

Registered number: 07800029

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

Mr Rabindara Nath Pathak
Mr Zahid Muneer
Mr Mark Poulson
Mr Manish Madhas

Trustees

Ms Christine Rose Dickson, Chair¹
Mrs Denise Joy Maloney, Vice Chair¹
Ms Jan Moorhouse, Vice Chair
Cllr David Millican¹
Dr Jenny Francis
Mr Gerry Wadwa, Executive Headteacher & Accounting Officer¹
Mr Shahbaz Haider, Finance Director¹

¹ Member of Finance and Audit Committee from September 2017

Company registered number

07800029

Company name

Grand Union Multi Academy Trust

Principal and registered office

11 Montague Way
Southall
Middlesex
UB2 5HF

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018

Advisers (continued)

Company secretary

Mr Shahbaz Haider

Senior leadership team

Gerry Wadwa, Executive Headteacher
Kamal Thacker, Senior Deputy Headteacher
John Noel, Assistant Headteacher
Alka Patel, Assistant Headteacher
Alan Bate, Assistant Headteacher (resigned 31 August 2018)
Mark Thorley, Assistant Headteacher
Joanne Ainsworth, Assistant Headteacher
Maria Winters, Deputy Headteacher
Jagroop Hickey, Deputy Headteacher (appointed 1 September 2017)
Zac Rawlinson, Associate Assistant Headteacher (resigned 31 August 2018)
Harinder Rana, Headteacher of Woodlands Academy
Sonia Magan, Assistant Headteacher
Catherine Hasker, Assistant Headteacher (appointed 1 September 2017)
Gurnaik Sangha, Associate Assistant Headteacher (appointed 1 September 2018)

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditor
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Bankers

Lloyds Bank
3 Teignmouth Parade
Perivale
UB6 8BZ

Solicitors

Browne Jacobsen LLP
44 Castle Gate
Nottingham
NG1 7BJ

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Grand Union Multi Academy Trust (GU MAT) 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 Multi Academy Trust operates two academies, Featherstone High School and Woodlands Academy, for pupils aged 3 to 19 with admissions on a non selective basis, serving the catchment areas of Southall and West Ealing.

Featherstone High School had an increased pupil capacity of 1660 in September 2017 with 11-16 capacity increased by a further 30 students to 1260 and 16-19 capacity of 400. The additional 30 students in Year 7 will continue to move through the years creating a total of 150 11-16 spaces by September 2020. The Academy had a roll of 1614 in the school census in October 2017 which consisted of 1255 pre 16 students and 359 post 16. In the latest census October 2018, pre 16 numbers have increased to 1297 with a further 390 post 16 students giving a total of 1687.

Woodlands Academy has a capacity of 260 students and had a roll of 215 in the October 2017 census. The numbers on roll have reduced to 198 in the October 2018 census.

Structure, Governance and Management
Constitution

Grand Union Multi Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Multi Academy Trust.

The Trustees of the Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Grand Union Multi Academy Trust.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

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.

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Multi Academy Trust. The cost of this insurance is combined with the main policy. Details are provided in note 12 to the Financial Statements.

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

Method of Recruitment and Appointment or Election of Trustees

The management of the Multi Academy Trust is the responsibility of the Trustees who are elected under the terms of the articles of association.

The Board of Trustees comprises the Executive Headteacher, 6 other Trustees and 4 Members. Where necessary, other Trustees are appointed after searching local community groups and businesses dependent on the person specification seen as needed. Curriculum Vitae's are requested. Volunteers first visit the school and meet the Chair of the Board and Executive Headteacher. This is a preliminary sift and, where appropriate, a recommendation would be made for a candidate to be presented to the Full Board of Trustees with a view to an appointment.

Policies and Procedures Adopted for the Induction and Training of Trustees

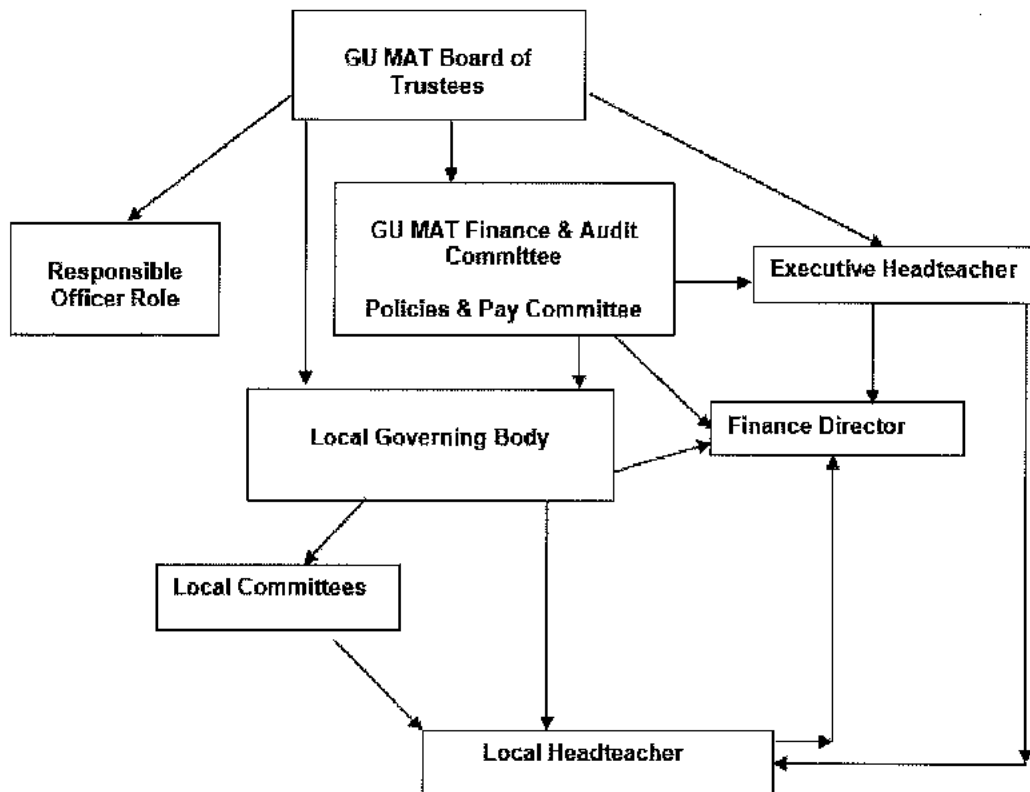
All new Trustees are given an induction pack and, if not familiar with the school, are invited to a tour and to meet key Trustees and staff. Trustees support is available through an outside consultancy specialising in Trustees. Training/courses are also available through London Borough of Ealing on a pay as you go basis. In house training is also provided on any recognised and agreed areas to all Trustees and Local Governing Boards as appropriate i.e. Governors Competency Training held for the Multi Academy Trust in September 2017. There is an Annual Trustees Saturday Workshop which focuses on training needs as well as a Trustees half day workshop which includes Trustees visiting the schools and observing lessons.

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TRUSTEES' REPORT (continued)
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Organisational Structure

Responsibility Chart



The full organisational structure of the Grand Union Multi Academy Trust can be seen above. The chart illustrates the delegation of financial responsibility from the Board of Trustees down to the Local Governing Boards and its Committees, the Executive Headteacher and Finance Director. The Trustees have defined and documented a range of responsibilities including financial responsibilities and those that have been delegated to the committees.

The Trustees are responsible and accountable for the strategic planning and policy making that enables the day to day task of managing the Multi Academy Trust to be effectively delegated to the Executive Headteacher. The Executive Headteacher has delegated powers and functions in respect of internal organisation, management and control of the Multi Academy Trust, the implementation of all policies approved by the Local Governing Boards and for the direction of teaching and the curriculum.

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Trustees

- Approval of a written scheme of delegation of its financial powers and duties delegated to the Finance and Audit Committee, the Local Governing Boards, Executive Headteacher and other staff, ensuring that adequate financial controls are in place and operate in conjunction with the Finance Manual of the Multi Academy Trust and Academies Handbook.
- Formally ratify (approve for schools in an OFSTED category or unable to balance the 3 year budget) the annual Multi Academy Trust budget
- Receive the reports of the Internal Auditor and External Auditor
- Consider budgetary reports at every meeting
- Monitoring of safeguarding procedures

Local Governing Boards

- Consider budgetary reports at every meeting
- Approve the Academy Development Plan (recommend to Trustees for approval if in an OFSTED category)
- Approve the Academy 3 year budget (recommend to Trustees for approval if in an OFSTED category or unable to balance the 3 year budget)
- Monitoring of safeguarding procedures

There is a unified management structure at both Featherstone High School and Woodlands Academy to ensure they run in an efficient way. The structure consists of two broad levels. The Local Governors and the Senior Leadership Team (SLT). The operational teams at both schools are populated with middle leaders and overseen by relevant members of SLT. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Local Governors fulfil a largely strategic role. They adopt an Academy Development Plan (SDP). They approve/recommend an annual budget. They monitor Academy performance and, on advice, make decisions about the direction of the school, its capital expenditure and senior staff appointments.

