



Eastern Multi-Academy Trust
Empower - Motivate - Aspire - Transform

EASTERN MULTI-ACADEMY TRUST

(A company limited by guarantee)

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

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

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EASTERN MULTI-ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Derek Stringer Robert Harrison Julie Perry Timothy Rounce John Williamson
Trustees	Duncan Ramsey, Chief Executive Officer and Accounting Officer Deborah Gates Derek Stringer, Chair of the Board of Directors Wendy Fisher Julie Perry, Vice Chair Lady Kay Fisher James Rowney Jason Hall Graham Pearson David Wilde Julie Taylor (appointed 17 December 2018)
Company registered number	07338780
Company name	Eastern Multi-Academy Trust
Principal and registered office	Trust Offices Queen Mary Road King's Lynn Norfolk PE30 4QG

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

Chief Executive Officer Duncan Ramsey

**Senior leadership
team**

Duncan Ramsey, Chief Executive Officer and Accounting Officer
Alan Evans, Deputy Chief Executive and Chief Financial Officer
Rosy Lord, Director of HR, Estates and Communication
Paul Shanks, Director of Primary Education
Kevin Blakey, Director of Secondary Education

Independent auditors

MA Partners Audit LLP
7 The Close
Norwich
Norfolk
NR1 4DJ

Bankers

Lloyds TSB Bank plc
Wisbech Business Centre
Wisbech
Cambridgeshire
PE30 1JU

Solicitors

Stone King LLP
Thirty Station Road
Cambridge
CB1 2RE

EASTERN MULTI-ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Academy Trust currently operates 15 academies in Norfolk and Suffolk.

The current Trust Academies are:

King's Lynn Academy
King Edward VII Academy
Nelson Academy
Eastgate Academy
Southery Academy
Upwell Academy
North Wootton Academy
Emneth Academy
Norwich Road Academy
Admirals Academy
Diamond Academy
Queensway Infants Academy
West Row Academy
Glade Academy
Raleigh Academy

The academies have a combined pupil capacity of 6,150 and had a roll of 5,063 in the school census in October 2019, excluding nursery places.

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Trustees of Eastern Multi-Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Eastern Multi-Academy Trust.

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 £10, for the debts and liabilities contracted before they ceased to be a Member.

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

Structure, governance and management (continued)

c. Trustees' indemnities

In accordance with normal commercial practice, the Academy Trust purchased insurance through the RPA scheme to protect Trustees from claims arising from negligent acts, errors, or omission occurring whilst on Trust business. The cost of the insurance is included in the total insurance cost as shown in the financial statements.

d. Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

Trustees are appointed as follows:

1. Up to ten Trustees elected by the Members of the Trust
2. The Chief Executive Officer only if Members choose to appoint under Article 57
3. Co-opted Trustees, appointed by Trustees who are not themselves co opted

A skills assessment is undertaken prior to appointment to ensure that the Trust has the broad base of skills that are required and to identify any areas of weakness. As part of the appointment process, there is an opportunity to meet the Chair of the Board, the Trust Clerk and Chief Executive Officer.

The terms of office for all Trustees shall be four years, except the Chief Executive Officer who shall be a Director for as long as he / she remains in office as such. The Directors who have served during the year or were in office at the 20 December 2019 are listed on page 1.

Under the constitution which reflects the creation of the multi academy trust, the Trust Board has set up the following standing committees:

1. Finance and Resources Committee
2. Audit Committee
3. HR and Performance Management Committee
4. Secondary Education Committee
5. Regional Education Committees for the two primary academy hubs

e. Policies adopted for the induction and training of Trustees

Trustees are appointed in accordance with the provisions detailed within the Articles of Association. New Trustees will receive induction training to detail their legal obligations under charity and company law and the content of the Memorandum and Articles of Association, Funding Agreements and the Board's Constitution. New Trustees are invited to visit schools and encouraged to ask for additional information prior to their appointment. The Local Authority training programme is available for all Trustees.

The Trust has put in place a series of training and awareness events for the benefit of new and existing trustees, focusing on understanding the assessment of educational outcomes, preparations for Ofsted inspections, understanding new regulations.

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

Structure, governance and management (continued)

f. Organisational structure

The Academy Trust is governed by a Board of Trustees (Directors). The Trust Board retains responsibility for the following (amongst other matters):

- determining the educational character and mission of its academies
- approving strategic plans and annual operational / development plans and monitoring progress against these
- approving the annual budget before the start of each year
- ensuring the solvency of the Academy Trust
- agreeing constitutional matters, including procedures where the Board has discretion
- recruiting new Members as vacancies arise and to appoint new Trustees where appropriate
- establishing Local Governing Bodies and relevant committees and determine their constitution and terms of reference
- appointing or removing the Principals and other senior post holders
- deciding which functions will be delegated to committees and individuals
- making the appropriate policy approvals

In addition to the standing committees, the Trust Board has set up Academy Councils ACs (previously referred to as Local Governing Bodies). Under certain circumstances, linked primarily to the need to achieve significant educational improvement, ACs may be suspended and Interim Executive Boards IEBs (whose membership is determined by the Trust) may be put in place.

The role of the Academy Councils is to provide advice to the Academy Trust in relation to the functioning of that academy.

This advisory role will:

- i. ensure a level of local accountability and representation;
- ii. provide guidance for the decision making process by taking account of local circumstances;
- iii. provide essential local representation of parents and the community.

An Interim Executive Board is charged with ensuring that an academy makes rapid progress. An IEB will meet more often and will have direct access to Trust resources if required.

As a principle, the Trust Board is clear that its involvement revolves around setting the strategic direction of the Academy Trust and ensuring that systems are in place for this to be delivered.

Strategic planning days are held with the Senior Leadership Team to ensure that there is an understanding of risks facing the Academy Trust. Regular training events are in place to ensure directors understand the educational and governance aspects of multi-academy trusts.

Further details of the governance arrangement are included in the Constitution on the Trust website. The Scheme of Delegation for the Trust is also shown on the Trust website.

The Trust Senior Leadership Team is responsible for the day-to-day operations of the Trust. Academy Principals and the academy leadership teams are responsible for the operation of their academy.

The Chief Executive Officer is the appointed Accounting Officer of the Academy Trust.

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Trust has a Pay Policy which is agreed annually by the Trust Board and consulted upon with the recognised Trade Unions. Senior post holders are employed on a fixed-point salary. This is determined prior to appointment based on a number of factors such as complexity of the role, Trust comparators and market rates. Pay is reviewed annually in terms of cost of living increases and performance management and would be ratified by the Board in all instances.

h. Related parties and other connected charities and organisations

The Trust is grateful for the support the academies receive from Friends Associations and Parent Teacher Associations.

i. Trade union facility time

The Trust does not have any employed staff who are relevant union officials under these regulations.

