

Eastern Multi-Academy Trust

Empower - Motivate - Aspire - Transform

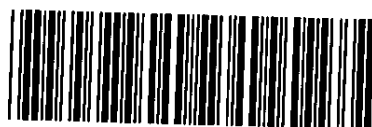
EASTERN MULTI-ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

THURSDAY



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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
FOR THE YEAR ENDED 31 AUGUST 2018

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 (appointed 5 December 2017)
James Rowney (appointed 5 December 2017)
Jason Hall (appointed 6 August 2018)
Graham Pearson (appointed 23 March 2018)
David Wilde (appointed 29 March 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
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Chief executive officer

Dr. Duncan Ramsey

Senior management 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
Alan Fletcher, Principal King's Lynn Academy
Lloyd Brown, Principal King Edward VII Academy
Linda Hothersall, Principal Eastgate Academy
James Gimsby, Principal North Wootton Academy
Sarah Wilson, Principal Nelson Academy
Haidee Norman, Principal Upwell Academy
Michael Taylor, Principal Emneth Academy
Barney Rimmer, Principal Southery Academy
Greg Sadler, Executive Principal Norwich Road Academy and Raleigh Academy
Sandra Dunkley, Principal Admirals Academy
Jayne Wilding, Executive Principal Diamond Academy and Queensway Academy
Karys Matthams, Principal West Row Academy
Tracey McMahon, Principal Glade Academy

Independent Auditor

MA Partners 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 2018

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

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

The current academies within the Academy Trust 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	joined December 2017
West Row Academy	joined December 2017
Glade Academy	joined January 2018
Raleigh Academy	joined July 2018

The academies have a combined pupil capacity of 6,150 and had a roll 5,136 in the school census in October 2018, 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 purpose of company law.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

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

MEMBERS

The Articles of Association state that the Members of the Academy Trust shall comprise:

1. the chairman of the Board of Directors, and
2. any additional person the Members agree to appoint by passing a special resolution.

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.

DIRECTORS / TRUSTEES

The revised constitution creates a Board of Directors (also called Trustees) as well as separate Local Governing Bodies for each academy which forms part of the Trust. Under certain circumstances, the Trust may suspend the Local Governing Body and appoint an Intervention Board where there is a need to make rapid improvement.

The full constitution can be viewed on the Trust website www.eastern-mat.co.uk

c. 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 Articles 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 Academy 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.

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

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 terms of office for all Trustees shall be four years, except the Chief Executive Officer who shall be a Trustee for as long as he / she remains in office as such. The Trustees who have served during the year or were in office at the 17 December 2018 are listed on page 1.

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

1. Finance and Resources Committee
2. Audit Committee
3. HR and Performance Management Committee
4. Regional Education Committees for the two primary academy hubs - committees created reflecting the increasing size of the Trust

d. PUBLIC BENEFIT

The Trustees have complied with their duty to have due regard to exercising their powers to ensure that the Academy Trust is for the advancement of education. The Academy Trust and its academies actively engage with the community in various forms, including parental involvement, in order to meet local needs. The creation of Local Governing Bodies (LGBs) further strengthens the ability of the Academy Trust to meet the needs of the local community. The facilities at the academies of the Academy Trust are made available for community use wherever possible.

e. ORGANISATIONAL STRUCTURE

The Academy Trust is governed by a Board of Trustees. The Board retains the 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 Academy Trust Board has set up Local Governing Bodies. Under certain circumstances, linked primarily to the need to achieve significant educational improvement, LGBs may be suspended and Interim Executive Boards IEBs (whose membership is determined by the Trustees) may be put in place.

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

The role of the Local Governing Body 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. serve as a safeguard against centralised decision making 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 Academy 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. The Academy Trust carries out a skills audit to ensure that the Board of Directors has the broad base of skills that are needed, and identifies areas where additional expertise is required.

In addition, strategic planning days are held with the Senior Leadership Team to ensure that there is an understanding of risks facing the Academy Trust. There has been a significant change in the composition of the Academy Trust Board during the last 18 months and 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. The Scheme of Delegation for the Academy Trust is also shown on the Academy Trust website.

The Trust Senior Leadership Team is responsible for the day-to-day operations of the Academy Trust, supported by the Principals and the academy leadership teams

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

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

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

During the year the KES Foundation Trust, which is the major owner of the freehold of the academy site, transferred the leasehold of the Porters Lodge to the Academy Trust. After year end it also made a donation of £30k towards the refurbishment of the Lodge for educational purposes.

g. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

As mentioned previously, there has been significant change in Trustees during the last 18 months. The Academy Trust continues the process of recruiting additional Trustees, particularly in areas where it is considered that additional expertise is required. New Trustees have been recruited bringing considerable experience in the field of management, leadership and finance.

The Academy 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 such as data protection and financial management in the academy sector.

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

h. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Academy Trust has a Pay Policy which is agreed annually by the Academy 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 Academy Trust Board in all instances.

i. TRADE UNION FACILITY TIME

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

The Academy Trust does recognise the following Trade Unions - NASUWT, NEU, ASCL, NAHT, UNISON, GMB.

The Academy 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 are 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	£000
---	------

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

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

j. 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 Academy Trust business. The cost of the insurance is included in the total insurance cost as shown in the financial statements.

k. RISK MANAGEMENT

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

The Trustees confirm that the major risks facing the Academy Trust have been identified. For the year ended 31 August 2018, this has been undertaken through the work of the Board of Trustees, the Finance and Resources Committee and the Audit Committee.

The Board and Senior Management of the Academy Trust take an active approach to Risk Management. Appropriate documentation to control all aspects of risk is being developed, the maintenance of which will be approached on a continuous improvement philosophy which is core to the key objectives of the Academy Trust. By doing so, a perpetually reviewed and updated Risk Register will be the control mechanism.

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.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The objectives for the year and future years 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.

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

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Employee Involvement

The Academy Trust encourages the involvement of its employees through the regular dissemination of information of particular concern to employees (including financial and economic factors affecting the performance of the Academy Trust). The Academy Trust actively engages with its employees through forums, surveys and union engagement to ensure a two way dialogue which informs the direction and approach of the Academy Trust as an employer. The Academy Trust aims to establish equal opportunities in all areas of its activities and values the relationship with Trade Unions.