The SLT control the Academy at an executive level implementing the policies laid down by the Trustees / Local Governors and reporting back to them. As a group, the SLT is responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than specific senior staff appointments for which the Local Governing Board / Trustees are responsible (having regard to the Headteacher / Executive Headteacher's advice). Some spending control is devolved to members of SLT and appointed budget holders. The Executive Headteacher is the Accounting Officer.

Risk Management

The Trustees have assessed the major risks to which the Grand Union Multi Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Multi Academy Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school's face, especially in operational areas such as teaching, health and safety, bullying and school trips as well as those relating to the control of finance. They have introduced robust systems, including operational procedures such as the vetting of new staff (DBS checks), supervision of school grounds and internal financial controls to manage and minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover in place. The Trustees are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Policies and Pay Committee, which had representatives from Featherstone High School and The Grand Union Multi Academy Trust, benchmarked with salaries of similar roles in the vicinity prior to recommending the payscale of the Executive Headteacher to the Board of Trustees. Advice from the Solicitors of the Multi Academy Trust was given consideration also. Annual Performance Reviews are carried out by an Executive Headteacher Performance Management Committee consisting of the Chair of the Board of Trustees, the Chair of the Local

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Governing Board and one other in addition to an External Academy Adviser. Key targets are agreed to support the continuous improvement of the Trust schools. In addition, any other external work undertaken on behalf of the Multi Academy Trust with other schools and stakeholders as part of a continuing mission to develop the Multi Academy Trust in line with the GU MAT vision and Growth Plan is also taken into account when assessing pay increases.

Local Headteacher and Senior Leadership remuneration is in line with STPCD and also benchmarked appropriate to the challenging nature of the role and successful leadership of the individual Academy, with a rigorous review of targets reported to the Local Governing Boards.

Trade Union Facility Time

Number of employees who were relevant union officials during the year ended 31 August 2018	3
Full time equivalent employee number	2.8
Percentage of time spent on facility time	1%-50% for all 3 employees (45 minutes/fortnight allocated)
Total cost of facility time	£2,606
Total payroll costs	£8,545,120
The percentage of the total payroll costs spent on facility time	0.03%

Connected Organisations, including Related Party Relationships

Grand Union Multi Academy Trust works closely with Featherstone Sports Centre Trust which exists to promote the health and wellbeing as well as improve the condition of life in the local community. Although Featherstone Sports Centre is a subsidiary company of the Multi Academy Trust, it is a separate entity. However organisational decisions for the Sports Centre are made by the Community Sports Committee which is a sub-committee of the Local Governing Board and includes the Executive Headteacher.

Featherstone Sports Centre had turnover of £272,239 (2017: £285,908) with profit of £9,037 (2017: 28,170).

The Multi Academy Trust also has a Featherstone School Sports Partnership (SSP) which exists to provide Physical Education lessons and staff mentoring service to schools in London Borough of Ealing. The SSP is not a separate legal entity but a collaborative working partnership.

Featherstone High School received income to provide SSP provision to a local primary school where one GU MAT Trustee is also a governor. In terms of payments, the Academy used Kallha Brothers (Building Merchants, a local governor is a Director of this company) and Ambassadors of Sound Ltd (DJ services connected to a local governor) during the period ended 31 August 2018. All of these transactions were on commercial terms.

Both Featherstone High School and Woodlands Academy made payments to Centre for Education & Finance Management Ltd (HR/Finance consultants, GU MAT Trustee is a Director of this company). These transactions were also on commercial terms.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of the Academies to provide education for pupils of different abilities between the ages of 3 and 19.

In accordance with the Funding Agreement made under section 482 of the Education Act 1996, as substituted by the Education Act 2002, between the Secretary of State for Children, Schools and Families and the Multi Academy Trust, the Grand Union Multi Academy Trust is governed by a Board of Trustees who exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Multi Academy Trust.

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The Funding Agreement specifies the admission arrangements, amongst other things, and that the curriculum, in substance, complies with statutory requirements.

The main objectives of the Multi Academy Trust during the period ended 31 August 2018 are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- To raise the standard of educational achievement and progress of all pupils
- To improve the effectiveness of the Multi Academy Trust by keeping the curriculum and organisational structure under continual review
- To provide value for money for the funds expended
- To maintain close links with the community, industry and commerce
- To conduct the Multi Academy Trust's business in accordance with the highest standards of integrity, probity and openness

Objectives, Strategies and Activities

The Grand Union Multi Academy Trust's main strategy is to raise standards of achievement and progress through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Multi Academy Trust is teaching and learning: its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by its students.

Key activities which support the main strategic purpose of the organisation are:

- Robust quality assurance processes which are transparent and inform all subsequent actions
- Secure use of data and tracking to measure progress and inform actions and intervention
- A constant review of CPD and training opportunities for staff
- A core structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are also clear
- Structures to support the organisation and integration of all internal and external resources and support available for both students and staff

The individual Academy Development Plans can also be seen for further information.

Public Benefit

In setting the Grand Union Multi Academy Trust objectives and planning activities the Trustees have given careful consideration to the charity commission's general guidance on public benefit. Pupils are admitted in accordance with the admissions policy agreed with the Department for Education (DfE). Children are admitted from a wide range of backgrounds. The Multi Academy Trust has a rich curriculum which aims to deliver good academic progress with a range of activities and experiences, offering pupils a chance to demonstrate their abilities and potential.

Fundraising

£4,742 was collected and received as restricted charitable donations through a variety of activities including Children in Need, MacMillan Coffee Morning, Poppy Appeal, and so on. All of this money has been passed on to the relevant charities after any operational costs have been covered as at 31 August 2018. No professional fundraisers are used by Grand Union Multi Academy Trust. All fundraising is monitored by the Trustees.

Equal opportunities policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Grand Union Multi Academy Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

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Ramps, lifts and disabled toilets are installed where required and door widths are adequate to enable wheelchair access to all the main areas of the Academies. The policy of the Multi Academy Trust is to support recruitment and retention of pupils and employees with disabilities. The Multi Academy Trust does this by adapting the physical environment, by making resources available and through training and career development.

Strategic Report
Achievements and Performance

Featherstone High School

Trustees will be aware that the Government have introduced a new performance measure which has been used from 2016 onwards. This new Progress 8 measure is designed to encourage schools to offer a broad and balanced curriculum at KS4 and is based on students' progress measured across eight subjects: English, Mathematics (both carry a double weighting and constitute what is called English/Maths element or "Bucket 1") three other English Baccalaureate (EBacc) subjects (Science, Computer Science, Geography, History and Languages which make up the Ebacc element or "Bucket 2"); and three further subjects, which can be from the range of EBacc subjects, or can be any other approved, high-value arts, academic, or vocational qualification (known as the Open Element or "Bucket 3"). The results are shown below with our targets shown in brackets:

% passing both English and Maths Grade 4+: 77% (very close to FFT5 target of 80%)

% passing both English and Maths Grade 5+: 56% (FFT5 target 59%)

Attainment 8: 51.4 points (Target 49.8 points)

Progress 8: +0.74 (Within top 3%)

EBacc: Pass rate 14% (Target 15%)

A Progress 8 score of +0.74 (2017: +0.81) is significantly positive when compared with schools nationally. Whilst we currently have a low Ebacc entry rate, our Progress score for the Ebacc element was significantly strong at +0.71 (2017: 1.17). The national average for Attainment 8 is 46pts with our actual result being higher at 51.4pts (2017: 49.8pts) from a starting point significantly below NA.

The following is an extract from FHS independent consultant's report to Governors (Link Officer):

"The school achieved Well Above average Progress 8 for the second year with the score of 0.74 placing the school in the top 3% of schools for progress. English, Maths and Ebacc elements all performed at this level and at 0.47 the open subjects are now very close to Well Above average. All elements have improved significantly since 2016, particularly English and open subjects. In terms of prior attainment all groups are also Well above average for P8. Pupil premium P8 was lower than 2017 but still close to Well above average.

Attainment 8 at 51 was at the FFT 20 estimate. English and Maths 4+ and 5+EM both exceeded FFT 20 and were close to FFT 5."