The Trust does recognise the following trade unions - NASUWT, NEU, ASCL, NAHT, UNISON, GMB

The Trust subscribes to the Norfolk County Council and Suffolk County Council facilities agreement whereby the time of regional trade union officials is procured. Meetings are held four times per annum with representatives of teaching and support staff unions as part of the facilities agreement.

As a consequence, there were no staff who were relevant union officials during the year. No time was spent on facility time and no payroll costs incurred.

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	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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EASTERN MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

a. Objects and aims

The principal activities are documented in the Articles of Association and relate to the advancement of public benefit education in the United Kingdom.

In particular the Academy Trust is required to:

- advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on managing and developing schools
- offer a broad and balanced curriculum

The Funding Agreements which the Academy Trust has signed with the Department for Education supports these objectives. The Funding Agreements outline these responsibilities in greater detail and also specify the funding arrangements.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Our Priorities

Our ambition is for every pupil to attend a great school. In order to achieve this, the following objectives are identified:

- All pupils in every year group will be encouraged to love reading and to be able to read at the age appropriate level or better.
- Support good progress for all groups of pupils in every year group.
- Develop academy environments that value emotional well-being alongside academic attainment and a broad and balanced curriculum.
- Have a world class training programme that empowers outstanding leadership at all levels and high quality teaching and learning in every classroom.
- Build our Trust on a strong, secure and sustainable financial basis.
- Be willing to continuously challenge our practice, constantly striving to improve and develop in all areas.

How the Trust shares its vision within each academy

In each academy we aim to develop our vision in the following ways:

- Using the assembly and PSHE programme to share how our values relate to each and every one of us.
- By using the EMAT EXPERIENCE to provide a core offer of cultural capital that every child in our Trust will have the chance to develop.
- By using the EMAT Diploma to encourage good progress, attendance, behaviour and community involvement.
- By holding a special EMAT day each term which celebrates the Trust values and unites the Trust in charity fundraising.
- By every academy having at least one prominent display dedicated to celebrating the Trust and its values.
- By having clear plans to share the EMAT vision with the local community through the academy website, academy newsletters, Trust newsletters and press releases.

Academy objectives for the year and future years, building upon the Trust priorities, are outlined in each academy's development plan. In particular, each academy is focused on providing a good quality education to each of its students, working in partnership with others and reflecting the needs of its local community.

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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

Strategic report

Achievements and performance

a. Key performance indicators

The academic performance of the academies within the Academy Trust is monitored in detail.

The financial performance of each academy is closely monitored and the overall financial position is reflected in the notes to the financial statements. The key financial indicators are the overall levels of cash surpluses / deficits and 'payroll costs as a percentage of total costs'.

The overall balance sheet position for the Academy Trust remains strong with adequate cash levels.

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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. Achievements and performance

During the year the Trust made significant progress in its ambition to "Transform lives and communities". For the primary academies that have been in the Trust for more than two years there were considerable successes.

The "West Norfolk" Hub containing six primary academies achieved particularly well. For this group of academies outcomes at EYFS were in line or above the national average at 73%. At the other end of the spectrum, year six performance was strong as it achieved a score of 65% compared to the national average of 64%. These encouraging results came about as a result of a strong focus on ensuring that our key priorities for academy development were embedded in all academies. These are:

- All pupils in every year group will be encouraged to love reading and be able to read at the age appropriate level or better.
- Enable good progress for all groups of pupils in every year group and in every subject within a broad and balanced curriculum.
- Ensure high quality teaching and learning in every classroom.
- Develop academy environments that value the well-being of all staff and pupils.
- Deliver an effective and targeted training programme that empowers outstanding leadership at all levels.

The Breckland Hub of seven academies made good progress as most of them completed their first full year with the Trust. Outcomes from these academies saw a significant improvement on 2018 with Norwich Road Academy seeing a 20% and Diamond Academy a 19% improvement in combined attainment at the end of KS2.

Transforming environments is a key objective for our Trust and we are pleased to have made a significant difference to the learning environment in a number of academies. The Trust has provided significant capital investment across all of the Primary sector and in particular across its Breckland academies. Raleigh and Norwich Road Academies have been transformed through a significant building and condition improvement programme that has seen additional teaching spaces created and hugely improved classroom environments.

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

Strategic report (continued)

Achievements and performance (continued)

Southery Academy achieved its first "Good" Ofsted outcome and continues to provide a high quality standard of education. North Wootton and Upwell Academies are due to be inspected in the forthcoming academic year and are expected to achieve a positive Ofsted outcome with North Wootton achieving results significantly above the national average in Reading, Writing and Maths.

During the year the Trust developed a range of training programmes to support the development of good quality teaching and leadership. It was very pleasing to note that across the primary sector 24 teachers completed their middle leader improvement programme (a year long programme). Another 14 primary teachers are due to take this course in 2019/2020.

The Trust has developed and implemented a Knowledge Based curriculum in all its primary academies. This curriculum identifies the key knowledge that we want all children to know in each subject throughout every year. The curriculum develops this knowledge and supports its application in a wide range of contexts.

During the year discussions with staff in academies led to the Trust introducing a new ambition to our key objectives. This is "All pupils in every year group will be encouraged to love reading and be able to read at the age appropriate level or better." We have always given reading a high priority but as a Trust we have agreed that in order to support our pupils to make really great progress in life, they need to love reading and be confident in using books at a level appropriate to their age. We have adjusted our teaching so that we can work towards an ambition that all children leave school ready for the next stage in their education. We have agreed that we will refine our curriculum and teaching so that we can provide even better support to those who struggle with reading.

Eastern Multi-Academy Trust supports two secondary academies. These are King's Lynn Academy and King Edward VII Academy.

Educational outcomes improved at King's Lynn Academy, The Attainment 8 score improved and this led to a jump in progress. Qualifications in English and Maths remained consistent to 2018. Disadvantaged performance in all attainment areas improved. Educational performance at King Edward VII Academy declined after the improvements in 2018. However subject specific performance in many areas improved. The academy, with the support of the multi-academy trust took strong action on behaviour which influenced these grades.

Both academies have followed a curriculum review process that entwines educational review and structure in line with integrated financial planning. Both academies have implemented new curricular in Key Stage 3 and moved to a more traditional model of three years at Key Stage 3 and two years at Key Stage 4. Links with the College of West Anglia remain in both academies to ensure that the curriculum at Key Stage 4 is as broad as possible for our pupils.

Both secondary academies are supported by a school improvement fund that is allowing EMAT to approach both the short-term issues in educational performance and develop longer term strategies around teaching and learning to help implement the curriculum of choice.

This plan highlights the strategic need to develop educational standards in English, Maths and Science. Part of this plan is to support the recruitment of specialists in these areas to refine curricular, develop professional development and improve students' aspirations and outcomes.

Over the academic year there has been a significant decrease in exclusions across the secondary sector. This is based on a clear strategic vision to develop our own on-site alternative provision. The investment in this project has helped Kings Lynn Academy to ensure that our most vulnerable pupils are in school and gaining an education that is suitable to them and the next stages of their lives.