Disabled Employees

The Academy Trust will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. The Academy Trust does this by adapting the physical environment, by making resources available and through training and career development. The Academy Trust would endeavour to find ways so that employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the Academy Trust.

During employment the Academy Trust seeks to work with all employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

Strategic report

Achievements and performance

a. REVIEW OF ACTIVITIES

During the year tremendous progress has been made in both primary and secondary academic performance. The initial priorities of the Academy Trust were to bring about rapid improvement in both secondaries and to develop a Breckland Hub that would add to the West Norfolk Hub that was already operating successfully.

During the year four academies joined the Academy Trust and considerable effort was put into developing appropriate school improvement plans to support each academy's individual development. By the end of the year the Academy Trust consisted of 15 academies (2 secondaries and 13 primaries).

During the year all academies within the Academy Trust worked on the development of a united vision and aims. We were proud to launch our vision of 'Transforming Lives and Communities' following a full consultation. The Academy Trust is proud to be making a significant difference to life chances of students within our communities and our vision celebrates our burning passion to roll our sleeves up and support the communities that we care about so much.

Our values of Empower, Motivate, Aspire and Transform are being interwoven within each individual academy.

During the year we completed a re-structure of our central team which is now complete. Our Academy Trust was organised into 4 sectors each led by a senior Director reporting to the CEO. These are -

- Alan Evans – Deputy Chief Executive and Director of Finance, IT and Governance
- Rosy Lord – Director of HR, Communications and Estates
- Kevin Blakey – Director of Secondary Education
- Paul Shanks – Director of Primary Education

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FOR THE YEAR ENDED 31 AUGUST 2018

Other key appointments during the year strengthened the IT and Estates management team, as well as recognising the need to ensure that the Academy Trust's data protection procedures were robust.

Given the expansion from 5 to 15 academies in a relatively short period of time, the Academy Trust Board decided to pause expansion for the academic year 2018/2019 whilst the Academy Trust's new structure is embedded and high quality educational improvement plans are put in place for each academy.

Primary performance

Summary Headlines Overall Trust

- Percentage in reading, writing and maths combined was 57% up 5% at Expected+
- Trust reading was 70% up 4% at Expected+
- Trust writing was 76% up 8% at Expected+
- Trust maths was 70% up 10% at Expected+

West Hub Headlines

- Overall Hub percentage in reading, writing and maths was 69%. This remains high and above national by 5%
- West reading was 79% up 3% at Expected+
- West writing was 82% up 4% at Expected+
- West maths was 81% up 6% at Expected+

Breckland Hub Headlines

- Overall Hub percentage in reading, writing and maths is 46% up 11%
- Breckland reading is 61% up 4% at Expected+
- Breckland writing is 70% up 12% at Expected+
- Breckland maths is 60% up 16% at Expected+

General Academy Highlights

- North Wootton, Eastgate, Upwell and Nelson were above the national average in all areas
- West Row has significantly improved in all outcome areas by 37% to 62% at combined, by 11% to 81% in reading, by 16% to 71% in writing and by 16% to 71% in maths
- Emneth has significantly improved in all outcome areas by 12% to 56% at combined, 10% to 60% in reading, by 9% to 76% in writing and by 24% to 80% in maths
- Glade has significantly improved in all outcome areas by 25% to 57% at combined, 36% to 86% in reading, 17% to 67% in writing and 33% to 76% in maths

Secondary Performance

This year saw major improvements in secondary performance at both secondary academies.

- At King's Lynn Academy there was a very pleasing 11% improvement at Grade 4 English and maths combined (old grade C), and a similar improvement at Grade 5 level.
- At King Edward VII Academy, the sixth form already judged good saw an improvement in the average "A" level grade achieved this year compared to 2017. The percentage of pupils achieving Grade 4, (English and maths combined) which is equivalent to the old Grade "C" shot up from 45% to 56%. Similarly, the percentage achieving Grade 5, (English and maths combined) which is equivalent to the old Grade "B" went up from 23% to 31%.

The Academy Trust had also taken the decision to voluntarily transfer Downham Market Academy to another trust and the financial impact of this transfer is reflected in these financial statements.

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

Financial review

a. FINANCIAL REPORT FOR THE YEAR

These financial statements include a full year for eleven academies. Four further academies joined during the year from 1 September 2017 to 31 August 2018. The financial statements include the opening transactions relating to the transfer of fixed assets, pension fund deficit and school balances for these new academies. In October 2017, Downham Market Academy left the Academy Trust and the financial statements reflect the accounting transactions regarding the transfer to another trust. The true operating position for the Academy Trust is therefore masked by these large scale one-off transactions.

The detailed academy movements and balances are shown in Note 20 Funds Statement. The impact of the transfer out of Downham Market Academy is shown in Note 30.

The net current assets and cash position of the Academy Trust has weakened slightly during the year. As a result, the current ratio has reduced from 3.1 to 2.5.

Net fixed assets have reduced due to the transfer out of one academy albeit offset by the conversion of four academies.

The majority of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) based on student numbers. The use of this funding is restricted to educational purposes. A small amount of income is derived from the letting of premises although the primary purpose of lettings is to encourage community involvement.

The grants received as well as associated expenditure are shown as restricted funds in the financial statements.

Payroll continues to be the highest individual costs in all academies within the Academy Trust. Control of financial performance rests ultimately with the Academy Trust, with day-to-day management delegated to the academy Principals and the Academy Trust Leadership Team. The Academy Trust Board has indicated that it regards staff cost as a percentage of income as a key financial indicator and sets performance targets. The clear rationale behind this decision is that funding can then be released to be more specifically targeted to priority areas.

The Academy Trust receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, Charities SORP (FRS 102), such grants are shown in the financial statements as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under Financial Reporting Standard 102 (FRS 102), it is necessary to charge projected deficits on the LGPS, open to support staff, to the restricted fund. The current deficit has been calculated at £6,286k, after taking into account the actuarial gains incurred during the year. It should be noted that this does not present the Academy Trust with any current liquidity problems.

The complex accounting arrangements for the valuation of fixed assets and the valuation of the LGPS, both of which are large-scale non-cash items, tends to distract from operational financial management. The Academy Trust Board have monitored the financial position and recognise that there is a need for a continued robust approach to financial management in funding changes as Fair Funding is introduced, demographic changes, pupil number movements and increasing payroll costs

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

b. RESERVES POLICY

The Academy Trust has reviewed its reserves policy which now states that each academy should have available reserves equivalent to six weeks' expenditure. Each academy is expected to deliver an in year surplus in order to achieve its reserves target. Reserves can only be used with the specific approval of the Board.