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Sixth Form Results

Trustees will be aware that the Academy offers both traditional A Levels and Applied A Levels (also known as BTEC Level 3). The government has started publishing results separately as 'academic' results and 'vocational' results.

Post 16 Historical & Contextual Data (N.B. In 2015/16 system for calculating A level and BTEC Av Points score changed)

Academic	2013	2014	2015	2016	2017	2018
A2 - number of students	64	80	67	77	80	105
A2 - % of grades at A* to B	37.8%	47.7%	59%	48%	52%	51%
A2 - % of grades at A* to E	96.9%	98.7%	100%	99%	97%	99.6%
A level av pts score	209	213	228	34.22	35.12	34.31
A2 - ALPS grade	6	5	1	2	3	3
Vocational						
Vocational (BTEC) - number of students	125	90	86	76	63	70
Vocational - % of grades at Distinction*/ Distinction	42.8%	54.7%	65%	82%	93.2%	46.61%
Vocational - % of Grades at Distinction *- Merit.	84%	92%	91.5%	97.7%	98.9%	94.07%
Vocational av pts score	204	214	222	239	43.14	30.48
BTEC - ALPS T Score	5	4	3	3	2	TBC

N.B. ALPS Grade 1 = outstanding top 1% schools; 3 = excellent top 20% schools; 4 = Very Good Progress; 5 = Quite Good

A-Level/BTEC 2018 Results key points summary:

- Significant increase in A-level entries, up 25% on 2017.
- Introduction of tougher linear exams now rolled out to nearly all subjects
- Top end A*/A pass rates were 16% (17%)
- A*-B pass rates at 51% were broadly in line with last year (52%).
- Overall A-level students achieved excellent outcomes with a "Red Hot" ALPS grade for the 4th successive year which places our sixth form within the top 20% schools in the country for progress made.
- Whilst the VA score has reduced from +0.43 to +0.30 for BTEC, this is still very strong and the introduction of the rigorous external exam component has impacted on schools across the country. The +ive VA still means on average students achieved +0.30 of a grade higher than national averages for students of similar ability
- Top A-levels for Progress: Government & Politics, Business, Computer Science, Drama

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It should be noted that the strong post 16 results are reflected in the number of students securing university places, with 15% securing Russell Group Universities.

Our ongoing focus on attendance is critical to our mission of raising standards. The overall attendance for 2017-18 increased to 97.0% (96.9%) and was the highest in Ealing for the second year running.

Woodlands Academy

In its second year with the Grand Union Multi Academy Trust, the sponsored school continued its period of transition which began with a new Local Governing Board being put in place in early 2015 and a new Headteacher joining the school from September 2015. There is a history of underachievement going back 25-30 years however there are clear signs that the Academy is turning a corner with regards to these legacy issues with excellent work being carried out at local level combined with support from the Multi Academy Trust leading to positive results during 2018. The results for Key Stage 1 for Reading, Writing and Maths, were just above the lower quartile in 2017 and have improved to just below the median in 2018. This shows an improvement on previous years also as well as reflecting well on the changing practices with younger students benefitting and then expected to continue to progress as they move through the years.

There is strong evidence to suggest that social context, backgrounds and needs of pupils have an impact on, or are related to, pupil attainment, (Ealing schools research and data team, August 2018). Below are the percentages for students with special educational needs at the school.

Woodlands SEND Total	National SEND Average (Primary)
17.35%*	13.4%

*Includes 4.1% (9 students) with EHCP vs NA 1.3%

When the above is considered alongside the significantly below the national average results in Reading, Writing and Maths for Key Stage 2 in 2017, the Key Stage 2 results in 2018 were markedly superior with all three areas significantly above the national average. Furthermore, the results in 2017 were at floor level however the results in 2018 place Woodlands in the top 10 out of 62 schools in the borough for Progress made.

The overall attendance of 94.05% for 2017-18 improved on the previous year (93.7%) however was still below the national average of 96%. Woodlands employed an Inclusion Assistant Headteacher from September 2017 to raise engagement with local families. Clearly the level of attendance is improving but needs to increase further to continue improving results at all Key Stage levels.

The Multi Academy Trust continues to provide Executive staffing support in the form of Executive Headteacher and Finance Director. Other specialist support has been provided in the teaching areas of English, Maths, Science as well as the GU MAT Literacy Consultant. Other support has been provided in the form of Finance, Marketing as well as IT fully managing the Network of Woodlands from September 2017.

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Standards

To ensure that standards are continually raised the Multi Academy Trust, the Trustees, Local Governing Boards and the Leadership Teams:

- Operate a robust quality assurance calendar which monitors the quality of teaching and learning and assessment
- Ensure external visits, scrutiny and support by a Local Authority Link Officer, involvement in the Securing Good Programme and use of independent Consultants
- Undertake a rigorous review of attainment using RAISEONLINE, FFT, PiXL and ALPS to measure the progress of students paying particular regard to their achievement on entry and levels of progress secured

To ensure that standards are continually raised the Academies operate a continuous programme of holiday and after school boosters which any underachieving students are requested to attend. In addition the Academies operate a focused programme of lesson observations, visits by consultants are rigorous including a comparison of value added results from entry through all the Key Stages to GCSE and from GCSE to A Level.

Additionally, several teachers are engaged in Leadership Development courses and Master's Level research. Featherstone High School provides leadership support and development opportunities in a variety of ways e.g. Coaching courses accessed by teachers across the LA, key contributor to the LA subject leaders best practice conferences, full payment or subsidies for courses, paid study leave and we purchase leadership resources when appropriate. Leaders from both schools are completing the NPQML and NPQSL with the Institute of Education have access to in school coaches and their tutor sessions are facilitated on site. GU MAT is funding the NPQSL for an AHT from Woodlands. All staff are given the opportunity to engage in school based action research which is shared with the whole staff. Furthermore, the Academy was successful in gaining the Platinum Award for CPD during the year – only a tiny number of schools have achieved this accreditation.

Going Concern

After making appropriate enquiries, the Board of Trustees have a reasonable expectation that the Multi 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. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Financial Review and Key Performance Indicators

Most of Grand Union Multi Academy Trust's revenue is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The funding received during 12 months ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The Academy also receives funding for fixed assets from the ESFA. In accordance with the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland, (FRS102) (Charities SORP FRS102), 'Accounting and Reporting by Charities', such funding is shown in the Statement of Financial Activities 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.

Featherstone High School

During the period ended 31 August 2018, there was an operating surplus of funds totalling £147,751 (2017: Surplus of £1,366,508) which was in main due to a reduction in the Local Government Pension Scheme (LGPS) deficit. At 31 August 2018 the net book value of fixed assets was £19,171,623 (2017: £19,462,661). The assets were used exclusively for providing education and the associated support services to the pupils of the Multi Academy Trust.

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The level of permanent and supply staff used during the year was 85% (79%) of overall revenue. This percentage has increased mainly due to a reduction in revenue by circa £500k and these levels are continuously monitored to produce a balanced 3 year budget. Further investment in the form of an impressive IT infrastructure, the maintenance and development of a large site as well as the purchase of professional services allows the provision of a rich and varied curriculum.

The working capital improved to 1: 4.05 (2017: 1: 2.86). The creditors decreased as the finance team were able to pay a number of invoices by the end of August and although this meant that the bank balance reduced also, an increase in debtors led to an overall increase in the ratio. Furthermore, the school had an in year revenue cash deficit again, nevertheless, the revenue cash surplus was still in a healthy position to cover short term requirements to be met but also help towards balancing a 3 year budget. The Trustees are aware that the ongoing volatile nature of funding combined with increasing costs require the utmost importance to be placed on prudence and regular forecasting.

Woodlands Academy

In its second year of operation with the period ending 31 August 2018, there was an operating deficit of funds totalling £103,612 (2017: Surplus of £632,075). The net book value of fixed assets was £3,745,463 (2017: £3,799,918). The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The level of permanent and supply staff used during the year was 85% (2017: 60%) of overall revenue. The percentage last year was very low due to the additional grants received upon conversion i.e. post opening and environmental grant as well as the revenue transferred from the Local Authority upon conversion. When this additional funding is removed, the staff used during the year was 79% of overall revenue.

The working capital for the period ended 31 August 2018 was 1: 9.00 (2017: 1: 6.56). This is an expected healthy position given the year end cash balance combined with a reduced amount of creditors. However it must be noted that this is likely to decrease in 2018-19 given a continued decline in pupil numbers in addition to an already reduced funding situation.