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

Strategic report (continued)

Achievements and performance (continued)

Over the last year the secondary academies have been able to recruit some excellent senior and middle leaders from good or outstanding leadership and management teams. This recruitment process is built on the vision of building sustainable schools that transform a community.

To ensure transformation and improved leadership of the secondary academies, the governance structure has developed to improve oversight and accountability. The academies have developed local Academy Councils with parental representation. Both Academy Councils and the secondary education board have improved sector understanding through the appointment of two current Academy Trust chief executive officers.

Investment from the SCA and DFC have allowed the Multi-Academy Trust to improve both secondary academies. Funding for ICT, buildings and capital investments continue to allow the academies to improve their facilities and teaching resources.

As a Trust, safeguarding is placed at the heart of our responsibility. During the year we set ourselves the target of being an example of good practice. We now have a system where each academy has both an internal safeguarding audit, carried out by EMAT team members and an external audit led by an independent safeguarding expert. Both of these audits held at different times of year provide a judgement on whether the academy meets requirements and provide suggestions for improvements towards best practice. I am pleased to report that all internal and external reports in all academies show that safeguarding is compliant. The Ofsted inspections carried out during the year have also produced this result. All of our academies are now working to develop their practice so that it can be considered best practice across the country.

Financial review

a. Reserves policy

The Trust Reserves Policy is that each academy should have available reserves equivalent to six weeks' expenditure. This has been reduced from eight weeks reflecting the fact that the increased scale of the Trust provides greater financial resilience. Reserves can only be used with the specific approval of the Trust Board.

The current reserves position is as follows:

Academy	Reserves as at 31/8/19 £000's	Target £000's	Reserves as at 31/8/18 £000's
King's Lynn Academy	71	523	357
Eastgate Academy	257	170	247
Nelson Academy	218	228	192
King Edward VII Academy	688	813	942
Southery Academy	49	59	68
North Wootton Academy	171	160	151
Upwell Academy	214	108	172
Emneth Academy	121	110	95
Admirals Academy	665	161	606
Diamond Academy	(28)	110	(73)
Norwich Road Academy	282	214	271
Queensway Infant Academy	106	109	52
West Row Academy	57	128	(27)
Glade Academy	(36)	153	(46)
Raleigh Academy	1	138	117

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

Strategic report (continued)

Financial review (continued)

Each academy is expected to deliver an in year surplus in order to achieve its reserves target and where this is not considered achievable, a three year plan is put in place.

The pension fund deficit currently stands at £(11,193)k. This liability does not represent an immediate cash flow impact for the Academy Trust.

A more detailed analysis of the Funds held by the Trust is shown in Note 17.

b. Investment policy

The Trustees considered that the risk averse approach continued to be appropriate and maintained the approach that investments would be made in high street banks fixed term deposits. Risk has been reduced by increasing the number of banks that can be used.

c. Principal risks and uncertainties

The risks facing any Academy Trust are varied and complex and the Board of Trustees are very aware of these risks.

The Directors confirm that the major risks facing the Academy Trust have been identified. For the year ended 31 August 2019, this has been undertaken through the work of the Board of Directors, the Finance and Resources Committee and the Audit Committee. The setting up of Education Committees has strengthened the process of the management of risk.

Risk Registers at Trust and academy level are updated regularly. The Trust Risk Register reflects those risks which may impact on all or a range of academies. It is reviewed by the Audit Committee which may then refer specific risks to a particular Trust Committee. Updated Risk Registers are also reviewed by the Trust Board. Individual Risk Registers are created to address particular short term projects such as the implementation of a new payroll which took place during the financial year.

The major risks identified and addressed by the Trust Board during the year have included:

- ensuring the required improvements in attainment for all pupils
- preparation for future Ofsted inspections at academies and at Trust level
- establishing sufficient capacity at senior leadership level
- developing financial plans for the current and future years, reflecting potential changes in funding levels, pupil numbers and demographic changes
- developing strategic plans for each academy and the Academy Trust
- the introduction of new academies into the Academy Trust and embedding Trust standards within all academies
- ensuring data protection procedures are robust

Fundraising

All academies raise funds for a number of registered charities. These funds are raised through sponsorships and donations. There is no obligation for any child / parent to donate. All funds / donations collected are given to the relevant charity in a timely manner.

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

Plans for future periods

During the year the Trust further strengthened its Governance arrangements by bringing in additional educational expertise at both Board and Academy Council level. Board education oversight has been strengthened by the introduction of three Board Education Committees. These are titled Secondary, West Norfolk and Breckland. This allows Trustees to scrutinise educational performance in detail.

At present, the Trust has no plans to expand further. Our goal is to continue the development of our family of 15 academies so that each and every one becomes a great school, secure within a family of academies. Any modest growth that may happen in the primary sector will be carefully considered within the context of the Trust as a whole.

Further investment in IT, Data and Estates is essential for the strengthening of the Trust. In the coming year the Trust plans to continue its investment in IT infrastructure. In addition, the Trust IT infrastructure will be developed in order to ensure that it is well placed to take better advantage of information technology for the delivery of teaching and learning. The Trust has also used its capital grants effectively to improve the condition of many of its academies and this work continues in 19/20.

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 Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

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

Full details of these policies are available from the Academy Trust's offices.

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

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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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 20 December 2019 and signed on its behalf by:


.....
Derek Stringer
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

The 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 Eastern Multi-Academy 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 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Duncan Ramsey, Chief Executive Officer and Accounting Officer	6	6
Deborah Gates	4	6
Derek Stringer, Chair of the Board of Directors	6	6
Wendy Fisher	4	6
Julie Perry, Vice Chair	6	6
Lady Kay Fisher	5	6
James Rowney	6	6
Jason Hall	6	6
Graham Pearson	4	6
David Wilde	3	6
Julie Taylor	5	5

The Board of Trustees carries out a review of its performance each year. This includes looking at the skill composition of the Board and the effectiveness of its performance. During the year self-review analysis led to the Board recruiting an extra education expert with particular knowledge of the Secondary sector. In addition, after a period of expansion from 6 to 15 academies the Board decided to strengthen oversight of educational performance by introducing three education committees. These are West Norfolk, which oversees 6 primary academies, Breckland which oversees 7 primary academies and Secondary, which oversees the two secondary academies. This allows for much closer scrutiny and these committees consider all aspects of academy performance.

As part of the Board annual cycle of self-review it runs a number of strategy days throughout the year. In addition Board effectiveness is measured by the level of success in achieving strategic objectives laid out in the Trust strategic plan. During the year the Board developed a new system whereby Board committees monitor different aspects of the plan reporting back to the full Board. At the end of the year the Trust produces a self-review document which evaluates its effectiveness in line with national criteria.

