academy: Investments have been made during the year to improve educational outcomes at the academy. Budgets have been set to remedy the deficit over a period of time.

St Michael's CofE Primary Academy King's Lynn: The deficit reflects the return of unused children centre development funds to the local authority and budgets have been set to remedy the deficit over a period of time.

Middleton CofE Primary Academy: The deficit occurred as a result of an academy improvement programme and will be eliminated by 2022.

St Andrew's C of E Primary Academy: This academy showed a small deficit following its closure. This will be written off to central funds.

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**19. Statement of funds (continued)**

**Total cost analysis by academy**

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 £
Moorlands Church of England Primary Academy	1,054,391	124,949	85,094	150,707	1,415,141
Kingfisher Partnership	623,700	83,168	48,438	142,178	897,484
Flitcham and Sandringham & West Newton Academies	597,978	67,105	57,440	127,401	849,924
Open Academy	2,743,808	578,467	384,430	659,177	4,365,882
Kessingland Church of England Primary Academy	883,655	101,617	80,049	169,187	1,234,508
Whitefriars Church of England Primary Academy	1,359,546	165,940	164,440	238,396	1,928,322
Thomas Bullock Church of England Primary Academy	603,370	80,274	54,624	91,264	829,532
St Peter & St Paul Church of England Primary Academy	560,155	72,960	72,308	125,861	831,284
Middleton and Gayton Academies	776,929	95,249	91,431	169,763	1,133,372
Swaffham Church of England Primary Academy	774,787	95,877	69,487	172,471	1,112,622
The Churchside Federation	719,556	90,876	91,363	154,315	1,056,110
St Michael's (King's Lynn) Church of England Primary Academy	978,235	142,844	107,475	226,641	1,455,195
Peterhouse Church of England Primary Academy	1,363,736	209,403	176,107	293,143	2,042,389
Dereham Church of England Junior Academy	1,316,131	132,555	297,838	244,271	1,990,795
Unity Federation	929,736	196,102	110,597	174,353	1,410,788
Nar Valley Federation	946,004	110,108	78,238	196,797	1,331,147
Trinity Federation	1,081,748	133,610	121,725	230,344	1,567,427
Rudham and Weasenham Academies	533,958	82,918	60,827	92,735	770,438
The Bishop's Church of England Primary Academy	1,357,672	188,452	234,718	295,186	2,076,028

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**19. Statement of funds (continued)**

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Cawston Church of England Primary Academy	533,701	61,358	84,775	137,594	817,428
Central Services	1,843,607	744,928	151,711	914,539	3,654,785
Hopton Church of England Primary Academy	588,948	40,225	83,491	105,219	817,883
Brisley	163,289	26,332	107,656	43,918	341,195
<b>Trust</b>	<u>22,334,640</u>	<u>3,625,317</u>	<u>2,814,262</u>	<u>5,155,460</u>	<u>33,929,679</u>

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**19. Statement of funds (continued)**

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

	<i>As restated balance at 1 September 2017 £</i>	<i>As restated Income £</i>	<i>As restated Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>As restated balance at 31 August 2018 £</i>
General Funds	1,364,171	1,278,577	(1,021,691)	-	-	1,621,057
<b>Restricted general funds</b>						
General Annual Grant (GAG)	350,105	23,177,607	(22,931,664)	(117,016)	-	479,032
Pupil Premium	-	1,980,937	(1,980,937)	-	-	-
Open Academy - Sponsor Chaplain Fund	343,555	-	(113,666)	-	-	229,889
Other restricted funds	30,000	2,266,219	(2,296,219)	-	-	-
Pension reserves	(7,186,000)	(411,000)	(1,606,000)	-	2,983,000	(6,220,000)
	<u>(6,462,340)</u>	<u>27,013,763</u>	<u>(28,928,486)</u>	<u>(117,016)</u>	<u>2,983,000</u>	<u>(5,511,079)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Fund	30,542,873	1,265,000	(633,101)	117,016	-	31,291,788
DFC/SCA	978,570	700,766	(764,114)	-	-	915,222
	<u>31,521,443</u>	<u>1,965,766</u>	<u>(1,397,215)</u>	<u>117,016</u>	<u>-</u>	<u>32,207,010</u>
<b>Total Restricted funds</b>	<u>25,059,103</u>	<u>28,979,529</u>	<u>(30,325,701)</u>	<u>-</u>	<u>2,983,000</u>	<u>26,695,931</u>



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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	31,867,548	31,867,548
Current assets	3,910,696	380,284	1,165,100	5,456,080
Creditors due within one year	(2,369,583)	-	-	(2,369,583)
Creditors due in more than one year	-	(80,446)	-	(80,446)
Provisions for liabilities and charges	-	(13,101,000)	-	(13,101,000)
<b>Total</b>	<b>1,541,113</b>	<b>(12,801,162)</b>	<b>33,032,648</b>	<b>21,772,599</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	31,291,788	31,291,788
Current assets	3,882,532	808,647	915,222	5,606,401
Creditors due within one year	(2,261,475)	-	-	(2,261,475)
Creditors due in more than one year	-	(99,726)	-	(99,726)
Provisions for liabilities and charges	-	(6,220,000)	-	(6,220,000)
<b>Total</b>	<b>1,621,057</b>	<b>(5,511,079)</b>	<b>32,207,010</b>	<b>28,316,988</b>

