

Company Registration Number: 09000501

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

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THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

P Marchant
A Wallbank
J Hannan
J Bear

Trustees

P Marchant, Chair of Trustees (resigned as chair 28/03/2017)^{1,2,3}
A Wallbank, Vice Chair^{1,2,3}
J Hannan^{1,3}
D Grant, Headteacher and Accounting Officer^{1,2,3}
B Judd, Chair of Trustees (from 29/03/2017)^{1,3}
M Ward (resigned 1 February 2017)^{1,3}
S Glascock^{1,2}
G Player, Co-Opted Trustee (resigned 7 March 2017)^{1,2}
K Joyce, Parent Trustee^{1,2}
A Ramenzanpour (resigned 14 September 2017)^{1,3}
D Barone (disqualified 18 July 2017)¹
D Leyhane (resigned 14 September 2017)¹
B Payne¹
K Sullivan¹

¹ Board of Trustees

² Finance and General Purposes Committee

³ Education Committee

Company registered number

09000501

Company name

The Ongar Academy Trust

Principal and registered office

The Gables, Fyfield Road, Ongar, Essex, CM5 0GA

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017

Advisers (continued)

Senior management team

D Grant, Headteacher
J Box, Assistant Headteacher (resigned 31/08/2017)
R Hingston, Senior Assistant Headteacher
R Taylor, Finance and Operations Director (resigned 05/08/2017)

Independent auditors

Haslers, Old Station Road, Loughton, Essex, IG10 4PL

Bankers

Lloyds Bank, 154 Station Road, Epping, Essex, CM16 4AQ

Solicitors

Geldards, 80 Coleman Street, London, EC2R 5BJ

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2016 to 31 August 2017. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

On 1 October 2017, The Ongar Academy joined The Bridge Academy Trust, and its assets and liabilities were transferred from The Ongar Academy Trust on that date. A final set of accounts will be prepared to date of transfer.

Structure, governance and management

a. Constitution

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

The charitable company's Trust deed is the primary governing document of the academy trust.

The Trustees of The Ongar Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as The Ongar Academy Trust.

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

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

Trustees are appointed for a fixed term of four years. The Headteacher is a Trustee for the purpose of Article 57. Trustees and Staff Trustees are appointed by the Members. Parent Trustees are elected to the office or appointed if there are insufficient candidates offering themselves for election. Co opted Trustees may be appointed by the Board of Trustees. They may appoint staff Trustees through such process as they may determine provided that the total number of Trustees (including the Headteacher) who are employees of the Academy Trust does not exceed one third of the total number of Governors. There will be a minimum of 2 Parent Governors who shall be elected by parents of registered students at the Academy.

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

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

New Trustees are required to attend a training programme. The induction programme would involve a tour of the new school, meetings with students and staff and provision of policy and procedure documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work they will undertake.

e. Organisational structure

The Trustees are responsible for setting and implementing strategic policy, adopting an annual plan and budget. Monitoring the trust by the use of those budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Senior Leadership Team (SLT) controls the Academy at an executive level implementing policies and reporting to the trustees. In particular this entails organising staff, resources and students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment process. The Headteacher is currently the Accounting Officer. The SLT consists of:

| | |
|----------------------|---|
| Mr David Grant | Headteacher & Accounting Officer |
| Miss Jennifer Box | Assistant Headteacher |
| Mrs Rebecca Hingston | Assistant Headteacher |
| Miss Rosie Taylor | Finance and Operations Director (left 5 May 2017) |

f. Pay policy for key management personnel

Key Management

The Headteacher is responsible for making recommendations to those staff on the Leadership scale to the pay committee, along with recommendations for all other staff. The performance management process for all key management personnel is led by the Headteacher, including objective setting, half year and annual reviews. All performance management objectives are linked to the overall school development plan.

The Headteacher will be mindful of equivalent roles throughout the education sector when recommending any salary increases, trying to meet both the immediate and future needs of the school.

The Finance and General purposes committee is responsible for the Pay Policy which details all pay scales including the Leadership scale.

The Headteacher

The Headteacher's performance is reviewed by a specific panel, the Headteacher's Performance Management Panel (HTPM) which has the support of an external challenge. The responsibilities of this panel include the setting of performance objectives annually with the Headteacher in line with school development plan, and the half yearly review of the Headteacher's performance.

Following each full performance management review, the¹ HTPM Panel will make recommendation to the pay Committee regarding the Headteacher's salary. The Pay committee will consider the recommendation and set the Headteacher's pay accordingly.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Objectives and Activities

a. Objects and aims

As set out in the Articles of Association, the Academy's object is to advance for the public benefit education in the United Kingdom and;

- a. To advance the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("The Academy").
- b. To promote for the benefit of the inhabitants of the areas in which the Academy is situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity of disablement, financial hardship of social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Our aims

The Three year strategic development plan states the following:

We aim to become one of the leading comprehensives in the country. We will maintain the highest levels of progress and ensure that quality intervention and support exist for all students to achieve their potential.