Throughout the year the Board receives Academy Report Cards which present information on all aspects of Academy performance. These report cards cover academic outcomes but go much further with sections such as Safeguarding, Quality of Education, Behaviour and Local Governance. During the year as part of a work load review the Board reduced the number of Trust wide data collection points from 6 to 3. The accuracy of data is

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

strong as measured by the variance between academy exam predictions and actual outcomes.

Finance and Resource Committee

The Finance and Resource Committee is a sub-committee of the main Board of Trustees and met eight times during the year. Its purpose is to

1. be responsible for the detailed consideration as to the best means of fulfilling the Trust's responsibility to ensure sound management of the Academy Trust and academy finances and resources, including proper planning, monitoring and probity.
2. to receive reports from members of academy staff about matters relating to any of the issues listed in their terms of reference.
3. to scrutinise the Academy Trust and academy budgets and finance, most particularly by:
 - i. assisting to promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds.
 - ii. promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Derek Stringer, Chair of the Board of Directors	6	8
Jason Hall, Chair of the Finance & Resources Committee	6	8
Duncan Ramsey, Chief Executive Officer and Accounting Officer	6	8
Graham Pearson	6	8
David Wilde	3	8

Audit Committee

The Audit Committee is also a sub-committee of the main Board of Trustees and met four times during the last year. Its purpose is to scrutinise the Academy Trust internal controls systems and risk management arrangements, most particularly by:

1. assisting to promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds.
2. improving the quality of financial reporting by reviewing internal and external financial statements on behalf of the Board.
3. promoting a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement.
4. promoting the development of internal controls and risk management systems which will help satisfy the Board that the Academy Trust and its academies will achieve their objectives and targets and are operating in accordance with any statutory requirements for the use of public funds within delegated authorities laid down by the sponsor department and the public body's own rules on what matters should be referred to the Board in a manner which will make most economic and effective use of resources available.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Julie Perry, Trust Vice-Chair and Chair of Audit Committee	4	4
Lady Kay Fisher	2	4
James Rowney	3	4
Jason Hall	2	4

Review of value for money

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

The Accounting Officer considers how the Academy Trust'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 Academy Trust has delivered improved value for money during the year through:

1. A major procurement process to update the IT infrastructure at King Edward VII Academy
2. A tendering process for the supply of gas for all academies
3. A tendering process for the outsourcing of catering for all Breckland academies
4. A major procurement of IT User Devices across all academies, as well as for IT support. IT procurement has been developed so that all academies purchase the same IT equipment, which will lead to reduced support costs in future

Similar initiatives are in place for 2019/20.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Eastern Multi-Academy 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.

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and Resources 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 Larking Gowen as internal auditor.

The Board of Trustees has considered the work of the internal audit function and in particular wanted a provider who could demonstrate a risk based approach with a remit which went beyond the auditing of core financial processes. As a result of a competitive procurement process, Larking Gowen have been appointed as internal auditors for a three year term and have recently completed their first audit – of the new payroll system.

On a regular 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.

No material control issues have been identified as a result of the work undertaken up to the date of the preparation of these Financial Statements.

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:

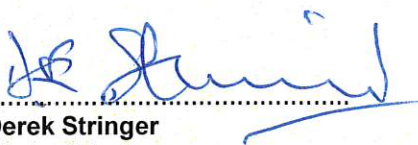
- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

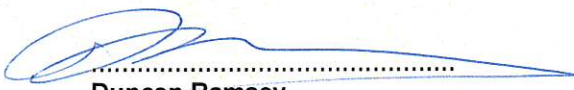
EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 20 December 2019 and signed on their behalf by:



Derek Stringer
Chair of Trustees



Duncan Ramsey
Accounting Officer

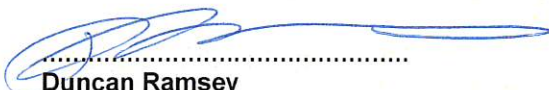
EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Eastern Multi-Academy 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 all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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.



Duncan Ramsey
Accounting Officer
Date: 20 December 2019

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

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 and signed on its behalf by:



Duncan Ramsey

Date: 20 December 2019

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EASTERN MULTI-ACADEMY TRUST**

Opinion

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

Conclusions relating to going concern

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

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

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EASTERN MULTI-ACADEMY TRUST (CONTINUED)**

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 Academy 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.

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EASTERN MULTI-ACADEMY TRUST (CONTINUED)**

Responsibilities of Trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Frank Shippam BSc FCA DChA (Senior statutory auditor)

for and on behalf of

MA Partners Audit LLP

Chartered Accountants and Statutory Auditors

7 The Close

Norwich

Norfolk

NR1 4DJ

20 December 2019

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EASTERN
MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23 October 2019 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 Eastern Multi-Academy 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 Eastern Multi-Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Eastern Multi-Academy 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 Eastern Multi-Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Eastern Multi-Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Eastern Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 31 August 2010 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.

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 Academy Trust's income and expenditure.

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EASTERN
MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Our procedures included, but were not limited to, the following:

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;
- Sample testing of expenditure to ensure the Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefitted from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purposes intended;
- Reviewing transactions which may not fall within the delegated authority of the Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with *Annex C: Schedule of requirements (the "musts")* of the Academies Financial Handbook 2018.

Where applicable, this work was integrated with our audit on the financial statements to the extent evidence from the conduct of the audit supports the regularity conclusion.

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.

MA Partners Audit LLP

MA Partners Audit LLP
7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 20 December 2019

EASTERN MULTI-ACADEMY 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 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Income from:						
Donations and capital grants	3	31	1	1,410	1,442	10,353
Charitable activities		948	26,005	-	26,953	25,704
Other trading activities		316	99	-	415	464
Investments	6	13	-	-	13	4
Total income		1,308	26,105	1,410	28,823	36,525
Expenditure on:						
Raising funds		112	-	-	112	338
Charitable activities		542	28,212	2,274	31,028	29,746
Total expenditure		654	28,212	2,274	31,140	30,084
Transfer out on Academy leaving the Trust		-	-	-	-	(17,532)
Net income/(expenditure)		654	(2,107)	(864)	(2,317)	(11,091)
Transfers between funds	17	(837)	683	154	-	-
Net movement in funds before other recognised gains/(losses)		(183)	(1,424)	(710)	(2,317)	(11,091)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(3,860)	-	(3,860)	2,476
Net movement in funds		(183)	(5,284)	(710)	(6,177)	(8,615)

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

Note	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Reconciliation of funds:					
Total funds brought forward	2,236	(4,840)	56,226	53,622	62,237
Net movement in funds	(183)	(5,284)	(710)	(6,177)	(8,615)
Total funds carried forward	2,053	(10,124)	55,516	47,445	53,622

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

The notes on pages 32 to 65 form part of these financial statements.