LGPS Pension Scheme

The Grand Union Multi Academy Trust's non-teaching staff are entitled to membership of the LGPS. The Multi Academy Trust is part of the London Borough of Ealing pooling scheme which allows the Multi Academy Trust to contribute a reduced employer's rate but then having to pay an additional monthly lump sum due to an overall deficit in the fund. The latest actuarial report highlights a reduced deficit for both Woodlands Academy (£1,268,000) and Featherstone High School (£4,955,000) for the period ending 31 August 2018.

Financial and Risk Management Objectives and Policies

As a Multi Academy Trust funded directly by the DfE, funding streams are considered to be reasonably safe and secure. The risk mainly arises from changes in government policy and funding levels. However the key risk is falling levels of funding and numbers on roll. The Trustees have a risk register which is managed and reviewed on a regular basis. Numbers on roll are reported to the Trustees as well as the Local Governing Boards termly through the Executive Headteacher / Headteacher's Report. Trustees are therefore kept fully aware of any trends in changes of numbers on roll and hence fully aware of any impending risk to financial health.

To overcome a reduction in funding combined with increasing liabilities such as pension and national insurance costs, Featherstone High School has increased the Published Admission Number with an additional 150 students expected by September 2020 and therefore an increased level of funding with minimal outlay due to an increase in class size. Previously, the Academy has gone through a process of redundancies during 2014-15 and 2015-16 to ensure going concern.

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

A number of 3 year budget scenarios have been produced for Woodlands Academy in light of the falling numbers on roll and this exercise will continue to ensure that the Academy is able to plan ahead. Furthermore, vast ground work is taking place to change the perception of the Academy in the community including a Marketing group of Staff, Local Governors and Trustees being set up and Outreach work being carried out by Academy Staff to engage with all stakeholders.

Cash flow is monitored weekly by the Multi Academy Trust and budgets presented at local and Trustees level at every finance committee meeting and circulated monthly also. The Multi Academy Trust has general reserves which enable it to plan for future capital projects and enable safeguarding against a reduction in funding. The Multi Academy Trust has strong internal control systems in place and chooses to have 3 Internal Audit visits per year to maintain clarity, transparency and confidence of all internal and external stakeholders.

Principal Risks and Uncertainties

Featherstone High School is fully subscribed at entry level and main school numbers on roll are sustained year on year which currently represents a low risk. Sixth Form funding will continue to reduce over the years due to it being brought in line with FE Colleges, hence this represents a risk of loss in funding. Sixth Form numbers on roll have not reached full capacity but are consistently high which continues to balance the situation.

Woodlands Academy will be consulting to reduce to 1 form of entry from 2019-20 due to a fall in roll again. Three year budget plans are continuously reviewed to ensure going concern.

The Grand Union Multi Academy Trust in general anticipates the confirmation of funding for period 2019-20. This will then enable firm decisions to be made for 2019-20 and the following years. Furthermore, the Multi Academy Trust is aware of the anticipated further increase in pension contributions for employer's as well as the outlook for pay and cost of living increases looking more generous than previous years, therefore all of these external factors are given consideration when assessing budgets and future plans.

The Multi Academy Trust practices through its Board, namely the Trustees and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the Trustees with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Trustees accept managed risk as an inevitable part of its operations but maintain an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Trustees collectively, whilst more minor risks are dealt with by the SLT.

Reserves Policy

The Trustees have agreed a Reserves Policy for the Multi Academy Trust and review this on an annual basis. The review encompasses the nature of income and expenditure streams and the need to match income with commitments. Demand on the Multi Academy Trust's reserves (restricted and unrestricted) will vary over the coming years. The Trustees have determined that the appropriate level of in year contingency or 'reserves' should be a minimum 10% of the total budget (approximately £1,000,000 for Featherstone High School and £150,000 for Woodlands Academy). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Any additional reserves will be earmarked for future projects in line with the Academy's Development Plan. The Local Governing Boards are aware that the balancing of a 3 year budget is a high priority therefore a higher level of reserves may be needed to ensure this is in place. There is a fine balance between saving for the future as well as spending on current students, however this balance is always respected with the Multi Academy Trust not compromising on the education and development of current students by setting aside an unrealistic level of reserves for future projects or budgetary reasons.

GRAND UNION MULTI ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

At 31 August 2018 the total funds comprised:

Featherstone High School

Unrestricted:		£89,223
Restricted:	Fixed asset funds	£19,294,133
	GAG	£330,415
	Pension reserve	(£4,955,000)
	Other	£601,093

Woodlands Academy

Unrestricted:		£358,730
Restricted:	Fixed asset funds	£3,745,462
	GAG	£141,560
	Pension reserve	(£1,268,000)

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The Trustees have plans in place to meet the deficit such that the deficit does not constrain the reserves going forward. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Multi Academy Trust, at the discretion of the Trustees.

Investment Policy

There are currently no Investments and no Investment Policy in place. Trustees balance future funding with current requirements before making an informed decision on an annual basis. This will continue to be a point of discussion on an annual basis.

Plans for Future Periods

The Grand Union Multi Academy Trust will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps on leaving the respective Academies with regards to employment or continuing in training or secondary/higher education. The Academies continuously strive to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students.

Grand Union Multi Academy Trust has an excellent reputation for the personal development and well-being of its students and staff and this will continue to be priority. The Academies will continue to look at its accommodation and plan for the redevelopment of areas of the school site where buildings have reached the end of their useful life.

Grand Union Multi Academy Trust aims to provide the opportunity for increased student success beyond the boundaries of our Academies. Both Academies within the Multi Academy Trust are at the forefront of plans aiming to establish ways to benefit the wider community through links with primary schools and some secondary schools who have direct access to our facilities, curricular materials and the expertise of our staff.

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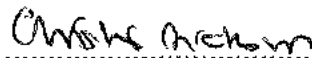
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Auditor

In so far as the Trustees are aware:

- There is no relevant audit information of which Grand Union Multi Academy Trust's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees Report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 5-12-18 and signed on its behalf by:



Ms Christine Rose Dickson
Chair of Trustees

GRAND UNION MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that the Grand Union 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 have delegated the day-to-day responsibility to the Executive 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 Grand Union Multi Academy Trust and the Secretary of State for Education. The Executive Headteacher is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year ended 31 August 2018. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a possible
Ms Christine Rose Dickson (Chair)	4	4
Mrs Denise Joy Maloney (Vice Chair)	3	4
Ms Jan Moorhouse (Vice Chair)	3	4
Cllr David Millican	4	4
Dr Jenny Francis	1	4
Mr Gerry Wadwa (Executive Headteacher)	4	4
Mr Shahbaz Haider (Finance Director)	4	4

Members are also invited to attend Trustees' meetings in their capacity as Members, but attendance is not compulsory:

Members	Meetings Attended	Out of a possible
Mr Zak Muneer	0	4
Mr Rabindara Pathak	1	4
Mr Manish Madhas	4	4
Mr Mark Poulson	0	4

The Board of Trustees formed a separate Finance and Audit Committee from September 2017. The committee met 4 times during the year ended 31 August 2018 with attendance as follows:

Trustee	Meetings Attended	Out of a possible
Mrs Denise Joy Maloney (Chair)	3	4
Cllr David Millican (Vice Chair)	4	4
Ms Christine Rose Dickson	4	4
Mr Gerry Wadwa (Executive Headteacher)	4	4
Mr Shahbaz Haider (Finance Director)	4	4

GRAND UNION MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

The Board of Trustees also delegate responsibility to its sub-committees at Local Governing Board level: Finance/Resources Committee, Curriculum Committee, Personnel Committee, Premises Committee and Community Sports Committee. These sub-committees are required to meet on a termly basis (i.e. 3 times a year) as a minimum. All these sub-committees formally met at least 3 times during the period ended 31 August 2018. Items discussed at sub-committee meetings are then reported and ratified at the next Local Full Governing Board meeting with minutes of the Local Full Governing Board meetings made available to the Board of Trustees also. Furthermore the Board of Trustees have set up a Trustees Advisory Group (TAG) which includes the Chair/Vice Chair of each Local Governing Board as well as the Board of Trustees in addition to the Executive Headteacher and Finance Director. The TAG meet 2 weeks prior to every Board of Trustees meeting to ensure there is two way communication between board and local level.

The Finance/Resources Committee is responsible for monitoring and making recommendations to the Board of Trustees via the Local Full Governing Board on matters related to Finance and Audit.