Our long term targets are as follows:

- Progress 8 is positive and progressing towards +1 grade.
- Whole school attendance is at least 95%

In time the school will seek Sports Mark, ICT Mark, The Healthy schools Award and The International Schools Award. We will also seek membership of the specialist Schools Trust.

If local primary schools are in need of support, we will offer assistance where possible.

We will need to ensure;

- The ethos is positive. Expectations are high, success is celebrated, the pastoral system is supportive and the physical environment enables effective teaching and learning.
- The focus is on learning. Data is used rigorously for setting and tracking progress. The curriculum is differentiated students with special educational needs (SEN) are supported and high starting students are extended.
- The school is innovative. The learning power offered by ICT has been enhanced and the school had developed some innovative approaches to staff training and development.
- Quality assurance systems are effective. The environment is data rich and performance management has rolled into a regular review system.
- Organisational structures are established that reduce disruption to learning encourage generous support and maximise efficiency and effectiveness.
- The school works hard at gaining and maintaining the commitment of parents to learning through good communications.
- The board of Trustees and SLT provide clear strategic direction and focus.

THE ONGAR ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

b. Objects and aims (continued)

Our Vision

The vision of our school is epitomised by our mission statement "Inspiring Excellence".
Our three core principles are:

Academic achievement

- High expectations for each and every student
- In depth monitoring of progress with detailed guidance, one to one monitoring of all students and small tutor groups
- A challenging, integrated curriculum
- A wide range of enrichment activities including an in school 'home learning base

Science, Technology, Engineering and Mathematics (STEM)

- A focus on STEM subjects preparing students for Higher Education and employment opportunities in the burgeoning science and technology industries along the M11 corridor to Cambridge
- Partnerships with Higher Education Institutions, industry and local businesses
- Development of critical thinking skills; forging powerful and stimulating links between the arts, sciences and humanities

Building Communities

- Strong commitment to community service, locally, nationally and internationally.
- All students will enjoy opportunities to participate in community building initiatives, in partnership with local and national voluntary sector organisations and enterprises.
- Supervised before and after school opportunities from 8.00am until 4.30pm Monday to Friday.
- Overseas visits and partnership with international schools and universities.
- Opportunities for families to support the school, through structured volunteering and home school partnerships.

c. Objectives, strategies and activities

The schools main objectives for the year were as follows:

- Teaching and Learning; Growth Mindsets and Assessment for Learning
- School Self-Evaluation
- Enrichment and Community Engagement

d. Public benefit

The Trustees believe that by working towards the objects and aims of the school as detailed above, they have complied with their duty to have due regards to the guidance on public benefit published by the Charities Commission.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Achievements and performance

a. Key performance Indicators

The school opened in September 2015 with a Year 7 cohort and as such there are no GCSE or AS results available. We identified key success criteria against the 2016-17 school Development Plan and these were moderated by the Trustee's Education committee. Our assessments and internal results were moderated alongside outside institutions, with all having achieved at least OFSTED 'good' with many 'outstanding'.

b. Going concern

On 1 October 2017, The Ongar Academy joined The Bridge Academy Trust, and its assets and liabilities were transferred from The Ongar Academy Trust on that date.

Financial review

a. Reserves policy

The Trustee's will review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's Reserves Policy states that non-earmarked reserves equating to 2% of total funds should be held, to provide sufficient working capital to cover delays in the spending and receipt of grants and to provide a cushion for unexpected emergencies.

The Academy's current level of operating reserves is £119,811 (2016: £88,693).

b. Principal risks and uncertainties

The Trustees have assessed the principal risks and uncertainties facing the Trust. These have been summarised into a risk register which is tabled at full Trustees meetings and reviewed accordingly.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Plans for future periods

a. Future developments

The Academy has created a three year strategic plan which is reviewed on an ongoing basis. The plans include:

- Recruitment of high quality staff
- A concentration upon Teaching, Learning and Assessment
- Creating a high quality learning environment

Disclosure of Information to auditors

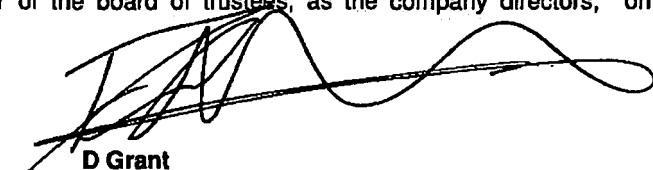
Insofar as the Trustees are aware:

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

The Trustees' Report was approved by order of the board of trustees, as the company directors, on 20 December 2017 and signed on its behalf by:



B Judd
Chair of Trustees



D Grant
Accounting Officer

THE ONGAR ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Ongar 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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Ongar 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 8 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 |
|--|-------------------|-------------------|
| P Marchant, Chair of Trustees (resigned as chair 28/03/2017) | 7 | 8 |
| A Wallbank, Vice Chair | 8 | 8 |
| J Hannan | 4 | 8 |
| D Grant, Headteacher and Accounting Officer | 6 | 8 |
| B Judd, Chair of Trustees (from 29/03/2017) | 5 | 8 |
| M Ward | 3 | 8 |
| S Glascock | 5 | 8 |
| G Player, Co-Opted Trustee | 3 | 8 |
| K Joyce, Parent Trustee | 8 | 8 |
| A Ramenzanpour | 7 | 8 |
| D Barone | 7 | 8 |
| D Leyhane | 7 | 8 |
| B Payne | 5 | 8 |
| K Sullivan | 3 | 8 |

The founding chair of Trustees resigned on 28/03/2017. The Vice Chair of Trustees was appointed as the Chair of Trustees from 29/03/2017.

There were two resignations in the year:

M Ward
G Player

The Trust appointed two professional advisors, in unremunerated posts, as follows:

J Banks
J Marchant

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

Attendance at meetings in the year was as follows:

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GOVERNANCE STATEMENT (continued)

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| P Marchant, Chair of Trustees (resigned as chair 28/03/2017) | 1 | |
| D Grant, Headteacher and Accounting Officer | 3 | 3 |
| S Glascock | 3 | 3 |
| G Player, Co-Opted Trustee | 1 | 3 |
| K Joyce, Parent Trustee | 3 | 3 |
| D Leyhane | 3 | 3 |
| B Payne | 3 | 3 |

Review of Value for Money

As Accounting Officer, the Headteacher has responsibility for ensuring that the academy 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'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 has delivered improved value for money during the year by:

- The school has benefitted from a partnership arrangement with Essex Youth Services, in order to secure timetabled use of a local building at nil financial cost.
- Obtaining the best price for the required quality product or service

Before opening in September 2015 the Academy used the services of an external agency to compare prices of standard school items, including stationery and office equipment. Since then the school has continued to rigorously price check material items, and negotiate price reductions where possible, including with recruitment advertising and school absence insurance.

The school has continued to achieve significant discounts due to its position as a start up business.

This concept is widely understood throughout the school with all budget holders seeking to maximise value for money, and being held accountable for this.

- Building a growing network of contacts and suppliers

The school has been able to develop a network of contacts within close geographical proximity; this has enabled high services to be obtained quickly, and at good price.

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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Ongar Academy Trust for the year 1 September 2016 to 31 August 2017 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 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's

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GOVERNANCE STATEMENT (continued)

significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy'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 General Purposes 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 academy has previously appointed external parties to carry out a review of the financial systems, normally carried out by a Responsible Officer (RO). In the current year no RO was appointed and external checks were not carried out due to the imminent joining of the academy to The Bridge Academy Trust.

Review of Effectiveness

As Accounting Officer, the Headteacher 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 external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes 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 20 December 2017 and signed on their behalf, by:



B Judd
Chair of Trustees



D Grant
Accounting Officer

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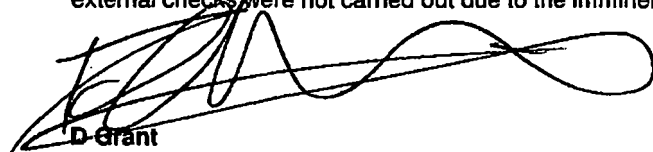
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Ongar Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

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 2016.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

The academy has previously engaged external parties to carry out an independent review of the financial systems, normally carried out by a Responsible Officer (RO). In the current year no RO was appointed and external checks were not carried out due to the imminent joining of the academy to The Bridge Academy Trust.



D Grant
Accounting Officer

Date: 20/12/17

THE ONGAR ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as governors of The Ongar Academy Trust and 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

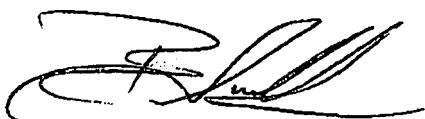
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the 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 20 December 2017 and signed on its behalf by:



B Judd
Chair of Trustees

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ONGAR ACADEMY TRUST**

Opinion

We have audited the financial statements of The Ongar Academy Trust for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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 Auditor's 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.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis of opinion

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

Emphasis of matter

We draw attention to note 1.2 in the financial statements, which states the accounts have not been prepared on a going concern basis. This is because the operations and assets of the trust were transferred from The Ongar Academy Trust to The Bridge Academy Trust. Our opinion is not modified in respect of this matter

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 Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ONGAR ACADEMY TRUST**

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 for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the 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's or to cease operations,

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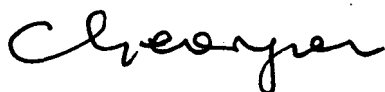
**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ONGAR ACADEMY TRUST**

or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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