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07338780

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	14	54,733	55,749
		<u>54,733</u>	<u>55,749</u>
Current assets			
Debtors	15	1,159	1,179
Cash at bank and in hand		4,980	5,729
		<u>6,139</u>	<u>6,908</u>
Creditors: amounts falling due within one year	16	(2,234)	(2,749)
Net current assets		<u>3,905</u>	<u>4,159</u>
Total assets less current liabilities		<u>58,638</u>	<u>59,908</u>
Net assets excluding pension liability		<u>58,638</u>	<u>59,908</u>
Defined benefit pension scheme liability	23	(11,193)	(6,286)
Total net assets		<u><u>47,445</u></u>	<u><u>53,622</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	55,516	56,226
Restricted income funds	17	1,069	1,446
		<u>56,585</u>	<u>57,672</u>
Restricted funds excluding pension asset	17	56,585	57,672
Pension reserve	17	(11,193)	(6,286)
Total restricted funds	17	<u>45,392</u>	<u>51,386</u>
Unrestricted income funds	17	2,053	2,236
Total funds		<u><u>47,445</u></u>	<u><u>53,622</u></u>

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 27 to 65 were approved by the Trustees, and authorised for issue on 20 December 2019 and are signed on their behalf, by:


Derek Stringer
Chair of Trustees

The notes on pages 32 to 65 form part of these financial statements.

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Net cash used in operating activities	19	(914)	(470)
Cash flows from investing activities	20	165	(255)
Change in cash and cash equivalents in the year		(749)	(725)
Cash and cash equivalents at the beginning of the year		5,729	6,454
Cash and cash equivalents at the end of the year	21	<u>4,980</u>	<u>5,729</u>

The notes on pages 32 to 65 from part of these financial statements

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the 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.

Eastern Multi-Academy 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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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

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

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives.

EASTERN MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- based on the estimated remaining economic life
Mechanical and engineering	- based on the estimated remaining economic life
Furniture and Equipment	- 25% straight line
Computer equipment	- 25% 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.

Land and buildings in relation to King Edward VII Academy have been made available to the Academy Trust under a supplemental agreement between the King Edward VII Trust, the Secretary of State for Education and the Academy Trust. The property is treated as a long-term leasehold property.

King's Lynn Academy's land and buildings were transferred initially on a tenancy at will at a peppercorn rent, whilst the capital investment project was undertaken and remedial works addressed. To all intents and purposes the Trust and the Local Authority are operating on the basis that the 125 year lease is in place and the property is therefore treated as a long-term leasehold property.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

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

1. Accounting policies (continued)

1.11 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement 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 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

1.12 Operating leases

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

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1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

The Academy Trust is a member of a multi-employer plan. Where it is not possible for the Academy Trust to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

1.14 Fund accounting

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

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

In assessing the carrying value of tangible fixed assets the Trustees estimate the anticipated useful lives and residual values of the assets. There have been no significant revisions to these estimations in the current financial year.

3. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Donations	31	1	-	32	65
Capital Grants	-	-	1,410	1,410	1,102
Donations - Transfer from Local Authority on conversion	-	-	-	-	9,186
Total 2019	31	1	1,410	1,442	10,353
<i>Total 2018</i>	<i>294</i>	<i>(859)</i>	<i>10,918</i>	<i>10,353</i>	

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4. Funding for the Academy Trust's Educational operations

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	22,713	22,713	21,836
Pupil Premium	-	1,528	1,528	1,501
16-19 Bursary	-	14	14	18
Universal Infant Free School Meals	-	372	372	252
Start-up grants	-	-	-	143
MAT Development Improvement Fund	-	81	81	-
School Improvement Fund	-	52	52	-
Other ESFA grants	-	463	463	254
	-	25,223	25,223	24,004
Other government grants				
SEN funding	-	310	310	210
LA Nursery Funding	-	229	229	247
Other LA Funding	-	209	209	192
	-	748	748	649
Other income from the Academy Trust's educational operations				
Catering income	502	-	502	562
Educational visits	246	-	246	270
Nursery Income - parental contributions	6	-	6	5
Extended Care income	170	-	170	161
Other income	24	34	58	53
Total 2019	948	26,005	26,953	25,704
<i>Total 2018</i>	1,035	24,669	25,704	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Hire of facilities	47	-	47	51
Consultancy services	17	-	17	16
Catering - adult meals	6	-	6	-
Miscellaneous income	56	99	155	159
Charity income	-	-	-	20
School swimming	158	-	158	189
Sports centre	32	-	32	29
Total 2019	316	99	415	464
<i>Total 2018</i>	<i>392</i>	<i>72</i>	<i>464</i>	

6. Investment income

	Unrestricted funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Investment income	13	13	4

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000	<i>Total 2018 £000</i>
Expenditure on fundraising:					
Direct costs	99	2	11	112	338
Educational activities:					
Direct costs	18,967	-	1,569	20,536	19,595
Support costs	3,827	2,748	3,917	10,492	10,151
	<u>22,893</u>	<u>2,750</u>	<u>5,497</u>	<u>31,140</u>	<u>30,084</u>
<i>Total 2018</i>	<u>21,762</u>	<u>2,663</u>	<u>5,659</u>	<u>30,084</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Expenditure on educational activities	<u>20,536</u>	<u>10,492</u>	<u>31,028</u>	<u>29,746</u>
<i>Total 2018</i>	<u>19,595</u>	<u>10,151</u>	<u>29,746</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Staff costs	18,207	17,026
Educational supplies	797	825
Examination fees	159	162
Staff development	133	124
Educational consultancy	97	32
Other direct costs	11	68
Agency staff	760	760
Educational visits	260	308
Employment expenses	112	190
Start up expenditure	-	100
	20,536	19,595

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Pension interest	187	201
Staff costs	3,827	3,738
Depreciation	2,274	2,200
Technology costs	681	605
Grounds maintenance	113	126
Building maintenance	409	440
Cleaning	332	325
Rent and rates	195	168
Energy costs	467	417
Insurance	157	169
Security and transport	30	22
Catering	940	847
Bank interest and charges	1	-
Other support costs	125	131
Other utilities	129	140
Uniform costs	8	14
Governance costs	618	608
	10,492	<i>10,151</i>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £000	<i>2018 £000</i>
Operating lease rentals	91	68
Depreciation of tangible fixed assets	2,274	2,200
Fees paid to auditors for:		
- audit	28	44
- other services	13	14

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

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £000	2018 £000
Wages and salaries	16,705	15,777
Social security costs	1,472	1,407
Pension costs	3,789	3,704
	<u>21,966</u>	<u>20,888</u>
Agency staff costs	760	760
Staff restructuring costs	167	114
	<u><u>22,893</u></u>	<u><u>21,762</u></u>

Staff restructuring costs comprise:

	2019 £000	2018 £000
Redundancy payments	57	105
Severance payments	110	9
	<u>167</u>	<u>114</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £110k (2018: £9k). Individually, the payments were: £18k, £32k, £18k, £14k, £9k, £15k, and £4k.

c. Staff numbers

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

	2019 No.	2018 No.
Teachers	278	288
Administration and support	581	554
Management	22	20
	<u><u>881</u></u>	<u><u>862</u></u>

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

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019	<i>2018</i>
	No.	<i>No.</i>
Teachers	255	<i>261</i>
Administration and support	344	<i>299</i>
Management	22	<i>20</i>
	621	<i>580</i>

d. Higher paid staff

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

	2019	<i>2018</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	14	<i>6</i>
In the band £70,001 - £80,000	1	<i>3</i>
In the band £80,001 - £90,000	3	<i>1</i>
In the band £90,001 - £100,000	2	<i>2</i>
In the band £120,001 - £130,000	1	<i>1</i>

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on pages 1 and 2. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Academy Trust was £551k (2018: £1,612k).