Academy	Reserves as at 31/08/18 £000's	Target £000's	Reserves as at 31/08/17 £000's
King's Lynn Academy	357	334	713
Downham Market Academy	-	-	328
Eastgate Academy	247	169	215
Nelson Academy	192	210	151
King Edward VII Academy	942	783	985
Southery Academy	68	57	55
North Wootton Academy	151	146	70
Upwell Academy	172	101	94
Emneth Academy	95	104	105
Admirals Academy	606	152	516
Diamond Academy	(73)	105	(152)
Norwich Road Academy	271	189	286
Queensway Infant Academy	52	105	NA
West Row Academy	(27)	121	NA
Glade Academy	(46)	135	NA
Raleigh Academy	117	135	NA

The pension fund deficit currently stands at £(6,286)k. This liability does not represent an immediate cash flow impact for the Academy Trust.

The Academy Trust has £2,236k of unrestricted reserves available for general purposes as at 31 August 2018. The GAG funding carried forward is £738k and this is available for the general educational use of the Academy Trust.

A more detailed analysis of the Funds held by the Trust is shown in Note 20.

c. INVESTMENT POLICY

The Academy Trust Investment Strategy was reviewed during the year. 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.

d. KEY PERFORMANCE INDICATORS

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

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

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 costs'.

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

e. GOING CONCERN

The Academy Trust has reviewed and considered budgets and forecasts alongside the Academy Trust's ongoing development plan and the robust measures being considered.

The Trustees have a reasonable expectation based upon these measures that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

f. 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 Trustees confirm that the major risks facing the Academy Trust have been identified. For the year ended 31 August 2018, this has been undertaken through the work of the Board of Trustees, the Finance and Resources Committee and the Audit Committee.

The Board and Senior Management of the Academy Trust take an active approach to Risk Management. Appropriate documentation to control all aspects of risk is being developed, the maintenance of which will be approached on a continuous improvement philosophy which is core to the key objectives of the Academy Trust. By doing so, a perpetually reviewed and updated Risk Register will be the control mechanism.

The major risks identified and addressed by the Academy 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 Academy Trust level
- establishing sufficient capacity at senior leadership levels
- 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 Academy Trust standards within all academies
- ensuring data protection procedures are robust

The Audit Committee and the Academy Trust Board regularly review the Risk Register.

g. 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 2018

Plans for future periods

a. FUTURE PLANS FOR THE ACADEMY TRUST

The Academy Trust is determined to continue to improve the quality of education provided by its academies. To help to achieve this, the central and academy teams are continually reviewed and strengthened. During 17/18 the Education senior team has been enhanced by the appointment of a Director of Secondary Education and a Director of Primary Education.

The performance of the Academy Trust secondary academies has improved significantly during 17/18 and maintaining this improvement is a priority for the Academy Trust. Improvement Boards have been in place for 17/18 for King's Lynn Academy and King Edward VII Academy in order to oversee rapid progress in improving the academic standards at both academies. As mentioned earlier, there has been a marked improvement in the educational performance of both academies allowing the move back to Local Governing Bodies during 18/19. King's Lynn Academy was inspected in September 2018 and has moved out of Special Measures. The overall rating was Requires Improvement with the quality of Leadership being judged Good meaning that the academy is well placed for future improvement.

Trustees are determined that any growth has to be consistent with the strategic direction of the Academy Trust. At this stage, it is anticipated that there will only be limited growth in the number of academies and the Academy Trust will not grow significantly beyond the current 15 academies. The current focus has to be on consolidation following a period of rapid growth and improving the performance of the academies that form part of the Academy Trust.

The West Norfolk hub of primary academies is stable and performing well. The Thetford and Suffolk academies, whilst consistently improving their academic performance, will continue to be the focus of an educational improvement programme planned for the next two years.

New models of governance are being introduced and in particular Education sub-committees are being set up to enable a more detailed scrutiny of educational performance.

Further investment in IT, Data and Estates will be part of the strengthening of the Academy Trust in the coming year in order to enable the Academy Trust to secure the Trust Estate and secondly take better advantage of information technology.

AUDITORS

MA Partners LLP are the Academy Trust external auditors.

DISCLOSURE OF INFORMATION TO AUDITORS

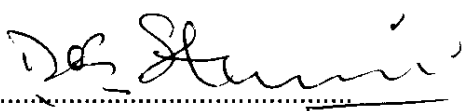
Insofar as the Trustees are aware:

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

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 17 December 2018 and signed on its behalf by:


.....
Derek Stringer
Chair of Trustees 17/12/18.

EASTERN MULTI-ACADEMY TRUST
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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 7 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
Derek Stringer	7	7
Duncan Ramsey	7	7
Deborah Gates	5	7
Julie Perry	7	7
Wendy Fisher	6	7
Lady Kay Fisher	3	4
James Rowney	4	4
Graham Pearson	2	2
David Wilde	2	2
Jason Hall	0	0

Finance and Resources Committee

The Finance and Resources Committee is a sub committee of the main Board of Trustees and met five times during the year. Its purpose is to:

1. be responsible for the detailed consideration as to the best means of fulfilling the Academy 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.

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

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Deborah Gates	5	5
Julie Perry	3	5
Duncan Ramsey	4	5
Lady Kay Fisher	4	5

Audit Committee

The Audit Committee is a sub committee of the main Board of Trustees and met five 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.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Julie Perry	5	5
Derek Stringer	3	5
Wendy Fisher	4	5
James Rowney	3	3
Graham Pearson	1	1

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

GOVERNANCE STATEMENT (continued)

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 by:

1. The refinement of the Academy Trust's Finance Policy to ensure it meets the needs of a trust which has increased in size. This has included reviewing the procurement and tendering procedures.
2. A major tendering process to update the IT infrastructure at King's Lynn Academy.
3. IT procurement has been developed so that all academies purchase the same IT equipment, which will lead to reduced support costs in future

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

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

GOVERNANCE STATEMENT (continued)

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 Price Bailey LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The checks carried out in the current period included a focus on the core financial activities of a cross section of academies.

The Academy Trust engaged Gap Assessment for GDPR purposes and has also appointed an external Data Protection Officer to provide guidance on the new data protection requirements embodied within GDPR.