CHRISTINA GEORGIOU (Senior Statutory Auditor)

for and on behalf of

Haslers

Chartered Accountants
Statutory Auditor

Old Station Road
Loughton
Essex
IG10 4PL
20 December 2017

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 26 August 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Ongar Academy Trust during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Ongar 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 The Ongar 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 The Ongar Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Ongar Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Ongar Academy Trust's funding agreement with the Secretary of State for Education dated 27 February 2015, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 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.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

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

The academy has previously engaged external parties to carry out an independent review of the financial systems, normally carried out by a Responsible Officer (RO). In the current year no RO was appointed and external checks were not carried out due to the imminent joining of the academy to the Bridge Academy Trust.

Haslers

Haslers

Chartered Accountants
Statutory Auditor

Old Station Road
Loughton
Essex
IG10 4PL

20 December 2017

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

| | Note | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Restricted fixed asset funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|--|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 2 | 979 | - | - | 979 | - |
| Charitable activities | 3 | - | 1,361,307 | 11,273,368 | 12,634,675 | 4,531,607 |
| Other trading activities | 4 | 44,571 | - | - | 44,571 | 46,790 |
| Investments | 5 | 491 | - | - | 491 | 322 |
| Total income | | 46,041 | 1,361,307 | 11,273,368 | 12,680,716 | 4,578,719 |
| Expenditure on: | | | | | | |
| Charitable activities | | 54,467 | 1,446,940 | 443,035 | 1,944,442 | 1,436,202 |
| Total expenditure | 6 | 54,467 | 1,446,940 | 443,035 | 1,944,442 | 1,436,202 |
| Net Income / (expenditure) before transfers | | (8,426) | (85,633) | 10,830,333 | 10,736,274 | 3,142,517 |
| Transfers between Funds | 17 | - | 142,176 | (142,176) | - | - |
| Net Income / (expenditure) before other recognised gains and losses | | (8,426) | 56,543 | 10,688,157 | 10,736,274 | 3,142,517 |
| Actuarial losses on defined benefit pension schemes | 21 | - | (11,000) | - | (11,000) | (6,000) |
| Net movement in funds | | (8,426) | 45,543 | 10,688,157 | 10,725,274 | 3,136,517 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 38,791 | 43,903 | 3,115,964 | 3,198,658 | 62,141 |
| Total funds carried forward | | 30,365 | 89,446 | 13,804,121 | 13,923,932 | 3,198,658 |

The notes on pages 22 to 40 form part of these financial statements.

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09000501

BALANCE SHEET
AS AT 31 AUGUST 2017

| | Note | £ | 2017 £ | £ | 2016 £ |
|--|------|--------------------|--------------------------|--------------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 14 | | 13,804,120 | | 3,115,964 |
| Current assets | | | | | |
| Debtors | 15 | 1,983,837 | | 1,264,558 | |
| Cash at bank and in hand | | 180,498 | | 134,631 | |
| | | <u>2,164,335</u> | | <u>1,399,189</u> | |
| Creditors: amounts falling due within one year | 16 | <u>(2,009,523)</u> | | <u>(1,307,495)</u> | |
| Net current assets | | | <u>154,812</u> | | <u>91,694</u> |
| Total assets less current liabilities | | | <u>13,958,932</u> | | <u>3,207,658</u> |
| Defined benefit pension scheme liability | 21 | | <u>(35,000)</u> | | <u>(9,000)</u> |
| Net assets including pension scheme liabilities | | | <u><u>13,923,932</u></u> | | <u><u>3,198,658</u></u> |
| Funds of the academy | | | | | |
| Restricted income funds: | | | | | |
| Restricted income funds | 17 | 124,446 | | 52,903 | |
| Restricted fixed asset funds | 17 | <u>13,804,121</u> | | <u>3,115,964</u> | |
| Restricted income funds excluding pension liability | | <u>13,928,567</u> | | <u>3,168,867</u> | |
| Pension reserve | | <u>(35,000)</u> | | <u>(9,000)</u> | |
| Total restricted income funds | | | <u>13,893,567</u> | | <u>3,159,867</u> |
| Unrestricted income funds | 17 | | <u>30,365</u> | | <u>38,791</u> |
| Total funds | | | <u><u>13,923,932</u></u> | | <u><u>3,198,658</u></u> |

The financial statements on pages 19 to 40 were approved by the Trustees, and authorised for issue, on 20 December 2017 and are signed on their behalf, by:


B Judd
Chair of Trustees


D Grant
Accounting Officer

The notes on pages 22 to 40 form part of these financial statements.