Attendance at meetings of the respective Academies in the year was as follows:

Featherstone High School

Local Governor	Meetings Attended	Out of a Possible
Mr Sunil Seewon Prayag (Chairman)	2	4
Mrs Fay Denise Haras-Gummer	3	4
Mr Kewal Singh Kallha	3	4
Ms Apinder Sidhu	3	4
Mr Umesh Sharma	1	1
Mr Gerry Wadwa (Headteacher)	4	4
Mr Shahbaz Haider (Finance Director)	4	4
Ms Ranjan Bhardwa (Senior Finance Officer)	4	4

Woodlands Academy

Local Governor	Meetings Attended	Out of a Possible
Mr Bharat Vaswani (Chairman)	4	5
Ms Shirley Kenworthy Wright	4	5
Mr Ravi Lamba	5	5
Mr Scott Sutherland	3	3
Mr John Popham	2	2
Mr John Keyes	0	1
Ms Harinder Rana (Headteacher)	5	5
Mr Shahbaz Haider (Finance Director)	3	5
Mr Kevin Bhambra (MAT Finance Officer)	2	2

GRAND UNION MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Review of Value for Money

As Accounting Officer the Executive Headteacher has responsibility for ensuring that the Grand Union Multi 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 outcome achieved in return for the taxpayer resources received.

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

Achievements and Performance

As previously stated, Progress over time by students at Featherstone High School was significantly positive for 2017-18 at +0.74 when compared with schools on a national level with pure levels of Attainment a positive for the school also. With regards to Woodlands Academy, performance at all levels was a significant improvement on previous years and was an endorsement on the good work being carried out in recent times.

The Grand Union Multi Academy Trust Offer

The Academies continued to provide a rich and varied curriculum to ensure needs of all students were met. The aim of all Trustees, Local Governors, Senior Leaders and members of staff is to not only provide a well rounded curriculum, but to go the extra mile and ensure students are ready for the wider society upon completion of their studies with the respective Academies. This included:

- Over 120 curriculum and non curriculum based trips for our students
- Continued investment in the IT infrastructure
- More students provided with work experience opportunities through vocational courses
- A range of morning, lunch and after school clubs with attendance continuing to exceed expectation
- Increased number of booster classes / gifted & talented provision
- Continued investment in offering careers advice, counselling and educational psychologist provision
- The use of independent consultants and partners to continuously scrutinise the teaching and learning standards
- Ongoing capital improvements to facilities such as the Main Teaching Block Project, Office Refurbishments, Nursery arrangements and many others improving the schooling experience for all stakeholders

Benchmarking

Benchmarking 2015-16 data was made available by the ESFA and this allowed a comparison of key areas to be made. The information has been used as one of the key drivers during staff redundancies previously and will continue to be used as a key document in future. Furthermore, a number of operational budgets have been scrutinised such as IT, Facilities, Advertising, Resources, Catering and Trips/Activities to ensure the Multi Academy Trust strives to balance a 3 year budget by achieving value for money.

Central Team

Featherstone High School has provided Executive staffing support to Woodlands Academy in the form of Executive Headteacher and Finance Director. Other specialist support has been provided in the teaching areas of English, Maths, Science, Literacy Consultant, as well as the support areas of the Inclusion Team, Finance, Marketing and IT. This support would cost more if sourced externally however the Multi Academy Trust's motto of 'Together We Achieve' is evident across all members of staff that have been involved in the joint working.

GRAND UNION MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

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 Multi Academy Trust's 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 at Grand Union Multi Academy Trust for the period ended 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 have reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the period ended 31 August 2018 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Multi Academy Trust's system of internal control is based on a framework of regular management information and administrative procedures including 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 as well as the Local Finance Committees
- Regular reviews by the Board of Trustees and Local Finance Committees of reports which indicate financial performance against 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 have considered the need for a specific Internal Audit function and appointed CEFM as Internal Auditor. The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Multi Academy Trust's financial systems on a termly basis. The Internal Auditor reports to Board of Trustees on the operation of the systems of control as well as making recommendations on improvement. CEFM have completed their 3 standard visits for each Academy. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of the fixed asset register with physical checks
- Testing of income and other revenue
- Testing of control account/bank reconciliations
- Checks of governance structure and review of FGB and finance committee minutes
- Checking of declaration of interest forms and proper and regular use of public funds
- Checking of reports given to the finance committee
- Review of the Finance Manual including all policies and effective oversight
- Checking of risk register and business continuity plan

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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

The following shows the number of recommendations made during the Responsible Officer visits.

Featherstone High School

Responsible Officer Visit 1 = 2 low risk recommendations (items now in place)

Responsible Officer Visit 2 = 1 recommendation (item now in place)

Responsible Officer Visit 3 = 2 low risk recommendations (items now in place)

Woodlands Academy

Responsible Officer Visit 1 = 0 recommendations

Responsible Officer Visit 2 = 1 recommendation (item now in place)

Responsible Officer Visit 3 = 3 low risk recommendations (items now in place)

Review of Effectiveness

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

- The work of the Internal Auditor
- The work of the External Auditor
- The Local Finance Committees
- The work of the managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework i.e. Senior Leadership Team and Finance Director

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Local Finance Committees and a plan to address the low risk recommendations whilst ensuring continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 5-12-18 and signed on its behalf by:



.....
Ms Christine Rose Dickson
Chair of Trustees



.....
Mr Gerry Wadwa
Accounting Officer


GRAND UNION MULTI ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2018

As Accounting Officer of the Grand Union Multi Academy Trust I have considered my responsibility to notify the Trustees and the Education & 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 Multi Academy Trust and the Secretary of State. 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 Trustees of the Multi Academy Trust are able to identify any material irregular or improper use of funds by the Multi Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi 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 Trustees and ESFA.


.....
Mr Gerry Wadwa
Accounting Officer

Date: 5-12-18

GRAND UNION MULTI ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who act as governors of the Grand Union Multi 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 & 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, which give a true and fair view of the state of affairs of the Multi Academy Trust and of the incoming resources and application of resources, including the income and expenditure, of the Academies for that period. In preparing these financial statements, the Trustees are required to:

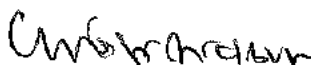
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 Academy will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the transactions of the Multi Academy Trust and disclose with reasonable accuracy at any time the financial position of the Multi Academy Trust 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 Multi Academy Trust 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 Multi Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

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



Ms Christine Rose Dickson
Chair of Trustees

Date: 5-12-18

GRAND UNION MULTI ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GRAND UNION MULTI ACADEMY TRUST

OPINION

We have audited the financial statements of Grand Union Multi Academy Trust (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2018 which comprise the group Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, the group Consolidated and parent company Balance Sheet, the group Consolidated 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 group's and of the parent Academy's affairs as at 31 August 2018 and of the group's 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 group 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 group's or the parent Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

GRAND UNION MULTI ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GRAND UNION 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 Group Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Group 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 group and the parent 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:

- the parent Academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy 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.

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.

GRAND UNION MULTI ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GRAND UNION MULTI ACADEMY TRUST

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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 group or the parent Academy or to cease operations, or have no realistic alternative but to do so.

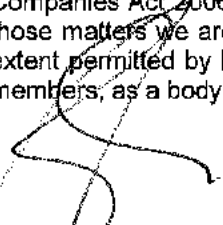
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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.



Brendan Sharkey FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants & Statutory Auditor

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date: 17 December 2018

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GRAND UNION MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 September 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 Grand Union 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 Grand Union 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 Grand Union 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 Grand Union Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF GRAND UNION MULTI ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Grand Union Multi Academy Trust's funding agreement with the Secretary of State for Education dated [enter date here], 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.

The work undertaken to draw to our conclusion includes;

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;

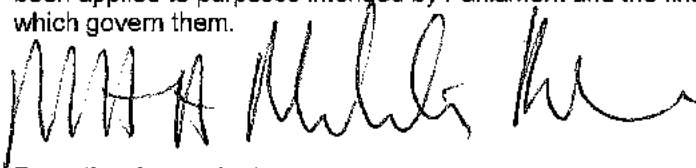
GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GRAND UNION MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate, and making appropriate enquiries of the Accounting Officer.

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.



Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date: 17 December 2018

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	-	4,742	230,239	234,981	3,645,998
Charitable activities	5	-	11,854,475	-	11,854,475	12,502,965
Other trading activities	3	356,859	17,319	-	374,178	416,118
Investments	4	1,297	-	-	1,297	1,890
TOTAL INCOME		358,156	11,876,536	230,239	12,464,931	16,566,971
EXPENDITURE ON:						
Charitable activities	7	162,191	12,553,954	514,177	13,230,322	13,122,586
Other expenditure	6	263,202	-	-	263,202	264,654
TOTAL EXPENDITURE		425,393	12,553,954	514,177	13,493,524	13,387,240
NET EXPENDITURE BEFORE TRANSFERS						
Transfers between Funds	18	(67,237)	(677,418) (60,946)	(283,938) 60,946	(1,028,593) -	3,179,731 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(67,237)	(738,364)	(222,992)	(1,028,593)	3,179,731
Actuarial gains on defined benefit pension schemes	24	-	1,129,000	-	1,129,000	1,218,000
NET MOVEMENT IN FUNDS		(67,237)	390,636	(222,992)	100,407	4,397,731
RECONCILIATION OF FUNDS:						
Total funds brought forward		515,191	(5,540,566)	23,262,583	18,237,208	13,839,477
TOTAL FUNDS CARRIED FORWARD		447,954	(5,149,930)	23,039,591	18,337,615	18,237,208

The notes on pages 33 to 61 form part of these financial statements.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07800029

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		22,917,085		23,262,583
CURRENT ASSETS					
Debtors	16	401,901		307,424	
Cash at bank and in hand		1,695,382		2,576,955	
		<u>2,097,283</u>		<u>2,884,379</u>	
CREDITORS: amounts falling due within one year	17	<u>(453,753)</u>		<u>(865,754)</u>	
NET CURRENT ASSETS			<u>1,643,530</u>		<u>2,018,625</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>24,560,615</u>		<u>25,281,208</u>
Defined benefit pension scheme liability	24		<u>(6,223,000)</u>		<u>(7,044,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>18,337,615</u></u>		<u><u>18,237,208</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	18	1,073,070		1,503,434	
Restricted fixed asset funds	18	23,039,591		23,262,583	
		<u>24,112,661</u>		<u>24,766,017</u>	
Restricted income funds excluding pension liability		<u>(6,223,000)</u>		<u>(7,044,000)</u>	
Pension reserve					
Total restricted income funds			<u>17,889,661</u>		<u>17,722,017</u>
Unrestricted income funds	18		<u>447,954</u>		<u>515,191</u>
TOTAL FUNDS			<u><u>18,337,615</u></u>		<u><u>18,237,208</u></u>

The financial statements on pages 29 to 61 were approved by the Trustees, and authorised for issue, on 5-12-18 and are signed on their behalf, by:


Ms Christine Rose Dickson
 Chair of Trustees


Mr Gerry Wadwa
 Accounting Officer

The notes on pages 33 to 61 form part of these financial statements.


GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07800029

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		22,886,699		23,232,537
Investments	15		1		1
			<u>22,886,700</u>		<u>23,232,538</u>
CURRENT ASSETS					
Debtors	16	488,467		396,409	
Cash at bank and in hand		1,640,325		2,512,803	
		<u>2,128,792</u>		<u>2,909,212</u>	
CREDITORS: amounts falling due within one year	17	(443,627)		(852,891)	
NET CURRENT ASSETS			<u>1,685,165</u>		<u>2,056,321</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>24,571,865</u>		<u>25,288,859</u>
Defined benefit pension scheme liability	24		(6,223,000)		(7,044,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>18,348,865</u>		<u>18,244,859</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds		1,133,295		1,503,434	
Restricted fixed asset funds		22,960,993		23,232,537	
Restricted funds excluding pension asset		<u>24,094,288</u>		<u>24,735,971</u>	
Pension reserve		(6,223,000)		(7,044,000)	
Total restricted funds			<u>17,871,288</u>		<u>17,691,971</u>
Unrestricted funds			477,577		552,888
TOTAL FUNDS			<u>18,348,865</u>		<u>18,244,859</u>

The financial statements were approved by the Trustees, and authorised for issue, on 5-12-18 and are signed on their behalf, by:


Ms Christine Rose Dickson
 Chair of Trustees


Mr Gerry Wadwa
 Accounting Officer

The notes on pages 33 to 61 form part of these financial statements.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(944,430)	959,376
Cash flows from investing activities:			
Bank interest		1,297	1,890
Purchase of tangible fixed assets		(168,679)	(1,703,414)
Capital grants from DfE Group		230,239	714,278
Net cash provided by/(used in) investing activities		62,857	(987,246)
Change in cash and cash equivalents in the year		(881,573)	(27,870)
Cash and cash equivalents brought forward		2,576,955	2,604,825
Cash and cash equivalents carried forward	21	1,695,382	2,576,955

The notes on pages 33 to 61 form part of these financial statements.

GRAND UNION 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.

Grand Union Multi Academy Trust constitutes a public benefit entity as defined by FRS 102. It is a company limited by guarantee incorporated in England. The address of the registered office and principal place of operation is detailed on page 1. The nature of the academy trust's operation and principal activity are detailed in the Trustees Report.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy alone as permitted by section 408 of the Companies Act 2006.

The financial statements are prepared in pounds sterling, the functional currency, rounded to the nearest £1.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Grand Union Multi Academy Trust and all of its subsidiary undertakings ('subsidiaries').

The Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The consolidated Statement of Financial Activities is for the group as a whole. The surplus on the income and expenditure account for the year dealt with in the accounts of the Academy Trust was £106,960 (2017 - £4,405,383).

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 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

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 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 sports centre income from the subsidiary, 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.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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.

Termination costs are payable when employment is terminated by the academy before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for termination benefits.

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 apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 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 and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, transfers are made to the restricted fixed asset fund.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	50 years straight line method
Equipment	-	5 years straight line method
Computer equipment	-	4 years straight line method
Leasehold land	-	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.

1.7 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.

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities. The financial statements of the group consolidate this subsidiary.

Investments in subsidiaries are valued at cost less provision for impairment. The academy's shareholding in the wholly owned subsidiary, Featherstone Sports Centre Limited, is included in the balance sheet at cost less impairment. There is no readily available market for the share and the cost of valuation would exceed benefit.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.10 Debtors

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

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

Liabilities 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.

1.13 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 16. Prepayments are not financial instruments. Amounts due from 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 17. 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.

1.14 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 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 24, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

1.15 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 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.

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

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.16 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 24, 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.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised into the financial statements are those concerning depreciation policies and asset lives.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Woodlands Academy funds transferred on transfer to Trust	-	-	-	-	2,924,410
Capital grants	-	-	230,239	230,239	714,278
Donations	-	4,742	-	4,742	7,310
Total 2018	-	4,742	230,239	234,981	3,645,998
Total 2017	433,410	(1,341,690)	4,554,278	3,645,998	

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Academy rental income	71,962	-	71,962	92,142
Other income	12,330	17,319	29,649	37,463
Catering income	328	-	328	605
Sports centre income	272,239	-	272,239	285,908
Total 2018	356,859	17,319	374,178	416,118
Total 2017	390,038	26,080	416,118	

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	1,297	-	1,297	1,890
Total 2017	1,890	-	1,890	

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	10,668,605	10,668,605	11,082,674
Pupil Premium	-	628,262	628,262	681,201
	-	11,296,867	11,296,867	11,763,875
Other government grants				
Local authority SEN income	-	163,003	163,003	187,725
Other local authority grants	-	128,364	128,364	287,829
	-	291,367	291,367	475,554
Other funding				
Trip income	-	88,377	88,377	94,079
Other funding income	-	177,864	177,864	169,457
	-	266,241	266,241	263,536
Total 2018	-	11,854,475	11,854,475	12,502,965
Total 2017	-	12,502,965	12,502,965	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

6. OTHER EXPENDITURE

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Sports centre costs	263,202	-	263,202	264,654
Total 2017	255,244	9,410	264,654	

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

7. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Activities:					
Direct costs	7,356,930	502,504	811,141	8,670,575	8,551,672
Support costs	3,063,976	284,038	1,211,733	4,559,747	4,570,914
Total 2018	10,420,906	786,542	2,022,874	13,230,322	13,122,586
Total 2017	10,262,291	736,766	2,123,529	13,122,586	

In 2018, of the total expenditure on charitable activities of £13,230,322 (2017 - £13,122,586), £162,191 (2017 - £429,084) was to unrestricted funds and £13,068,131 (2017 - £12,693,502) was to restricted funds.