The Academy Trust Board, through the Audit Committee, continually monitor the internal audit provision to ensure that it meets the needs of an expanding Academy Trust. The issues identified in the Risk Register help to decide the annual internal audit programme.

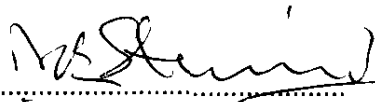
REVIEW OF EFFECTIVENESS

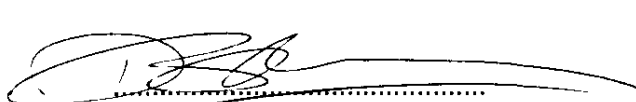
As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- 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.

Approved by order of the members of the Board of Trustees on 17 December 2018 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 2017.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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



Duncan Ramsey
Accounting Officer

Date: 17 December 2018

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

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

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

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

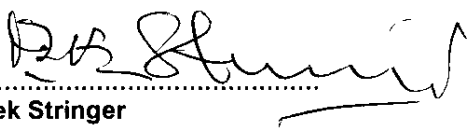
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 17 December 2018 and signed on its behalf by:


.....
Derek Stringer
Chair of Trustees

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') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy 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 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**

OTHER INFORMATION

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 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**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy 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'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 or to cease operations, or have no realistic alternative but to do so.

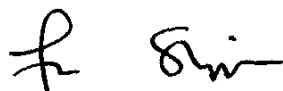
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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'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'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 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 LLP

Chartered Accountants and Statutory Auditors

7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 18.12.2018

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

**INDEPENDENT REPORTING ACCOUNTANTS' 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 27 October 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Eastern Multi-Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Eastern Multi-Academy Trust and the 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 subsequently modified, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANTS' 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 2017.

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 suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MA Partners LLP

MA Partners LLP

Chartered Accountants and Statutory Auditors

7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 18.12.2018

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

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

		Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
	Note					
INCOME FROM:						
Donations & capital grants:						
Donations - Transfer from						
Local Authority on conversion	2	269	(868)	9,785	9,186	5,089
Donations - Transfer in on						
existing academies joining the						
trust	2	-	-	-	-	8,276
Other donations and capital						
grants	2	25	9	1,133	1,167	1,321
Charitable activities	3	1,035	24,669	-	25,704	23,884
Other trading activities	4	392	72	-	464	442
Investments	5	4	-	-	4	5
TOTAL INCOME		1,725	23,882	10,918	36,525	39,017
EXPENDITURE ON:						
Raising funds:						
Fundraising trading		338	-	-	338	308
Charitable activities		1,640	25,906	2,200	29,746	26,302
TOTAL EXPENDITURE	8	1,978	25,906	2,200	30,084	26,610
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)		(253)	(2,024)	8,718	6,441	12,407
Transfer out on Academy						
leaving the Trust		(270)	2,355	(19,617)	(17,532)	-
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(523)	331	(10,899)	(11,091)	12,407
Transfers between Funds	20	428	(631)	203	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(95)	(300)	(10,696)	(11,091)	12,407
Actuarial gains on defined						
benefit pension schemes	26	-	2,476	-	2,476	1,649
NET MOVEMENT IN FUNDS		(95)	2,176	(10,696)	(8,615)	14,056

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 2018

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Note					
RECONCILIATION OF FUNDS:					
Total funds brought forward	2,331	(7,016)	66,922	62,237	48,181
TOTAL FUNDS CARRIED FORWARD	2,236	(4,840)	56,226	53,622	62,237

The notes on pages 32 to 69 form part of these financial statements.

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

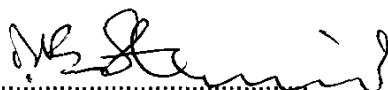
BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	£000	2017 £000
FIXED ASSETS					
Tangible assets	16		55,749		66,052
CURRENT ASSETS					
Stocks	17	-		1	
Debtors	18	1,179		1,006	
Cash at bank and in hand		5,729		6,454	
		<u>6,908</u>		<u>7,461</u>	
CREDITORS: amounts falling due within one year	19	(2,749)		(2,425)	
NET CURRENT ASSETS			<u>4,159</u>		<u>5,036</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>59,908</u>		<u>71,088</u>
Defined benefit pension scheme liability	26		(6,286)		(8,851)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>53,622</u></u>		<u><u>62,237</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	20	1,446		1,835	
Restricted fixed asset funds	20	56,226		66,922	
Restricted income funds excluding pension liability		<u>57,672</u>		<u>68,757</u>	
Pension reserve		(6,286)		(8,851)	
Total restricted income funds			<u>51,386</u>		<u>59,906</u>
Unrestricted income funds	20		2,236		2,331
TOTAL FUNDS			<u><u>53,622</u></u>		<u><u>62,237</u></u>

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

BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The financial statements on pages 27 to 69 were approved by the Trustees, and authorised for issue, on 17 December 2018 and are signed on their behalf, by:



Derek Stringer
Chair of Trustees

The notes on pages 32 to 69 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 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	(470)	1,895
Cash flows from investing activities:			
Dividends, interest and rents from investments		4	5
Purchase of tangible fixed assets		(1,679)	(1,151)
Capital grants from DfE Group		1,103	1,292
Cash transferred on conversion		317	219
Cash transferred on transfer from existing Academy Trust		-	560
Net cash (used in)/provided by investing activities		(255)	925
Change in cash and cash equivalents in the year		(725)	2,820
Cash and cash equivalents brought forward		6,454	3,634
Cash and cash equivalents carried forward	23	5,729	6,454

The notes on pages 32 to 69 form 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 2018

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Eastern Multi-Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Company status

The Academy Trust is a private company limited by guarantee. The members and Trustees of the company are named on page 1. In the event of the Academy Trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the Academy Trust

1.3 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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

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

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

EASTERN MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

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

Expenditure on raising funds 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.

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

All expenditure is inclusive of irrecoverable VAT.

1.6 Termination payments

Termination payments are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Academy Trust recognises termination payments when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination payments as a result of an offer made to encourage voluntary redundancy.