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

| | Note | 2017 £ | 2016 £ |
|--|------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 19 | (96,339) | (87,108) |
| Cash flows from Investing activities: | | | |
| Purchase of tangible fixed assets | | (11,131,192) | (3,547,709) |
| Capital grants from DfE/ESFA | | 11,273,398 | 3,709,366 |
| Net cash provided by Investing activities | | 142,206 | 161,657 |
| Change in cash and cash equivalents in the year | | 45,867 | 74,549 |
| Cash and cash equivalents brought forward | | 134,631 | 60,082 |
| Cash and cash equivalents carried forward | 20 | 180,498 | 134,631 |

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Ongar Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The accounts have not been prepared on a going concern basis because as noted in the Trustees report, on 1 October 2017, The Ongar Academy joined The Bridge Academy Trust, and its assets and liabilities were transferred from The Ongar Academy Trust on that date.

1.3 Income

All income is recognised once the academy 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 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.

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

1.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 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:

| | | |
|--------------------------|---|---|
| Temporary buildings | - | Over useful life (fully depreciated by end of current year) |
| Fixtures and fittings | - | 10% straight line |
| Computer equipment | - | 20% straight line |
| Asset under construction | - | Not depreciated |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

1.6 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.

1.7 Cash at Bank and in hand

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

1.8 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 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.

1.9 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 15. 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 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.10 Taxation

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

1.11 Pensions

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

1.13 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Income from donations and capital grants

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|-----------|--|--|---------------------------------------|---------------------------------------|
| Donations | 979 | - | 979 | - |

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. Funding for Academy's educational operations

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE / ESFA grants | | | | |
| General Annual Grant (GAG) | - | 1,272,354 | 1,272,354 | 786,447 |
| Capital Grants | - | 11,273,368 | 11,273,368 | 3,709,366 |
| Other DfE / ESFA grants | - | 71,650 | 71,650 | 31,513 |
| | - | 12,617,372 | 12,617,372 | 4,527,326 |
| Other government grants | | | | |
| Local authority grants | - | 17,303 | 17,303 | 4,281 |
| | - | 17,303 | 17,303 | 4,281 |
| | - | 12,634,675 | 12,634,675 | 4,531,607 |
| Total 2016 | - | 4,531,607 | 4,531,607 | |

4. Other trading activities

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|--------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Ski trip | 14,636 | - | 14,636 | 31,250 |
| Other school trips | 29,935 | - | 29,935 | 15,540 |
| | 44,571 | - | 44,571 | 46,790 |
| Total 2016 | 46,790 | - | 46,790 | |

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

5. Investment income

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Total funds 2017 £ | Total funds 2016 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Bank interest | 491 | - | 491 | 322 |
| <i>Total 2016</i> | <i>322</i> | | <i>322</i> | |

6. Expenditure

| | Staff costs 2017 £ | Premises 2017 £ | Other costs 2017 £ | Total 2017 £ | Total 2016 £ |
|----------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Secondary education: | | | | | |
| Direct costs | 870,466 | 65,718 | 165,908 | 1,102,092 | 717,033 |
| Support costs | 137,614 | 523,098 | 181,638 | 842,350 | 719,169 |
| | <i>1,008,080</i> | <i>588,816</i> | <i>347,546</i> | <i>1,944,442</i> | <i>1,436,202</i> |
| <i>Total 2016</i> | <i>644,634</i> | <i>576,537</i> | <i>-</i> | <i>1,221,171</i> | |

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

7. Charitable activities

| | Total funds 2017 £ | Total funds 2016 £ |
|---|---------------------------------------|---------------------------------------|
| Direct costs - educational operations | | |
| Wages and salaries | 705,903 | 450,633 |
| National insurance | 66,205 | 41,017 |
| Pension cost | 98,358 | 68,985 |
| Depreciation | 65,718 | 58,799 |
| Teaching & educational support staff costs | 9,519 | 4,261 |
| Educational supplies | 73,069 | 18,435 |
| Staff development | 14,143 | 13,326 |
| Recruitment & support | 9,007 | 14,364 |
| Legal & professional fees | 27,320 | 27,318 |
| Technology costs | 32,850 | 19,895 |
| | 1,102,092 | 717,033 |
| Support costs - educational operations | | |
| Wages and salaries | 97,219 | 65,782 |
| National Insurance | 7,395 | 4,218 |
| Pension cost | 33,000 | 14,000 |
| Depreciation | 377,317 | 372,946 |
| Educational supplies | 30,389 | 10,000 |
| Repairs & maintenance | 34,830 | 9,203 |
| Cleaning | 16,923 | 14,097 |
| Rent & Rates | 145,781 | 145,059 |
| Energy costs | 6,596 | 5,000 |
| Insurances | 4,320 | 2,450 |
| Security & transport | 891 | 18,161 |
| Catering | 6,264 | 4,368 |
| Bank interest & charges | 325 | 214 |
| Other support costs | 23,384 | 12,964 |
| Legal & professional fees | 22,299 | 12,419 |
| Technology costs | 20,422 | 19,688 |
| Audit and accountancy fees | 14,995 | 8,600 |
| | 842,350 | 719,169 |
| | 1,944,442 | 1,436,202 |