8. CHARITABLE EXPENDITURE

	Direct costs 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Charitable activities	8,668,401	4,561,921	13,230,322	13,122,586
Total 2017	8,550,007	4,572,579	13,122,586	

Central service charges are disclosed in note 13.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

8. CHARITABLE EXPENDITURE (continued)

Analysis of support costs

	Activities £	Total 2018 £	Total 2017 £
Staff costs	3,063,976	3,063,976	3,044,897
Repairs and maintenance	284,038	284,038	238,867
Other operational costs	119,559	119,559	116,507
Cleaning costs	9,846	9,846	9,854
Water and rates	71,861	71,861	66,032
Energy	223,466	223,466	208,044
Insurance	46,557	46,557	57,880
Security and transport	20,924	20,924	17,104
Special facilities	180,223	180,223	156,695
Catering	158,780	158,780	145,692
Administrative costs	117,484	117,484	151,375
Legal and professional costs	245,518	245,518	339,976
Governance costs	17,515	17,515	17,991
At 31 August 2018	<u>4,559,747</u>	<u>4,559,747</u>	<u>4,570,914</u>
At 31 August 2017	<u>4,570,914</u>	<u>4,570,914</u>	

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charitable group	514,177	507,309
Auditors' remuneration - audit	14,765	14,241
Operating lease rentals	12,426	7,320
Auditors' remuneration - non audit	<u>3,000</u>	<u>3,750</u>

The parent company of the academy trust has taken advantage of the exemption in Section 408 of the Companies Act 2006 not to present its own income and expenditure account, in these financial statements. The parent company's profit for the year was £106,960 (2017 - £4,405,383).

GRAND UNION MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	7,610,953	7,518,293
Social security costs	816,762	792,324
Pension costs	1,554,138	1,586,229
	<u>9,981,853</u>	<u>9,896,846</u>
Staff restructuring	5,447	-
Agency staff costs	433,606	365,445
	<u>10,420,906</u>	<u>10,262,291</u>

Staff restructuring costs comprise:

	2018 £	2017 £
Severance payments	5,447	-

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

Included in staff restructuring costs are non-statutory severance payments totalling £5,447 made to one individual.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	107	109
Administration and support	112	113
Management	13	14
	<u>232</u>	<u>236</u>

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10. STAFF COSTS (continued)

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	3	4
In the band £70,001 - £80,000	6	6
In the band £80,001 - £90,000	1	0
In the band £130,001 - £140,000	0	1
In the band £140,001 - £150,000	1	0

Nine (2017 - nine) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for these staff amounted to £119,004 (2017 - £116,240). The other two employees (2017 - two) participated in the Local Government Pension Scheme and pension contributions for these members amounted to £20,712 (2017 - £19,597).

e. Key management personnel

The Key Management Personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 2.

The total amount of employee benefits (including employer national insurance and pension contributions) received by Key Management Personnel in the year to 31 August 2018 was £1,186,660 (2017 - £1,042,399). The amount of employee benefits (including employer pension contributions) received by the trustees is disclosed in note 11. The Headteacher is both a member of the senior management team and a trustee.

11. 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:

		2018 £'000	2017 £'000
Mr Gerry Wadwa, Executive Headteacher & Accounting Officer	Remuneration	140-145	130-135
	Pension contributions paid	20-25	20-25
Mr S Haider	Remuneration	65-70	70-75
	Pension contributions paid	10-15	5-10

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

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

12. TRUSTEES' AND OFFICERS' INSURANCE

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000 (2017 - £10,000,000). It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme. The cost of this insurance is included in the total insurance cost.

13. CENTRAL SERVICES

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

- Executive staffing support
- Other specialist teaching support
- The Inclusion Team
- Business & finance support
- Marketing
- IT
- Catering
- HR & Legal
- Architects
- Data Analysis support

The Trust charges for these services on the following basis:

During the previous year the Trust used start up grants of £94,940 received to cover the central services provided to Woodlands Academy.

From 1 September 2017 the Trust has operated a top slice method of covering central costs, with Woodlands Academy and Featherstone High School contributing £15,132 being 1.25% and £93,413 being 1% of formula funding respectively.

Both academies each made an additional flat contribution of £15,000 in the year.

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14. TANGIBLE FIXED ASSETS

Group	Leasehold property £	Furniture and fixtures £	Computer equipment £	Asset under construction £	Total £
Cost					
At 1 September 2017	24,424,260	320,794	749,015	-	25,494,069
Additions	18,648	13,330	68,136	68,565	168,679
At 31 August 2018	<u>24,442,908</u>	<u>334,124</u>	<u>817,151</u>	<u>68,565</u>	<u>25,662,748</u>
Depreciation					
At 1 September 2017	1,512,364	211,889	507,233	-	2,231,486
Charge for the year	377,236	50,685	86,256	-	514,177
At 31 August 2018	<u>1,889,600</u>	<u>262,574</u>	<u>593,489</u>	<u>-</u>	<u>2,745,663</u>
Net book value					
At 31 August 2018	<u>22,553,308</u>	<u>71,550</u>	<u>223,662</u>	<u>68,565</u>	<u>22,917,085</u>
At 31 August 2017	<u>22,911,896</u>	<u>108,905</u>	<u>241,782</u>	<u>-</u>	<u>23,262,583</u>
Trust					
Cost					
At 1 September 2017	24,415,810	262,199	749,015	-	25,427,024
Additions	18,648	1,321	68,136	68,565	156,670
At 31 August 2018	<u>24,434,458</u>	<u>263,520</u>	<u>817,151</u>	<u>68,565</u>	<u>25,583,694</u>
Depreciation					
At 1 September 2017	1,511,674	175,580	507,233	-	2,194,487
Charge for the year	377,069	39,183	86,256	-	502,508
At 31 August 2018	<u>1,888,743</u>	<u>214,763</u>	<u>593,489</u>	<u>-</u>	<u>2,696,995</u>
Net book value					
At 31 August 2018	<u>22,545,715</u>	<u>48,757</u>	<u>223,662</u>	<u>68,565</u>	<u>22,886,699</u>
At 31 August 2017	<u>22,904,136</u>	<u>86,619</u>	<u>241,782</u>	<u>-</u>	<u>23,232,537</u>

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NOTES TO THE FINANCIAL STATEMENTS
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14. TANGIBLE FIXED ASSETS (continued)

Included in leasehold property is land valued at £5,564,000 (2017 - £5,564,000), which is not depreciated. The Trust operates from two sites.

Featherstone High School property was valued in 2012 on conversion using the depreciated replacement cost method by Bidwells LLP RICS. The leasehold property is held under a 125 year lease from 2011 from London Borough of Ealing at a peppercorn rent.

Woodlands Academy property was valued in September 2017 using the depreciated replacement cost model by Bidwells LLP RICS. The leasehold property is held under a 125 year lease from 2016 from London Borough of Ealing at a peppercorn rent. The trustees consider that these valuations remain appropriate at 31 August 2018.

Included within assets under construction are additions of £68,565 which relate to a library conversion project.

15. FIXED ASSET INVESTMENTS

Trust	Shares in group undertakings £
Market value	
At 1 September 2017 and 31 August 2018	<u><u>1</u></u>

The Academy's 100% shareholding in the wholly owned subsidiary, Featherstone Sports Centre Limited (company number 07872885), is included in the balance sheet at the cost of the share capital owned, being one share of £1. The principal activity of the company is to provide sports facilities for the general public.

Featherstone Sports Centre Limited is incorporated in England and Wales with the registered office at the same address as the multi academy trust. Further details can be found in note 27.

16. DEBTORS

	Group		Trust	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	19,510	22,305	19,512	22,305
Amounts owed by group undertakings	-	-	86,565	89,184
VAT	52,345	13,423	52,345	13,423
Prepayments and accrued income	330,046	271,696	330,045	271,497
	<u><u>401,901</u></u>	<u><u>307,424</u></u>	<u><u>488,467</u></u>	<u><u>396,409</u></u>

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17. CREDITORS: Amounts falling due within one year

	Group		Trust	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	121,883	314,152	120,753	310,398
Other taxation and social security	205,707	202,110	205,707	202,110
Deferred income and accruals	126,163	349,492	117,167	340,383
	453,753	865,754	443,627	852,891
	453,753	865,754	443,627	852,891
	Group		Trust	
	£	£	£	£
Deferred income				
Deferred income at 1 September 2017	63,009	158,798	63,009	158,798
Resources deferred during the year	46,964	63,009	46,964	63,009
Amounts released from previous years	(63,009)	(158,798)	(63,009)	(158,798)
Deferred income at 31 August 2018	46,964	63,009	46,964	63,009
	46,964	63,009	46,964	63,009

As at 31 August 2018, deferred income of £46,964 (2017 - £63,009) relates to government grants of £38,054 (2017 - £43,519), trip income of £Nil (2017 - £13,039), lettings income of £8,190 (2017 - £Nil) and other income of £720 (2017 - £6,451).