1.7 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. 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 other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	based on the estimated remaining economic life
Leasehold property	-	based on the estimated remaining economic life
Furniture and fixtures	-	25% straight line
Mechanical and engineering	-	based on the estimated remaining economic life
Assets under course of construction	-	not depreciated

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

As previously reported, upon conversion to an academy, King's Lynn Academy's long leasehold land and buildings were transferred initially on a tenancy at will, at a peppercorn rent, by Norfolk County Council, whilst capital investment project was undertaken. The final stages of the project are not yet finalised and, as a result, a long term lease is not yet put in place and the property is not included in fixed assets.

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.

1.8 Operating leases

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

1.9 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.

1.10 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

EASTERN MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.11 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.13 Taxation

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

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

1. ACCOUNTING POLICIES (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 Conversion to an academy trust

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

The assets and liabilities transferred on conversion from Queensway Infant School and Nursery, West Row Primary School, Glade Community Primary School and Raleigh Infant School and Nursery to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.

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

1. ACCOUNTING POLICIES (continued)

1.16 Fund accounting

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

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

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

1.17 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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.

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Donations - Transfer from Local Authority on conversion	269	(868)	9,785	9,186	5,089
Donations - Transfer in on existing academies joining the trust	-	-	-	-	8,276
Subtotal detailed disclosure	269	(868)	9,785	9,186	13,365
Donations	25	9	30	64	29
Capital Grants	-	-	1,103	1,103	1,292
Subtotal	25	9	1,133	1,167	1,321
	294	(859)	10,918	10,353	14,686
<i>Total 2017</i>	796	(2,251)	16,141	14,686	

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA grants				
General annual grant (GAG)	-	21,736	21,736	20,545
Pupil Premium	-	1,501	1,501	1,219
16-19 Bursary	-	18	18	30
Pre 16 High Needs	-	100	100	100
Universal Infant Free School Meals	-	252	252	109
Insurance income	-	-	-	6
Start-up grants	-	143	143	420
Other ESFA grants	-	254	254	152
Sponsor Capacity Funding	-	-	-	140
	-	24,004	24,004	22,721
Other government grants				
SEN funding	-	210	210	147
LA Nursery Funding	-	247	247	-
Other LA funding	8	184	192	66
	8	641	649	213
Other income from the Academy Trust's educational operations				
Catering income	560	2	562	632
Educational visits	270	-	270	272
Nursery Income - parental contributions	5	-	5	3
Extended Care income	161	-	161	17
Other income	31	22	53	26
	1,027	24	1,051	950
	1,035	24,669	25,704	23,884
Total 2017	950	22,934	23,884	

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

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Hire of facilities	51	-	51	50
Consultancy services	16	-	16	14
Miscellaneous income	87	72	159	122
Nursery income	-	-	-	62
Charity income	20	-	20	-
School Swimming	189	-	189	155
Sports centre	29	-	29	39
	<u>392</u>	<u>72</u>	<u>464</u>	<u>442</u>
<i>Total 2017</i>	<u>433</u>	<u>9</u>	<u>442</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Investment income	4	-	4	5
	<u>5</u>	<u>-</u>	<u>5</u>	
<i>Total 2017</i>	<u>5</u>	<u>-</u>	<u>5</u>	

EASTERN MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

6. DIRECT COSTS

	Total 2018 £000	Total 2017 £000
Educational supplies	825	647
Examination fees	162	307
Staff development	124	100
Educational consultancy	32	30
Other direct costs	68	45
Agency staff	760	680
Educational visits	308	281
Employment expenses	190	71
Start up expenditure	100	73
Wages and salaries	13,573	11,922
National insurance	1,201	1,106
Pension cost	2,252	1,894
	<u>19,595</u>	<u>17,156</u>
<i>Total 2017</i>	<u>17,157</u>	

EASTERN MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

7. SUPPORT COSTS

	Total 2018 £000	Total 2017 £000
FRS 102 Pension interest	201	172
Technology costs	605	522
Grounds maintenance	126	110
Building maintenance	440	351
Cleaning	325	315
Rent and rates	168	152
Energy costs	417	344
Insurance	169	140
Security and transport	22	16
Catering	847	571
Bank interest and charges	-	1
Other support costs	131	203
Other utilities	140	69
Uniform costs	14	9
Auditor's remuneration - audit	44	14
Auditors remuneration - other services	14	18
Professional fees	550	541
Wages and salaries	2,090	2,144
National insurance	202	150
Pension cost	1,446	1,136
Depreciation	2,200	2,167
	<u>10,151</u>	<u>9,145</u>
<i>Total 2017</i>	<u>9,145</u>	

During the year ended 31 August 2018, the Academy Trust incurred governance costs of £608k (2017 - £573k).

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

8. EXPENDITURE

	Staff costs	Premises	Other costs	Total	Total
	2018	2018	2018	2018	2017
	£000	£000	£000	£000	£000
Expenditure on fundraising					
Direct costs	237	21	80	338	308
Support costs	-	-	-	-	-
Educational activities:					
Direct costs	17,786	-	1,809	19,595	17,157
Support costs	3,739	2,642	3,770	10,151	9,145
	<u>21,762</u>	<u>2,663</u>	<u>5,659</u>	<u>30,084</u>	<u>26,610</u>
<i>Total 2017</i>	<u>19,244</u>	<u>2,255</u>	<u>5,111</u>	<u>26,610</u>	

9. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	
	£000	Amount	Reason
	£000	£000	
Unrecoverable debts	8	8	Note 1

Note 1 - No longer deemed recoverable following a change in service provision.

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£000	£000
Depreciation of tangible fixed assets:		
- owned or leased	2,200	2,167
Auditors' remuneration - audit	44	14
Auditors' remuneration - other services	14	18
Operating lease rentals	<u>68</u>	<u>68</u>

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

11. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	15,777	14,158
Social security costs	1,407	1,256
Operating costs of defined benefit pension schemes	3,704	3,030
	<u>20,888</u>	<u>18,444</u>
Agency staff costs	760	680
Staff restructuring costs	114	120
	<u>21,762</u>	<u>19,244</u>

Staff restructuring costs comprise:

	2018 £000	2017 £000
Redundancy payments	105	42
Severance payments	9	79
	<u>114</u>	<u>121</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £9k (2017: £78,904). Individually, the payments were: £4k made on 19/09/2018 and £5k made on 19/08/2018.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	288	252
Administration and support	554	393
Management	20	41
	<u>862</u>	<u>686</u>

EASTERN MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

11. STAFF COSTS (continued)

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	261	216
Administration and support	299	263
Management	20	39
	<u>580</u>	<u>518</u>

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	6	4
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	2	0
In the band £100,001 - £110,000	0	1
In the band £110,001 - £120,000	0	1
In the band £120,001 - £130,000	1	0

Eleven of the above employees participated in the Teacher's Pension Scheme. One employee participated in the Local Government Pension Scheme.