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**21. Reconciliation of net expenditure to net cash flow from operating activities**

	2019 £	2018 £
Net expenditure for the year (as per Statement of financial activities)	<b>(1,542,389)</b>	<b>(1,089,286)</b>
<b>Adjustments for:</b>		
Depreciation	848,355	790,672
Dividends, interest and rents from investments	(2,069)	(1,019)
Loss on the sale of fixed assets	-	10,109
Decrease/(increase) in stocks	12,564	(2,346)
Decrease/(increase) in debtors	220,252	(299,284)
Increase/(decrease) in creditors	106,786	(171,965)
Capital grants from DfE and other capital income	(1,034,066)	(700,766)
Defined benefit pension scheme obligation inherited	442,000	411,000
Defined benefit pension scheme cost less contributions payable	1,236,000	1,408,000
Defined benefit pension scheme finance cost	201,000	198,000
Net assets from local authority on conversion	(860,000)	(1,265,000)
<b>Net cash used in operating activities</b>	<b>(371,567)</b>	<b>(711,885)</b>

**22. Cash flows from financing activities**

	2019 £	2018 £
Repayments of borrowing	(17,958)	(20,333)
<b>Net cash used in financing activities</b>	<b>(17,958)</b>	<b>(20,333)</b>

**23. Cash flows from investing activities**

	2019 £	2018 £
Dividends, interest and rents from investments	2,069	1,019
Purchase of tangible fixed assets	(564,115)	(284,695)
Capital funding received from sponsors and others	1,034,066	700,766
<b>Net cash provided by investing activities</b>	<b>472,020</b>	<b>417,090</b>

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**24. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	4,234,813	4,152,318
<b>Total cash and cash equivalents</b>	<b>4,234,813</b>	<b>4,152,318</b>

**25. Conversion to an academy trust**

On 1 December 2018 Brisley Church of England Voluntary Aided Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Norwich Education and Academies Trust from Norfolk County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The leasehold land transferred on conversion is held on a 125 year lease with Norfolk County Council.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Leasehold land and buildings	-	-	300,000	300,000
Budget surplus/(deficit) on LA funds	36,356	-	-	36,356
LGPS pension surplus/(deficit)	-	(75,140)	-	(75,140)
<b>Net assets/(liabilities)</b>	<b>36,356</b>	<b>(75,140)</b>	<b>300,000</b>	<b>261,216</b>

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**25. Conversion to an academy trust (continued)**

On 1 October 2018 Gayton Church of England Voluntary Controlled Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Norwich Education and Academies Trust from Norfolk County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The leasehold land transferred on conversion is held on a 125 year lease with Norfolk County Council.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Restricted fixed asset funds £</b>	<b>Total funds £</b>
Leasehold land and buildings	-	-	160,000	<b>160,000</b>
Budget surplus/(deficit) on LA funds	19,894	-	-	<b>19,894</b>
LGPS pension surplus/(deficit)	-	(221,000)	-	<b>(221,000)</b>
<b>Net assets/(liabilities)</b>	<b>19,894</b>	<b>(221,000)</b>	<b>160,000</b>	<b>(41,106)</b>

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**25. Conversion to an academy trust (continued)**

On 01 September 2018 Sandringham and West Newton Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Norwich Education and Academies Trust from Norfolk County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Budget surplus/(deficit) on LA funds	67,557	-	400,000	467,557
LGPS pension surplus/(deficit)	-	(145,860)	-	(145,860)
<b>Net assets/(liabilities)</b>	<b>67,557</b>	<b>(145,860)</b>	<b>400,000</b>	<b>321,697</b>

**26. Pension commitments**

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

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

Contributions amounting to £235,254 were payable to the schemes at 31 August 2019 (2018 - £228,163) and are included within creditors.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. Pension commitments (continued)**

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The previous actuarial valuation was carried out as at 31 March 2012 and determined the contributions for the period, which were paid at a rate of 16.48%. This rate has been paid since September 2015.

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**26. Pension commitments (continued)**

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £1,857,477 (2018 - £1,623,401).

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

**Scheme changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £1,915,000 (2018 - £1,635,000), of which employer's contributions totalled £1,439,000 (2018 - £1,269,000) and employees' contributions totalled £ 476,000 (2018 - £366,000). The agreed contribution rates for future years are 16.4 per cent for employers and between 5.5 and 12.5 per cent for employees.