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

8. Analysis of expenditure by activities

| | Activities undertaken directly 2017 £ | Support costs 2017 £ | Total 2017 £ | Total 2016 £ |
|---------------------|---|-------------------------------|--------------------|--------------------|
| Secondary education | 1,102,092 | 842,350 | 1,944,442 | 1,436,202 |
| <i>Total 2016</i> | <u>717,033</u> | <u>719,169</u> | <u>1,436,202</u> | |

9. Net Income/(expenditure)

This is stated after charging:

| | 2017 £ | 2016 £ |
|--|----------------|----------------|
| Depreciation of tangible fixed assets: - owned by the charity | <u>443,036</u> | <u>431,745</u> |

10. Auditors' remuneration

| | 2017 £ | 2016 £ |
|---|------------|-----------|
| Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts | 10,500 | 5,000 |
| Fees payable to the academy's auditor and its associates in respect of: | | |
| Taxation compliance services | 400 | - |
| All assurance services not included above | 875 | 1,900 |
| All other non-audit services not included above | <u>875</u> | <u>-</u> |

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

11. Staff costs

Staff costs were as follows:

| | 2017 £ | 2016 £ |
|--|------------------|----------------|
| Wages and salaries | 803,122 | 516,414 |
| Social security costs | 73,600 | 45,235 |
| Operating costs of defined benefit pension schemes | 131,358 | 82,985 |
| | <u>1,008,080</u> | <u>644,634</u> |

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

| | 2017 No. | 2016 No. |
|-----------------------|-------------|-------------|
| Teachers | 14 | 7 |
| Admin & Support Staff | 7 | 5 |
| Management | 4 | 4 |
| | <u>25</u> | <u>16</u> |

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

| | 2017 No. | 2016 No. |
|-------------------------------|-------------|-------------|
| In the band £70,001 - £80,000 | 1 | 1 |

All of the above participated in the Teacher's Pension Scheme. During the year ended 31 August 2017 employer's pension contributions for this staff member amounted to £13,149 (2016: £12,708).

The staff termination payments made during the year were £nil (2016: £9,072).

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £226,462 (2016: £218,544).

THE ONGAR ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and 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:

| | | 2017 £ | 2016 £ |
|-----------------------------------|----------------------------|---------------|---------------|
| D Grant (Headteacher and Trustee) | Remuneration | 75,000-80,000 | 75,000-80,000 |
| | Pension contributions paid | 10,000-15,000 | 10,000-15,000 |

During the year ended 31 August 2017, expenses totalling £183 (2016 - £2,007) were reimbursed to 1 Trustee (2016 - 3).

13. Trustees' and Officers' Insurance

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

14. Tangible fixed assets

| | Temporary buildings £ | Fixtures and fittings £ | Computer equipment £ | Asset under construction £ | Total £ |
|-----------------------|-----------------------------|-------------------------------|----------------------------|----------------------------------|------------|
| Cost | | | | | |
| At 1 September 2016 | 745,893 | 78,010 | 254,527 | 2,469,279 | 3,547,709 |
| Additions | 4,370 | 705 | 34,711 | 11,091,406 | 11,131,192 |
| At 31 August 2017 | 750,263 | 78,715 | 289,238 | 13,560,685 | 14,678,901 |
| Depreciation | | | | | |
| At 1 September 2016 | 372,946 | 7,800 | 50,999 | - | 431,745 |
| Charge for the year | 377,317 | 7,871 | 57,848 | - | 443,036 |
| At 31 August 2017 | 750,263 | 15,671 | 108,847 | - | 874,781 |
| Net book value | | | | | |
| At 31 August 2017 | - | 63,044 | 180,391 | 13,560,685 | 13,804,120 |
| At 31 August 2016 | 372,947 | 70,210 | 203,528 | 2,469,279 | 3,115,964 |

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14. Tangible fixed assets (continued)

As at the date of signing of these financial statements, there is no land included on the balance sheet. Issues have arisen over access rights to certain areas of the land, and once these are resolved, the lease for the land will be signed and incorporated into the financial statements.