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,612k (2017 - £1,138k).

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

12. 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:

4% of General Annual Grant for Breckland Hub academies, 5% of General Annual Grant for Thetford Hub academies, 6% for Raleigh Infant Academy. Breckland Hub academies also pay an additional Hub Charge.

The actual amounts charged during the year were as follows:

	2018 £000	2017 £000
King's Lynn Academy	121	129
Downham Market Academy	39	258
Nelson Academy	58	57
Eastgate Academy	48	47
King Edward VII Academy	247	253
Southery Academy	15	16
North Wootton Academy	45	23
Upwell Academy	30	14
Emneth Academy	31	13
Admirals Academy	99	5
Diamond Academy	105	4
Norwich Road Academy	109	6
Queensway Academy	53	-
Glade Academy	56	-
West Row Academy	57	-
Raleigh Infant Academy	10	-
	<hr/>	<hr/>
Total	1,123	825
	<hr/>	<hr/>

EASTERN MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

13. TRUSTEES' REMUNERATION AND EXPENSES

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

		2018	2017
		£000	£000
Craig Morrison, Staff Trustee	Remuneration		80-85
	Pension contributions paid		10-15
Jonathan Ford, Staff Trustee	Remuneration		55-60
	Pension contributions paid		0-5
Duncan Ramsey, CEO	Remuneration	125-130	70-75
	Pension contributions paid	20-25	10-15

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £2,272 to 2 Trustees).

14. TRUSTEES' AND OFFICERS' INSURANCE

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

15. FRS 102 PENSION INTEREST

	2018	2017
	£000	£000
Interest income on pension scheme assets	303	229
Interest on pension scheme liabilities	(504)	(401)
	(201)	(172)

EASTERN MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

16. TANGIBLE FIXED ASSETS

	Freehold land and property £000	Long-term leasehold land and property £000	Furniture and fixtures £000	Mechanical and engin'ring £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2017	16,881	39,798	637	15,972	1,520	74,808
Additions	54	1,251	26	41	307	1,679
Disposals	(16,935)	-	(177)	(5,111)	(273)	(22,496)
Transfer on conversion	-	8,748	-	990	-	9,738
At 31 August 2018	-	49,797	486	11,892	1,554	63,729
Depreciation						
At 1 September 2017	1,097	2,248	477	3,541	1,393	8,756
Charge for the year	45	986	62	1,016	91	2,200
On disposals	(1,142)	-	(120)	(1,446)	(268)	(2,976)
At 31 August 2018	-	3,234	419	3,111	1,216	7,980
Net book value						
At 31 August 2018	-	46,563	67	8,781	338	55,749
At 31 August 2017	15,784	37,550	160	12,431	127	66,052

17. STOCKS

	2018 £000	2017 £000
Uniforms	-	1

18. DEBTORS

	2018 £000	2017 £000
Trade debtors	76	45
VAT recoverable	235	278
Other debtors	11	8
Prepayments and accrued income	857	675
	1,179	1,006

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

19. CREDITORS: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	1,107	899
Other taxation and social security	709	736
Other creditors	2	1
Accruals and deferred income	931	789
	<u>2,749</u>	<u>2,425</u>
	2018 £000	2017 £000
Deferred income		
Deferred income at 1 September 2017	291	266
Resources deferred during the year	302	291
Amounts released from previous years	(291)	(266)
Deferred income at 31 August 2018	<u>302</u>	<u>291</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 (£210k);
- SEN Cluster Funding (£16k);
- Rates Relief Funding (£12k);
- Trip income (£34k); and
- Various other income and grants (£30k).

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

20. STATEMENT OF FUNDS

	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 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
Other ESFA grants	-	254	(212)	20	-	62
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
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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20. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

	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 assets	66,249	10,441	(2,200)	511	(19,252)	55,749
Section 106 funding	156	-	-	-	(156)	-
SCA unspent as at 31 August 2017	517	-	-	(308)	(209)	-
SCA unspent as at 31 August 2018	-	269	-	-	-	269
Academy DFC unspent as at 31 August 2018	-	122	-	-	-	122
Donations unspent as at 31 August 2018	-	30	-	-	-	30
Unspent Central Fixed Asset Fund	-	56	-	-	-	56
	<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 of funds	<u>62,237</u>	<u>36,525</u>	<u>(30,084)</u>	<u>-</u>	<u>(15,056)</u>	<u>53,622</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. 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: £1,142k to restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme, £69k for capital expenditure from the GAG fund, £140k for Start Up Grant monies from Admiral Academy and Norwich Road Academy GAG funds, £1,123k as the contribution to central services provided by the Trust. Further transfers have been made from other grants and other applicable restricted and unrestricted funds to clear the deficit balances. A deficit GAG balance of £167k was also transferred out of the fund in respect of Downham Market Academy, which left the Trust on 31 October 2017.

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 £1,058k 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 £6,286k 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 that it could carry forward at 31 August 2018.

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

20. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	Total 2017 £000
King's Lynn Academy	357	713
Downham Market Academy	-	328
Eastgate Academy	247	215
Nelson Academy	192	151
King Edward VII Academy	942	985
Southery Academy	68	55
North Wootton Academy	151	70
Upwell Academy	172	94
Emneth Academy	95	105
Admirals Academy	606	516
Diamond Academy	(73)	(152)
Norwich Road Academy	271	286
Queensway Infant Academy	52	-
West Row Academy	(27)	-
Glade Academy	(46)	-
Raleigh Infant Academy	117	-
Central Funds	558	800
Total before fixed asset fund and pension reserve	<u>3,682</u>	<u>4,166</u>
Restricted fixed asset fund	56,226	66,922
Pension reserve	(6,286)	(8,851)
Total	<u><u>53,622</u></u>	<u><u>62,237</u></u>

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

Name of academy	Amount of deficit £000
Diamond Academy	(73)
West Row Academy	(27)
Glade Academy	(46)

The above Academies were transferred to the Trust with low or negative reserves.

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

Diamond Academy transferred to the Trust from Academies Transformation Trust ATT with a deficit. This has reduced during the current year 17/18 although it will take a further period of time to eliminate the deficit.