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

11. Central services

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

- Educational support and challenge by the Director of Achievement and CEO
- Human resources services
- Financial and audit services
- Human resources systems
- Financial systems

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

6% of General Annual Grant for all academies.

In the prior year the central services were calculated as 4% of General Annual Grant for Breckland Hub academies, 5% of General Annual Grant for Thetford Hub academies, 6% for Raleigh Infant Academy. Thetford Hub academies also paid an additional Hub Charge.

The actual amounts charged during the year were as follows:

	2019	2018
	£000	£000
King's Lynn Academy	218	121
Downham Market Academy	-	39
Nelson Academy	90	58
Eastgate Academy	74	48
King Edward VII Academy	359	247
Southery Academy	23	15
North Wooton Academy	68	45
Upwell Academy	48	30
Emneth Academy	47	31
Admirals Academy	72	99
Diamond Academy	50	105
Norwich Road Academy	89	109
Queensway Academy	48	53
Glade Academy	61	56
West Row Academy	54	57
Raleigh Infant Academy	56	10
Total	1,357	1,123

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NOTES TO THE FINANCIAL STATEMENTS
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12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019	<i>2018</i>
		£000	<i>£000</i>
Duncan Ramsey, CEO	Remuneration	125 - 130	<i>125 - 130</i>
	Pension contributions paid	20 - 25	<i>20 - 25</i>

During the year ended 31 August 2019, expenses totalling £85 were reimbursed or paid directly to 1 Trustee (*2018 - £NIL to Trustee*) for travel and subsistence.

13. Trustees' and Officers' insurance

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

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Mechanical and engineering £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2018	49,797	486	11,892	1,554	63,729
Additions	606	55	46	551	1,258
At 31 August 2019	<u>50,403</u>	<u>541</u>	<u>11,938</u>	<u>2,105</u>	<u>64,987</u>
Depreciation					
At 1 September 2018	3,234	419	3,111	1,216	7,980
Charge for the year	1,104	37	1,017	116	2,274
At 31 August 2019	<u>4,338</u>	<u>456</u>	<u>4,128</u>	<u>1,332</u>	<u>10,254</u>
Net book value					
At 31 August 2019	<u>46,065</u>	<u>85</u>	<u>7,810</u>	<u>773</u>	<u>54,733</u>
At 31 August 2018	<u>46,563</u>	<u>67</u>	<u>8,781</u>	<u>338</u>	<u>55,749</u>

15. Debtors

	2019 £000	2018 £000
Due within one year		
Trade debtors	11	76
Other debtors	395	246
Prepayments and accrued income	753	857
	<u>1,159</u>	<u>1,179</u>

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16. Creditors: Amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	1,357	1,107
Other taxation and social security	-	709
Other creditors	39	2
Accruals and deferred income	838	931
	<u>2,234</u>	<u>2,749</u>
	2019 £000	2018 £000
Deferred income at 1 September 2018	302	291
Resources deferred during the year	359	302
Amounts released from previous periods	(302)	(291)
	<u>359</u>	<u>302</u>

At the balance sheet date the Academy Trust had received the following income relating to the period after the balance sheet date:

- Universal Infant Free School Meals (£234k);
- SEN Cluster Funding (£8k);
- Rates Relief Funding (£46k);
- Trip income (£48k); and
- Various other income and grants (£23k).

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds - all funds	2,236	1,308	(654)	(837)	-	2,053
Restricted general funds						
General Annual Grant	738	22,649	(22,292)	(664)	-	431
Pupil Premium	38	1,529	(1,475)	-	-	92
16-19 Bursary	21	14	(9)	-	-	26
Regional Academy Growth Fund	-	-	(151)	361	-	210
Universal Infant Free School Meals	-	372	(372)	-	-	-
Start-up grants	439	-	(28)	(375)	-	36
SEN	-	310	(310)	-	-	-
Other Local Authority funding	56	154	(154)	-	-	56
Donations	8	-	-	-	-	8
Non-government grants	24	31	(16)	-	-	39
Other trading activities	1	102	(87)	(4)	-	12
Special Resource Base	2	119	(119)	-	-	2
Nursery Funding	57	229	(225)	-	-	61
Other ESFA grants	62	596	(556)	(6)	-	96
Pension reserve	(6,286)	-	(2,418)	1,371	(3,860)	(11,193)
	<u>(4,840)</u>	<u>26,105</u>	<u>(28,212)</u>	<u>683</u>	<u>(3,860)</u>	<u>(10,124)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Restricted fixed asset funds						
Restricted fixed assets	55,749	-	(2,274)	1,258	-	54,733
SCA 19-20	-	1,024	-	(391)	-	633
SCA 18-19	269	-	-	(269)	-	-
Academy DFC	122	386	-	(414)	-	94
Central FAF	56	-	-	-	-	56
Donation	30	-	-	(30)	-	-
	<u>56,226</u>	<u>1,410</u>	<u>(2,274)</u>	<u>154</u>	<u>-</u>	<u>55,516</u>
Total Restricted funds	<u>51,386</u>	<u>27,515</u>	<u>(30,486)</u>	<u>837</u>	<u>(3,860)</u>	<u>45,392</u>
Total funds	<u><u>53,622</u></u>	<u><u>28,823</u></u>	<u><u>(31,140)</u></u>	<u><u>-</u></u>	<u><u>(3,860)</u></u>	<u><u>47,445</u></u>

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17. Statement of funds (continued)

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

The General Annual Grant (GAG) must be used for the normal running costs of the academies and the Academy Trust. Costs incurred for this purpose have been offset against this income.

The transfers from the GAG include the following: £1,371k to restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme and £150k for capital expenditure from the GAG fund. A further transfer was made from restricted funds to the GAG fund of £14k and unrestricted funds to the GAG fund of £843k to clear deficit balances.

Free school meals funding is used to provide every pupil in Reception and years 1 and 2 with a free school meal.

The additional funding received through the Pupil Premium helps to ensure that that processes are in place that consistently tracks student performance, identifies under-performance and provides support to those most in need of it. Additional support includes increased provision in Numeracy and Literacy.

The Start-Up grants must be used to meet the start-up costs of the Academy Trust. Costs incurred for this purpose have been set off against this income.

The Bursary Funding has been provided to fund additional resources required to teach 16-19 year old pupils.