15. Debtors

| | 2017 £ | 2016 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 2,036 | - |
| Other debtors | 1,961,187 | 1,251,365 |
| Prepayments and accrued income | 20,614 | 13,193 |
| | <u>1,983,837</u> | <u>1,264,558</u> |

16. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 1,104,295 | 81,643 |
| Other taxation and social security | 17,899 | 13,112 |
| Other creditors | 868,183 | 313,869 |
| Accruals and deferred income | 19,146 | 898,871 |
| | <u>2,009,523</u> | <u>1,307,495</u> |

| | 2017 £ | 2016 £ |
|--------------------------------------|--------------|--------------|
| Deferred income | | |
| Deferred income at 1 September 2016 | 1,034 | - |
| Resources deferred during the year | 1,250 | 1,034 |
| Amounts released from previous years | (1,034) | - |
| Deferred income at 31 August 2017 | <u>1,250</u> | <u>1,034</u> |

At the balance sheet date the academy was holding funds received in advance related to a rates rebate from EFDC

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17. Statement of funds

| | Balance at 1 September 2016 £ | Income £ | Expenditure £ | Transfers In/out £ | Gains/ (Losses) £ | Balance at 31 August 2017 £ |
|-------------------------------------|---|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Unrestricted funds | 38,791 | 46,041 | (54,467) | - | - | 30,365 |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 51,869 | 1,272,354 | (1,343,203) | 142,176 | - | 123,196 |
| Other Dfe / ESFA grants | 1,034 | 19,127 | (18,911) | - | - | 1,250 |
| Other LA grants | - | 17,303 | (17,303) | - | - | - |
| Pupil Premium | - | 52,523 | (52,523) | - | - | - |
| Pension reserve | (9,000) | - | (15,000) | - | (11,000) | (35,000) |
| | 43,903 | 1,361,307 | (1,446,940) | 142,176 | (11,000) | 89,446 |
| Restricted fixed asset funds | | | | | | |
| Dfe / ESFA grants | 3,115,964 | 11,273,368 | (443,035) | (142,176) | - | 13,804,121 |
| Total restricted funds | 3,159,867 | 12,634,675 | (1,889,975) | - | (11,000) | 13,893,567 |
| Total of funds | 3,198,658 | 12,680,716 | (1,944,442) | - | (11,000) | 13,923,932 |

Statement of funds - prior year

| | Balance at 1 September 2015 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2016 £ |
|---------------------------|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Unrestricted funds | 1,679 | 47,112 | (10,000) | - | - | 38,791 |
| | 1,679 | 47,112 | (10,000) | - | - | 38,791 |

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17. Statement of funds (continued)

Restricted funds

| | | | | | | |
|----------------------------|---------------|----------------|------------------|----------------|----------------|---------------|
| General Annual Grant (GAG) | | 786,447 | (734,578) | - | | 51,869 |
| Other Dfe / ESFA grants | 60,461 | 31,513 | (252,597) | 161,657 | - | 1,034 |
| Other LA grants | - | 4,281 | (4,281) | - | - | - |
| Pension reserve | - | - | (3,000) | - | (6,000) | (9,000) |
| | <u>60,461</u> | <u>822,241</u> | <u>(994,456)</u> | <u>161,657</u> | <u>(6,000)</u> | <u>43,903</u> |

Restricted fixed asset funds

| | | | | | | |
|------------------------|---------------|------------------|--------------------|------------------|----------------|------------------|
| Dfe / ESFA grants | - | 3,709,366 | (431,745) | (161,657) | - | 3,115,964 |
| | - | <u>3,709,366</u> | <u>(431,745)</u> | <u>(161,657)</u> | - | <u>3,115,964</u> |
| Total restricted funds | <u>60,461</u> | <u>4,531,607</u> | <u>(1,426,201)</u> | | <u>(6,000)</u> | <u>3,159,867</u> |
| Total of funds | <u>62,140</u> | <u>4,578,719</u> | <u>(1,436,201)</u> | <u>-</u> | <u>(6,000)</u> | <u>3,198,658</u> |

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

General Annual Grant (GAG) grant fund - Funds received from the ESFA under the General Annual Grant arrangements for the recurrent expenditure of the school as defined in the Funding Agreement.

Pupil premium - Funds received from the ESFA under the Pupil Premium grant arrangements for the recurrent expenditure of the school as defined in the Funding Agreement.

Other DfE/ ESFA grants - Other government grants received for restricted educational purposes not forming part of General Annual Grant.

The transfer of 'Other DfE / ESFA grants' from restricted fixed assets funds to restricted funds relates to funds received through the capital claim process for rent of the temporary buildings and revenue IT items.

The purpose of the Restricted Fixed Asset Fund is to hold the Academy's fixed assets recorded net of depreciation.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

| | Unrestricted funds 2017 £ | Restricted funds 2017 £ | Restricted fixed asset funds 2017 £ | Total funds 2017 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 13,804,121 | 13,804,121 |
| Current assets | 30,365 | 2,133,972 | - | 2,164,337 |
| Creditors due within one year | - | (2,009,526) | - | (2,009,526) |
| Provisions for liabilities and charges | - | (35,000) | - | (35,000) |
| | <u>30,365</u> | <u>89,446</u> | <u>13,804,121</u> | <u>13,923,932</u> |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | 51 | - | 3,115,913 | 3,115,964 |
| Current assets | 48,740 | 271,458 | 1,078,991 | 1,399,189 |
| Creditors due within one year | (10,000) | (218,555) | (1,078,940) | (1,307,495) |
| Provisions for liabilities and charges | - | (9,000) | - | (9,000) |
| | <u>38,791</u> | <u>43,903</u> | <u>3,115,964</u> | <u>3,198,658</u> |

19. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2017 £ | 2016 £ |
|--|-----------------|-----------------|
| Net income for the year (as per Statement of Financial Activities) | 10,736,274 | 3,142,517 |
| Adjustment for: | | |
| Depreciation charges | 443,036 | 431,745 |
| Increase in debtors | (719,280) | (1,204,181) |
| Increase in creditors | 702,029 | 1,249,177 |
| Capital grants from DfE and other capital income | (11,273,398) | (3,709,366) |
| Defined benefit pension scheme cost less contributions payable | 15,000 | 3,000 |
| Net cash used in operating activities | <u>(96,339)</u> | <u>(87,108)</u> |

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20. Analysis of cash and cash equivalents

| | 2017 £ | 2016 £ |
|--------------|----------------|----------------|
| Cash in hand | 180,498 | 134,631 |
| Total | <u>180,498</u> | <u>134,631</u> |

21. 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 Essex County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £Nil were payable to the schemes at 31 August 2017 (2016 - £6,421) 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 (currently 14.1%)
- 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

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NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

- 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%.

During the previous year the employer contribution rate was 14.1%. 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 £98,358 (2016 - £68,985).

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

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

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 2017 was £23,000 (2016 - £15,000), of which employer's contributions totalled £18,000 (2016 - £11,000) and employees' contributions totalled £5,000 (2016 - £4,000). The agreed contribution rates for future years are 12% for employers and 5.5 - 7.5% for employees.

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

Principal actuarial assumptions:

| | 2017 | 2016 |
|--|--------|--------|
| Discount rate for scheme liabilities | 2.60 % | 2.20 % |
| Rate of increase in salaries | 4.20 % | 4.10 % |
| Rate of increase for pensions in payment / inflation | 2.70 % | 2.30 % |
| Inflation assumption (CPI) | 2.70 % | 2.30 % |
| Inflation assumption (RPI) | 3.60 % | 3.20 % |

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

| | 2017 | 2016 |
|----------------------|------|------|
| Retiring today | | |
| Males | 22.2 | 22.9 |
| Females | 24.7 | 25.3 |
| Retiring in 20 years | | |
| Males | 24.3 | 25.2 |
| Females | 27.0 | 27.7 |

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21. Pension commitments (continued)

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

| | Fair value at 31 August 2017 £ | Fair value at 31 August 2016 £ |
|-------------------------------------|---|---|
| Equities | 30,000 | 10,000 |
| Gilts | 3,000 | 1,000 |
| Other bonds | 2,000 | 1,000 |
| Property | 4,000 | 2,000 |
| Cash and other liquid assets | 1,000 | |
| Alternative assets | 4,000 | 1,000 |
| Other managed funds | 2,000 | 1,000 |
| Total market value of assets | 46,000 | 16,000 |

The actual return on scheme assets was £4,000 (2016 - £1,000).

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

| | 2017 £ | 2016 £ |
|----------------------|-----------------|-----------------|
| Current service cost | (33,000) | (14,000) |
| Interest income | 1,000 | |
| Interest cost | (1,000) | |
| Total | (33,000) | (14,000) |

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

| | 2017 £ | 2016 £ |
|---|---------------|---------------|
| Opening defined benefit obligation | 25,000 | - |
| Current service cost | 33,000 | 14,000 |
| Interest cost | 1,000 | |
| Employee contributions | 5,000 | 4,000 |
| Actuarial losses | 17,000 | 7,000 |
| Closing defined benefit obligation | 81,000 | 25,000 |

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21. Pension commitments (continued)

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

| | 2017 £ | 2016 £ |
|-------------------------------------|---------------|---------------|
| Opening fair value of scheme assets | 16,000 | |
| Interest income | 1,000 | |
| Actuarial gains | 6,000 | 1,000 |
| Employer contributions | 18,000 | 11,000 |
| Employee contributions | 5,000 | 4,000 |
| | <u>46,000</u> | <u>16,000</u> |
| Closing fair value of scheme assets | | |

22. 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.

23. Related party transactions

Owing to the nature of the academy'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 trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the year there were transactions with the following related parties:

Schoolwear Plus Limited - A company in which S Glascock is a shareholder and a director

Transactions with related parties:

| | 2017 £ | 2016 £ |
|--|------------|------------|
| Payments made to Schoolwear Plus Limited | <u>518</u> | <u>847</u> |

24. Post balance sheet events

As noted in the Trustees report, on 1 October 2017, The Ongar Academy joined The Bridge Academy Trust, and its assets and liabilities were transferred from The Ongar Academy Trust on that date.