West Row and Glade Academies converted from Suffolk County Council during the year. The reserves on conversion were low or nil, and during this year the financial position worsened slightly. There is a

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20. STATEMENT OF FUNDS (continued)

three year financial plan in place for both academies to eliminate the deficit.

The Breckland Hub of primary academies has an overall surplus which is being used to provide the operating capital required to support this strategy.

ANALYSIS OF ACADEMIES BY COST

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 deprec'n £000	Total 2018 £000	Total 2017 £000
King's Lynn Academy	2,708	279	118	766	3,871	3,731
Downham Market Academy	740	125	62	415	1,342	7,379
Eastgate Academy	923	174	62	198	1,357	1,510
Nelson Academy	1,360	178	57	256	1,851	1,888
King Edward VII Academy	4,807	495	257	1,216	6,775	6,932
Southery Academy	289	41	17	92	439	437
North Wootton Academy	879	68	46	272	1,265	665
Upwell Academy	583	74	31	155	843	415
Emneth Academy	639	99	32	159	929	375
Admirals Academy	908	103	32	265	1,308	86
Diamond Academy	581	70	22	192	865	57
Norwich Road Academy	1,183	83	23	347	1,636	125
Queensway Infant Academy	484	52	9	123	668	-
West Row Academy	586	89	17	133	825	-
Glade Academy	631	62	16	130	839	-
Raleigh Infant Academy	146	10	2	22	180	-
Central	576	1,737	22	556	2,891	851
	<u>18,023</u>	<u>3,739</u>	<u>825</u>	<u>5,297</u>	<u>27,884</u>	<u>24,451</u>

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

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2016 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2017 £000</i>
General Funds	1,505	2,184	(2,183)	825	-	2,331
Restricted funds						
General Annual Grant	971	20,545	(18,590)	(1,655)	-	1,271
Insurance	-	6	(6)	-	-	-
Pupil Premium	24	1,219	(1,198)	-	-	45
16-19 Bursary	19	30	(15)	-	-	34
Regional Academy Growth Fund	-	140	(10)	-	-	130
Universal Infant Free School Meals	-	109	(109)	-	-	-
Start-up grants	-	420	(84)	-	-	336
Other ESFA grants	-	152	(152)	-	-	-
SEN	-	147	(147)	-	-	-
Other Local Authority funding	(8)	18	(16)	-	-	(6)
Donations	2	12	(8)	-	-	6
Non-government grants	16	7	(7)	-	-	16
Special Resource Base	(2)	150	(145)	-	-	3
Pension reserve	(7,303)	(2,263)	(1,764)	830	1,649	(8,851)
	(6,281)	20,692	(22,251)	(825)	1,649	(7,016)

Restricted fixed asset funds

	<i>Balance at 1 September 2016 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2017 £000</i>
Restricted fixed assets	52,957	15,468	(2,176)	-	-	66,249
Section 106 funding	-	156	-	-	-	156
SCA unspent as at 31 August 2017	-	517	-	-	-	517
	52,957	16,141	(2,176)	-	-	66,922
Total restricted funds	46,676	36,833	(24,427)	(825)	1,649	59,906
Total of funds	48,181	39,017	(26,610)	-	1,649	62,237

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**NOTES TO THE FINANCIAL STATEMENTS
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21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	55,749	55,749
Current assets	2,301	4,131	477	6,909
Creditors due within one year	(65)	(2,685)	-	(2,750)
Provisions for liabilities and charges	-	(6,286)	-	(6,286)
	<u>2,236</u>	<u>(4,840)</u>	<u>56,226</u>	<u>53,622</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2017 £000</i>	<i>Restricted funds 2017 £000</i>	<i>Restricted fixed asset funds 2017 £000</i>	<i>Total funds 2017 £000</i>
Tangible fixed assets	-	-	66,052	66,052
Current assets	2,448	3,931	1,081	7,461
Creditors due within one year	(117)	(2,096)	(211)	(2,425)
Provisions for liabilities and charges	-	(8,851)	-	(8,851)
	<u>2,331</u>	<u>(7,016)</u>	<u>66,922</u>	<u>62,237</u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £000	2017 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(11,091)	12,407
Adjustment for:		
Depreciation charges	2,200	2,167
Dividends, interest and rents from investments	(4)	(5)
Loss on the sale of fixed assets	-	9
Decrease in stocks	1	-
(Increase)/decrease in debtors	(173)	338
Increase in creditors	324	702
Capital grants from DfE and other capital income	(1,103)	(1,292)
Defined benefit pension scheme obligation inherited	868	2,263
Defined benefit pension scheme cost less contributions payable	1,051	762
Defined benefit pension scheme finance cost	201	172
Assets from local authority on conversion	(10,054)	(6,298)
Assets from existing Academy Trust	-	(9,330)
Assets transferred out of the Academy Trust	17,310	-
Net cash (used in)/provided by operating activities	(470)	1,895

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £000	2017 £000
Cash in hand	5,729	6,454
Total	5,729	6,454

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**NOTES TO THE FINANCIAL STATEMENTS
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24. CONVERSION TO AN ACADEMY TRUST

On 1 December 2017 Queensway Infant School and Nursery converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Eastern Multi-Academy Trust from Norfolk County Council for £NIL consideration.

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

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Leasehold land and buildings	-	-	1,167	1,167
- Other tangible fixed assets	-	-	165	165
Budget surplus/(deficit) on LA funds	53	-	25	78
LGPS pension (deficit)	-	(312)	-	(312)
Net assets	<u>53</u>	<u>(312)</u>	<u>1,357</u>	<u>1,098</u>

The above net assets include £78k that were transferred as cash

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**NOTES TO THE FINANCIAL STATEMENTS
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On 1 December 2017 West Row Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Eastern Multi Academy Trust from Norfolk County Council for £NIL consideration.

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

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Leasehold land and buildings	-	-	2,600	2,600
- Other tangible fixed assets	-	-	33	33
Budget surplus/(deficit) on LA funds	86	-	7	93
LGPS pension (deficit)	-	(185)	-	(185)
	<u>86</u>	<u>(185)</u>	<u>2,640</u>	<u>2,541</u>
Net assets	<u>86</u>	<u>(185)</u>	<u>2,640</u>	<u>2,541</u>

The above net assets include £93k that were transferred as cash.