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

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**26. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2019</b>	<i>2018</i>
Rate of increase in salaries	<b>2.6 %</b>	<i>2.6 %</i>
Rate of increase for pensions in payment/inflation	<b>2.3 %</b>	<i>2.3 %</i>
Discount rate for scheme liabilities	<b>1.9 %</b>	<i>2.8 %</i>

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

	<b>2019 Years</b>	<i>2018 Years</i>
<i>Retiring today</i>		
Males	<b>21.1</b>	<i>22.1</i>
Females	<b>23.5</b>	<i>24.4</i>
<i>Retiring in 20 years</i>		
Males	<b>22.4</b>	<i>24.1</i>
Females	<b>25.0</b>	<i>26.4</i>

**Sensitivity analysis**

	<b>2019 £000</b>	<i>2018 £000</i>
Discount rate +0.1%	<b>933</b>	<i>579</i>
Discount rate -0.1%	<b>(933)</b>	<i>(579)</i>
Mortality assumption - 1 year increase	<b>1,287</b>	<i>818</i>
Mortality assumption - 1 year decrease	<b>(1,287)</b>	<i>(818)</i>
CPI rate +0.1%	<b>795</b>	<i>485</i>
CPI rate -0.1%	<b>(795)</b>	<i>(485)</i>



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**26. Pension commitments (continued)**

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

	<b>At 31 August 2019 £</b>	<i>At 31 August 2018 £</i>
Equities	9,346,380	8,018,000
Corporate bonds	6,808,320	5,346,000
Property	2,347,440	1,887,000
Cash and other liquid assets	559,860	472,000
<b>Total market value of assets</b>	<b>19,062,000</b>	<b>15,723,000</b>

The actual return on scheme assets was £1,046,610 (2018 - £947,000).

The amounts recognised in the Statement of financial activities are as follows:

	<b>2019 £</b>	<i>2018 £</i>
Current service cost	(2,616,000)	(2,677,000)
Past service cost	(117,000)	-
Interest income	480,000	342,000
Interest cost	(681,000)	(540,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(2,934,000)</b>	<b>(2,875,000)</b>

Changes in the present value of the defined benefit obligations were as follows:

	<b>2019 £</b>	<i>2018 £</i>
<b>At 1 September</b>	<b>21,943,000</b>	<b>20,099,000</b>
Conversion of academy trusts	1,028,000	845,000
Interest cost	681,000	540,000
Employee contributions	418,000	366,000
Actuarial losses/(gains)	5,471,000	(2,486,000)
Benefits paid	(111,000)	(98,000)
Current service cost	2,616,000	2,677,000
Past service costs	117,000	-
<b>At 31 August</b>	<b>32,163,000</b>	<b>21,943,000</b>

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**26. Pension commitments (continued)**

Changes in the fair value of the Trust's share of scheme assets were as follows:

	2019 £	2018 £
<b>At 1 September</b>	<b>15,723,000</b>	<b>12,913,000</b>
Conversion of academy trusts	586,000	434,000
Interest income	480,000	342,000
Actuarial gains	469,000	497,000
Employer contributions	1,497,000	1,269,000
Employee contributions	418,000	366,000
Benefits paid	(111,000)	(98,000)
<b>At 31 August</b>	<b>19,062,000</b>	<b>15,723,000</b>

**27. Operating lease commitments**

At 31 August 2019 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	52,848	57,353
Later than 1 year and not later than 5 years	47,312	94,202
Later than 5 years	4,968	8,942
	<b>105,128</b>	<b>160,497</b>

**28. 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 £1 for the debts and liabilities contracted before he/she ceases to be a member.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**29. Related party transactions**

Owing to the nature of the Trust's operations 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 a trustee has an interest. All transactions involving such organisations are conducted in accordance with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. Purchases from related parties were provided at no more than cost and the Trust received statements of assurance confirming this.

NDBF is a related party due to its powers in relation to the appointment of the Trust's members.

NDBF recharged costs incurred in relation to services provided to the Trust totalling £57,384 (2018: £40,216). NDBF made donations to the Trust of £516 (2018: £nil) during the year. The Trust charged NDBF £3,631 (2018: £nil) for services provided during the year. Trade debtors include £366 (2018: £nil) and trade creditors include £124 (2018: £nil) in respect of these transactions.

Certain academy schools occupy premises that are owned by the NDBF. No charge is made for occupation. The terms of occupation of each school are detailed in note 15. Support costs (note 9) includes £288,103 (2018: £776,591) of improvements to school premises which have been expensed in line with accounting policy 1.5.

During the year payments of £13,423 (2018: £4,428) were made to Spire Support Services Ltd, a company wholly owned by NDBF. There were no balances outstanding at the year end (2018: £nil).

J Bourne Ltd is a related party due to J Bourne, a trustee of the Trust, being a director. Purchases of services totalling £3,798 (2018: £nil) were made during the year from J Bourne Ltd. There were no balances outstanding at the year end (2018: £nil).

The Diocese of Norwich St Benet's Multi Academy Trust (St Benet's) is a related party by virtue of NDBF having powers of appointment over both trusts. The Trust charged St Benet's £113,559 (2018: £38,775) in respect of setup and ongoing management of that trust. A further £6,619 (2018: £282,371) of costs were paid by DNEAT and reimbursed by Diocese of Norwich St Benet's Multi Academy Trust. There were no balances outstanding at the year end (2018: £nil). These services were delivered at cost.