Year 7 catch up funding is used to provide additional support to students that did not receive the expected standard of reading or maths at the end of key stage 2.

The PE Grant represents funding received towards the cost of improving PE provision.

SEN funding is received from the Local Authority and was used to provide additional support to those students identified as having additional needs.

Nursery Funding is utilised to employ appropriate staff for the Nursery on site at Nelson Academy, Norwich Road Academy, Queensway Infant Academy & Nursery and Raleigh Infant Academy.

Schools Condition Allocation of £1,024k was received from the ESFA to improve and maintain the Trust's estate (buildings and grounds).

Devolved Formula Capital funding is received for minor capital works and ICT replacement within the Trust.

Other restricted income was received during the year and the costs associated with these activities have been set off against the income.

The Pension reserve deficit at the year end was £11,193k and represents the Trust's share of the deficit of the relevant Local Government Pension Schemes.

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

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17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £000	2018 £000
King's Lynn Academy	71	357
Eastgate Academy	257	247
Nelson Academy	218	192
King Edward VII Academy	688	942
Southery Academy	49	68
North Wootton Academy	171	151
Upwell Academy	214	172
Emneth Academy	121	95
Admirals Academy	665	606
Diamond Academy	(28)	(73)
Norwich Road Academy	282	271
Queensway Infant Academy	106	52
West Row Academy	57	(27)
Glade Academy	(36)	(46)
Raleigh Infant Academy	1	117
Central Funds	286	558
Total before fixed asset funds and pension reserve	3,122	3,682
Restricted fixed asset fund	55,516	56,226
Pension reserve	(11,193)	(6,286)
Total	47,445	53,622

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

	Deficit £000
Diamond Academy	(28)
Glade Academy	(36)

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17. Statement of funds (continued)

Diamond Academy transferred with a significant deficit which the Trust has successfully reduced over the last two years. Glade Academy transferred with no reserves and has been subject to staffing changes over the last 18 months.

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

The Trust has set surplus targets in the latest three year financial forecasts and continues to pursue tight budgetary control to ensure both academies return to surplus reserves.

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17. 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 £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000	Total 2018 £000
King's Lynn Academy	3,168	278	97	773	4,316	3,871
Eastgate Academy	963	174	45	220	1,402	1,357
Nelson Academy	1,435	182	46	239	1,902	1,851
King Edward VII Academy	4,767	588	216	1,116	6,687	6,775
Southery Academy	341	42	17	86	486	439
North Wootton Academy	835	70	80	310	1,295	1,265
Upwell Academy	569	95	40	171	875	843
Emneth Academy	613	92	34	157	896	929
Admirals Academy	900	116	28	245	1,289	1,308
Diamond Academy	576	72	27	197	872	865
Norwich Road Academy	1,193	97	54	357	1,701	1,636
Queensway Infant Academy	634	85	13	167	899	668
West Row Academy	746	71	27	212	1,056	825
Glade Academy	923	105	26	211	1,265	839
Raleigh Infant Academy	883	55	16	190	1,144	180
Central Funds	520	1,705	31	525	2,781	2,891
Downham Market Academy	-	-	-	-	-	1,342
Academy Trust	19,066	3,827	797	5,176	28,866	27,884

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17. Statement of funds (continued)

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

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General Funds	2,331	1,725	(1,978)	428	(270)	2,236
Restricted general funds						
General Annual Grant	1,271	21,737	(20,485)	(1,952)	167	738
Pupil Premium	45	1,501	(1,501)	-	(7)	38
16-19 Bursary	34	18	(18)	-	(13)	21
Regional Academy Growth Fund	130	-	(130)	-	-	-
Universal Infant Free School Meals	-	252	(252)	-	-	-
Start-up grants	336	144	(191)	150	-	439
SEN	-	210	(210)	-	-	-
Other Local Authority funding	(6)	138	(85)	9	-	56
Donations	6	9	(6)	-	(1)	8
Non-government grants	16	23	(15)	-	-	24
Other trading activities	-	72	(71)	-	-	1
Special Resource Base	3	145	(146)	-	-	2
Nursery Funding	-	247	(190)	-	-	57
Other ESFA grants	-	254	(212)	20	-	62
Pension reserve	(8,851)	(868)	(2,394)	1,142	4,685	(6,286)
	(7,016)	23,882	(25,906)	(631)	4,831	(4,840)

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17. Statement of funds (continued)

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Restricted fixed asset funds						
Restricted fixed assets	66,249	10,441	(2,200)	511	(19,252)	55,749
SCA 19-20	-	269	-	-	-	269
SCA 18-19	-	122	-	-	-	122
Academy DFC	-	30	-	-	-	30
Central FAF	-	56	-	-	-	56
Section 106 funding	156	-	-	-	(156)	-
SCA unspent as at 31 August 2017	517	-	-	(308)	(209)	-
	<u>66,922</u>	<u>10,918</u>	<u>(2,200)</u>	<u>203</u>	<u>(19,617)</u>	<u>56,226</u>
Total Restricted funds	<u>59,906</u>	<u>34,800</u>	<u>(28,106)</u>	<u>(428)</u>	<u>(14,786)</u>	<u>51,386</u>
Total funds	<u>62,237</u>	<u>36,525</u>	<u>(30,084)</u>	<u>-</u>	<u>(15,056)</u>	<u>53,622</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	54,733	54,733
Current assets	2,101	3,255	783	6,139
Creditors due within one year	(48)	(2,186)	-	(2,234)
Provisions for liabilities and charges	-	(11,193)	-	(11,193)
Total	<u>2,053</u>	<u>(10,124)</u>	<u>55,516</u>	<u>47,445</u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £000</i>	<i>Restricted funds 2018 £000</i>	<i>Restricted fixed asset funds 2018 £000</i>	<i>Total funds 2018 £000</i>
Tangible fixed assets	-	-	55,749	55,749
Current assets	2,300	4,131	477	6,908
Creditors due within one year	(65)	(2,685)	-	(2,750)
Provisions for liabilities and charges	-	(6,286)	-	(6,286)
Total	2,235	(4,840)	56,226	53,621

19. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £000	2018 £000
Net expenditure for the year (as per Statement of financial activities)	(2,317)	(11,091)
Adjustments for:		
Depreciation	2,274	2,200
Capital grants from DfE and other capital income	(1,410)	(1,103)
Interest receivable	(13)	(4)
Defined benefit pension scheme obligation inherited	-	868
Defined benefit pension scheme cost less contributions payable	860	1,051
Defined benefit pension scheme finance cost	187	201
Decrease in stocks	-	1
Decrease/(increase) in debtors	42	(173)
(Decrease)/increase in creditors	(537)	324
Assets from local authority on conversion	-	(10,054)
Assets transferred out of the Academy Trust	-	17,310
Net cash used in operating activities	(914)	(470)

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20. Cash flows from investing activities

	2019	2018
	£000	£000
Dividends, interest and rents from investments	13	4
Purchase of tangible fixed assets	(1,258)	(1,679)
Capital grants from DfE Group	1,410	1,103
Cash transferred on conversion	-	317
Net cash provided by/(used in) investing activities	165	(255)

21. Analysis of cash and cash equivalents

	2019	2018
	£000	£000
Cash in hand	4,980	5,729
Total cash and cash equivalents	4,980	5,729

22. Contingent liabilities

During the year a redundancy payment of £15k was awarded to a member of staff. This liability is contingent upon the employee not taking up additional employment prior to 31 December 2019.