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**NOTES TO THE FINANCIAL STATEMENTS
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On 1 January 2018 Glade Community Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Eastern Multi Academy Trust from Norfolk County Council for £NIL consideration.

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

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Leasehold land and buildings	-	-	3,400	3,400
- Other tangible fixed assets	-	-	67	67
Budget surplus/(deficit) on LA funds	27	-	-	27
LGPS pension (deficit)	-	(140)	-	(140)
	<u>27</u>	<u>(140)</u>	<u>3,467</u>	<u>3,354</u>
Net assets	<u>27</u>	<u>(140)</u>	<u>3,467</u>	<u>3,354</u>

The above net assets include £27k that were transferred as cash.

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**NOTES TO THE FINANCIAL STATEMENTS
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On 1 July 2018 Raleigh Infant School and Nursery converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Eastern Multi Academy Trust from Norfolk County Council for £NIL consideration.

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

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Leasehold land and buildings	-	-	1,581	1,581
- Other tangible fixed assets	-	-	725	725
Budget surplus/(deficit) on LA funds	103	-	16	119
LGPS pension (deficit)	-	(231)	-	(231)
Net assets	103	(231)	2,322	2,194

The above net assets include £119k that were transferred as cash.

25. CAPITAL COMMITMENTS

At 31 August 2018 the academy had capital commitments as follows:

	2018 £000	2017 £000
Contracted for but not provided in these financial statements	-	-

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

26. PENSION COMMITMENTS

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

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

Contributions amounting to £343k were payable to the schemes at 31 August 2018 (2017 - £338k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £1,544k (2017 - £1,443k).

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**NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £1,453k (2017 - £1,085k), of which employer's contributions totalled £1,142k (2017 - £830k) and employees' contributions totalled £311k (2017 - £255k). The agreed contribution rates for future years are 19.3% - 29.9% for employers and 5.5% - 12.5% for employees.

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

Norfolk Pension Fund - Admirals Academy, Diamond Academy, Downham Market Academy, Eastgate Academy, Emneth Academy, King Edwards VII Academy, King's Lynn Academy, Nelson Academy, North Wootton Academy, Norwich Road Academy, Queensway Infant Academy & Nursery, Raleigh Infant Academy, Southery Academy and Upwell Academy.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.60 %	2.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.1	22.1
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.1
Females	26.4	26.4

Suffolk Pension Fund - Glade Academy and West Row Academy.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	- %
Rate of increase in salaries	2.60 %	- %
Rate of increase for pensions in payment / inflation	2.30 %	- %

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26. PENSION COMMITMENTS (continued)

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

	2018	2017
Retiring today		
Males	21.9	
Females	24.4	
Retiring in 20 years		
Males	23.9	
Females	26.4	

	At 31 August	<i>At 31 August</i>
Sensitivity analysis	2018	2017
	£000	£000
Discount rate -0.1%	519	593
Salary rate +0.1%	95	130
Pension increase rate +0.1%	416	452

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**NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	6,889	8,521
Corporate bonds	4,479	3,436
Property	1,584	1,512
Cash and other liquid assets	384	275
Total market value of assets	<u>13,336</u>	<u>13,744</u>

The actual return on scheme assets was £751k (2017 - £577k).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £000	2017 £000
Current service cost	(2,170)	(1,592)
Past service cost	(23)	-
Interest income	303	229
Interest cost	(504)	(401)
Total	<u>(2,394)</u>	<u>(1,764)</u>

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

	2018 £000	2017 £000
Opening defined benefit obligation	22,603	17,236
Upon conversion	1,975	2,033
Transferred in on existing academies joining the trust	-	2,565
Transferred out on existing academies leaving the trust	(5,741)	-
Current service cost	2,170	1,592
Interest cost	504	401
Employee contributions	311	255
Actuarial gains	(2,028)	(1,301)
Benefits paid	(195)	(178)
Past service costs	23	-
Closing defined benefit obligation	<u>19,622</u>	<u>22,603</u>

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26. PENSION COMMITMENTS (continued)

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

	2018 £000	2017 £000
Opening fair value of scheme assets	13,752	9,933
Upon conversion	1,107	2,335
Transferred out on existing academies leaving the trust	(3,532)	-
Interest income	303	229
Return on plan assets (excluding net interest on the net defined pension liability)	448	348
Employer contributions	1,142	830
Employee contributions	311	255
Benefits paid	(195)	(178)
	<u>13,336</u>	<u>13,752</u>
Closing fair value of scheme assets	<u>13,336</u>	<u>13,752</u>

27. OPERATING LEASE COMMITMENTS

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

	2018 £000	2017 £000
Amounts payable:		
Within 1 year	66	64
Between 1 and 5 years	161	187
After more than 5 years	-	14
	<u>227</u>	<u>265</u>
Total	<u>227</u>	<u>265</u>

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28. 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 the Academy Trust 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.

During the year the Trust hired facilities from Alive Management Limited, a company in which Deborah Gates (a trustee of the Trust) is a Director, totalling £ 21,892 (2017: 19,878). At the year end the Trust owed the company £Nil (2017: £Nil).

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 £8,581 (2017: £8,581), expenditure of £6,788 (2017: £3,659), and net assets of £15,616 (2017: £13,824).

King Edward VII School King's Lynn Information Technology Trust 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 2018, the charity had income £10,271 (2017: £Nil), expenditure of £3,731 (2017: £Nil), and net assets of £13,260 (2017: £Nil).

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 2017 the charity had income of £4,588 (2017: £7,152), expenditure of £8,620 (2017: £1,456), and net assets of £3,916 (2017: £7,978).

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 £10,111 (2017: £Nil), net expenditure of £11,223 (2017: £1,112) and net assets of £9,208 (2017: £10,320).

29. 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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30. TRANSFER OUT ON ACADEMIES LEAVING THE ACADEMY

Downham Market Academy

	Transfer out on academy leaving the Academy Trust £000
Tangible fixed assets	
Freehold property	15,734
Mechanical and Engineering	3,665
Fixtures and fittings	57
Computer equipment	5
Stock	1
Debtors due after one year	518
Cash in bank and in hand	333
Liabilities	
Creditors due within one year	(572)
Pensions	
Pensions - pension scheme assets	3,532
Pensions - pension scheme liabilities	(5,741)
Net assets	<u><u>17,532</u></u>