23. Pension commitments

The Academy 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 Pension Fund and Suffolk Pension Fund. 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.

A further valuation of the LGPS was underway at the date of signing of these accounts, but the results were not finalised and therefore are not reflected within this note.

Contributions amounting to £ - were payable to the schemes at 31 August 2019 (2018 - £343k) and are included within creditors.

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23. 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 latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education in March 2019. The key elements of the valuation and subsequent consultation are:

- an increase in employer rates from 16.48% to 23.68% of pensionable pay (including a 0.08% employer administration charge), this rise has been delayed from 1 April 2019 to 1 September 2019
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- there will be funding from the DFE for the financial year 2019/20 to help maintained schools and academies meet the additional costs resulting from the scheme valuation. Funding for 2020/21 onwards will be discussed as part of the next Spending Review round.

The TPS valuation for 2016 determined an employer rate of 23.6%, which is payable from September 2019. The next valuation of the TPS will be at March 2020 and will be based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £1,617k (2018 - £1,544k).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

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23. Pension commitments (continued)

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 £1,709k (2018 - £1,453k), of which employer's contributions totalled £1,371k (2018 - £1,142k) and employees' contributions totalled £ 338k (2018 - £311k). The agreed contribution rates for future years are 19.9 - 29.9 per cent for employers and 5.5 - 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.

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries, Norfolk	2.6	2.6
Rate of increase for pensions in payment/inflation, Norfolk	2.3	2.3
Discount rate for scheme liabilities, Norfolk	1.9	2.8
Rate of increase in salaries, Suffolk	2.6	2.6
Rate of increase for pensions in payment/inflation, Suffolk	2.3	2.3
Discount rate for scheme liabilities, Suffolk	1.9	2.8

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males (Norfolk, Suffolk)	21.1, 21.3	22.1, 21.9
Females (Norfolk, Suffolk)	23.5, 23.5	24.4, 24.4
<i>Retiring in 20 years</i>		
Males (Norfolk, Suffolk)	22.4, 22.3	24.1, 23.9
Females (Norfolk, Suffolk)	25.0, 24.9	26.4, 26.4

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23. Pension commitments (continued)

Sensitivity analysis

	2019	<i>2018</i>
	£000	<i>£000</i>
Discount rate -0.1%	724	<i>519</i>
Salary rate +0.1%	112	<i>95</i>
Pension increase rate +0.1%	597	<i>416</i>

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

	At 31 August 2019	<i>At 31 August 2018</i>
	£000	<i>£000</i>
Equities	7,646	<i>6,889</i>
Corporate bonds	5,520	<i>4,479</i>
Property	1,971	<i>1,584</i>
Cash and other liquid assets	447	<i>384</i>
Total market value of assets	15,584	<i>13,336</i>

The actual return on scheme assets was £754k (2018 - £751k).

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

	2019	<i>2018</i>
	£000	<i>£000</i>
Current service cost	(2,109)	<i>(2,170)</i>
Past service cost	(122)	<i>(23)</i>
Interest income	394	<i>303</i>
Interest cost	(581)	<i>(504)</i>
Total amount recognised in the Statement of financial activities	(2,418)	<i>(2,394)</i>

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23. Pension commitments (continued)

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

	2019 £000	2018 £000
At 1 September	19,622	22,603
Conversion of academy trusts	-	1,975
Transferred out on existing academies leaving the trust	-	(5,741)
Interest cost	581	504
Employee contributions	338	311
Actuarial losses/(gains)	4,220	(2,028)
Benefits paid	(215)	(195)
Past service costs	122	23
Current service cost	2,109	2,170
At 31 August	26,777	19,622

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

	2019 £000	2018 £000
At 1 September	13,336	13,752
Conversion of academy trusts	-	1,107
Transferred out on existing academies leaving the trust	-	(3,532)
Interest income	394	303
Actuarial gains	360	448
Employer contributions	1,371	1,142
Employee contributions	338	311
Benefits paid	(215)	(195)
At 31 August	15,584	13,336

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NOTES TO THE FINANCIAL STATEMENTS
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24. Operating lease commitments

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

	2019 £000	<i>2018</i> <i>£000</i>
Not later than 1 year	71	<i>66</i>
Later than 1 year and not later than 5 years	131	<i>161</i>
	<u>202</u>	<u><i>227</i></u>

25. Members' liability

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

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26. Related party transactions

Owing to the nature of the Academy 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 at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

Connected Charities

King Edwards VII Academy Friends is a registered charity that aims to advance the education of pupils in the school in particular by: developing effective relationships between staff, parents and others associated with the school and secondly by engaging in activities or providing facilities or equipment which support the school and advance the education of the pupils. For the year ended 31 August 2018, the charity had income £5,482 (2017: £8,581), expenditure of £333 (2017: £6,788), and net assets of £20,765 (2017: £15,616).

King Edward VII School King's Lynn Foundation Charity is a registered charity that aims to promote the education of persons under the age of 25 years who are attending as a pupil at the school/academy and are in need of financial assistance and in or towards providing such special benefits of any kind which are not provided out of public funds for the school. For the year ended 31 March 2019, the charity had income £26,436 (2018: £10,271), expenditure of £33,380 (2018: £3,731), and net assets of £6,316 (2018: £13,260).

Friends of Eastgate School is a registered charity that supports Eastgate Academy in providing activities / materials which are over and above the normal curriculum. For the year ended 31 December 2018 the charity had income of £6,216 (2017: £4,588), expenditure of £4,776 (2017: £8,620), and net assets of £5,356 (2017: £3,916).

North Wootton Academy PTA is a registered charity that supports North Wootton Academy in providing activities / materials which are over and above the normal curriculum. For the year ended 31 August 2018 the charity had net income of £10,117 (2017: £10,111), net expenditure of £9,265 (2017: £11,223) and net assets of £10,060 (2017: £9,208).

Friends of Raleigh School is a registered charity that supports Raleigh Academy in providing additional educational resources. For the year ended 10 October 2017 the charity had net income of £873 (2016: £2,622), net expenditure of £977 (2016: £1,627) and net assets of £2,801 (2016: £2,905).

Friends of West Row Community School PFA is a registered charity that supports West Row Academy in providing additional educational resources. For the year ended 31 July 2018 the charity had net income of £6,129 (2017: £4,774), net expenditure of £5,665 (2017: £8,755) and net assets of £6,314 (2017: £5,850).