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	515,191	358,156	(425,393)	-	-	447,954
Restricted funds						
General Annual Grant (GAG)	958,034	10,668,605	(11,028,176)	(60,946)	-	537,517
Other DfE/EFA grants	63,901	628,262	(628,262)	-	-	63,901
Other restricted funds	481,499	579,669	(589,516)	-	-	471,652
Pension reserve	(7,044,000)	-	(308,000)	-	1,129,000	(6,223,000)
	<u>(5,540,566)</u>	<u>11,876,536</u>	<u>(12,553,954)</u>	<u>(60,946)</u>	<u>1,129,000</u>	<u>(5,149,930)</u>
Restricted fixed asset funds						
DfE/EFA capital grant	3,619,321	230,239	-	-	-	3,849,560
Capital expenditure from GAG	1,268,482	-	-	60,946	-	1,329,428
Assets on conversion	18,374,780	-	(514,177)	-	-	17,860,603
	<u>23,262,583</u>	<u>230,239</u>	<u>(514,177)</u>	<u>60,946</u>	<u>-</u>	<u>23,039,591</u>
Total restricted funds	<u>17,722,017</u>	<u>12,106,775</u>	<u>(13,068,131)</u>	<u>-</u>	<u>1,129,000</u>	<u>17,889,661</u>
Total of funds	<u>18,237,208</u>	<u>12,464,931</u>	<u>(13,493,524)</u>	<u>-</u>	<u>1,129,000</u>	<u>18,337,615</u>

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

The unrestricted fund is used for those resources of the academy trust that can be used at the discretion of the trustees.

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2018.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes pupil premium and other Local Authority funding for which income received is used to cover costs associated with these activities.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme and through which all the pension scheme movements are recognised. The scheme is in deficit, but the liability is not payable immediately. There are plans in place to meet the deficit such that there will be no constraints on future reserves.

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

The transfer between GAG funds, unrestricted funds, restricted funds and restricted fixed asset funds represents amounts transferred and capitalised during the year on the purchase of fixed assets.

The restricted fixed asset fund was funded predominately by the funds inherited on conversion from Ealing local authority.

The difference of £122,506 between restricted fixed asset funds and the net book value of fixed assets represents CIF funding received in advance in respect of the library conversion project.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Featherstone High School	1,020,734	1,387,881
Woodlands Academy	500,290	630,744
Total before fixed asset fund and pension reserve	<u>1,521,024</u>	<u>2,018,625</u>
Restricted fixed asset fund	23,039,591	23,262,583
Pension reserve	(6,223,000)	(7,044,000)
Total	<u><u>18,337,615</u></u>	<u><u>18,237,208</u></u>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
Featherstone High School	6,300,695	2,813,060	737,154	1,376,996	11,227,905	10,956,748
Woodlands Academy	1,055,703	205,304	71,813	418,622	1,751,442	1,667,939
	<u>7,356,398</u>	<u>3,018,364</u>	<u>808,967</u>	<u>1,795,618</u>	<u>12,979,347</u>	<u>12,624,687</u>

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

18. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General unrestricted funds	119,675	825,338	(429,822)	-	-	515,191
	<u>119,675</u>	<u>825,338</u>	<u>(429,822)</u>	<u>-</u>	<u>-</u>	<u>515,191</u>
Restricted funds						
General Annual Grant (GAG)	943,561	11,013,386	(10,602,004)	(396,909)	-	958,034
Other DfE/EFA grants	63,901	1,069,299	(1,069,299)	-	-	63,901
Other restricted funds	401,635	453,670	(373,806)	-	-	481,499
Pension reserve	(6,508,000)	(1,349,000)	(405,000)	-	1,218,000	(7,044,000)
	<u>(5,098,903)</u>	<u>11,187,355</u>	<u>(12,450,109)</u>	<u>(396,909)</u>	<u>1,218,000</u>	<u>(5,540,566)</u>
Restricted fixed asset funds						
DfE/EFA capital grant	3,071,597	714,278	(166,554)	-	-	3,619,321
Capital expenditure from GAG	929,208	-	(57,635)	396,909	-	1,268,482
Assets on conversion	14,817,900	3,840,000	(283,120)	-	-	18,374,780
	<u>18,818,705</u>	<u>4,554,278</u>	<u>(507,309)</u>	<u>396,909</u>	<u>-</u>	<u>23,262,583</u>
Total restricted funds	<u>13,719,802</u>	<u>15,741,633</u>	<u>(12,957,418)</u>	<u>-</u>	<u>1,218,000</u>	<u>17,722,017</u>
Total of funds	<u>13,839,477</u>	<u>16,566,971</u>	<u>(13,387,240)</u>	<u>-</u>	<u>1,218,000</u>	<u>18,237,208</u>

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A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	119,675	1,183,494	(855,215)	-	-	447,954
	<u>119,675</u>	<u>1,183,494</u>	<u>(855,215)</u>	<u>-</u>	<u>-</u>	<u>447,954</u>
Restricted funds						
General Annual Grant (GAG)	943,561	21,681,991	(21,630,180)	(457,855)	-	537,517
Other DfE/EFA grants	63,901	1,697,561	(1,697,561)	-	-	63,901
Other restricted funds	401,635	1,033,339	(963,322)	-	-	471,652
Pension reserve	(6,508,000)	(1,349,000)	(713,000)	-	2,347,000	(6,223,000)
	<u>(5,098,903)</u>	<u>23,063,891</u>	<u>(25,004,063)</u>	<u>(457,855)</u>	<u>2,347,000</u>	<u>(5,149,930)</u>
Restricted fixed asset funds						
DfE/EFA capital grant	3,071,597	944,517	(166,554)	-	-	3,849,560
Capital expenditure from GAG	929,208	-	(57,635)	457,855	-	1,329,428
Assets on conversion	14,817,900	3,840,000	(797,297)	-	-	17,860,603
	<u>18,818,705</u>	<u>4,784,517</u>	<u>(1,021,486)</u>	<u>457,855</u>	<u>-</u>	<u>23,039,591</u>
Total Restricted funds	<u>13,719,802</u>	<u>27,848,408</u>	<u>(26,025,549)</u>	<u>-</u>	<u>2,347,000</u>	<u>17,889,661</u>
Total of funds	<u>13,839,477</u>	<u>29,031,902</u>	<u>(26,880,764)</u>	<u>-</u>	<u>2,347,000</u>	<u>18,337,615</u>

GRAND UNION MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	22,917,085	22,917,085
Current assets	447,954	1,526,823	122,506	2,097,283
Creditors due within one year	-	(453,753)	-	(453,753)
Pension deficit	-	(6,223,000)	-	(6,223,000)
	<u>447,954</u>	<u>(5,149,930)</u>	<u>23,039,591</u>	<u>18,337,615</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	23,262,583	23,262,583
Current assets	515,191	2,369,189	-	2,884,380
Creditors due within one year	-	(865,755)	-	(865,755)
Pension deficit	-	(7,044,000)	-	(7,044,000)
	<u>515,191</u>	<u>(5,540,566)</u>	<u>23,262,583</u>	<u>18,237,208</u>

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

	2018	Group 2017
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,028,593)	3,179,731
Adjustment for:		
Depreciation charges	514,177	507,309
Investment income	(1,297)	(1,890)
Increase in debtors	(94,477)	(2,523)
(Decrease)/increase in creditors	(412,001)	77,027
Capital grants from DfE and other capital income	(230,239)	(714,278)
FRS 102 pension adjustment	308,000	405,000
Transfer of assets and liabilities from local authority on conversion, (net of £433,410 cash)	-	(2,491,000)
Net cash (used in)/provided by operating activities	(944,430)	959,376

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	Group 2017
	£	£
Cash at bank and in hand	1,695,382	2,576,955
Total	1,695,382	2,576,955

22. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.

23. CAPITAL COMMITMENTS

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

	2018	2017
	£	£
Contracted for but not provided in these financial statements	122,506	-

These funds are committed to the library project that was funded from the ESFA through CIF funding. This amount is contracted for but not provided in these financial statements.

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24. PENSION COMMITMENTS

The group'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 London Borough of Ealing 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 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 £709,000 (2017 - £721,000).

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NOTES TO THE FINANCIAL STATEMENTS
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24. 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 a multi-employer pension scheme. The Academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy trust has set out above the information available on the scheme.

Local Government Pension 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 £675,000 (2017 - £590,000), of which employer's contributions totalled £545,000 (2017 - £460,000) and employees' contributions totalled £130,000 (2017 - £130,000). The agreed contribution rates for future years are 28.7 - 31.0% 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.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.90 %	2.50 %
Rate of increase in salaries	3.45 %	3.45 %
Rate of increase for pensions in payment / inflation	2.30 %	2.20 %
Inflation assumption (CPI)	2.20 %	2.20 %

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	23.2	23.1
Females	26.1	26.0
Retiring in 20 years		
Males	25.4	25.3
Females	28.4	28.3

	At 31 August 2018	At 31 August 2017
Sensitivity analysis	£	£
Discount rate +0.1%	(265,000)	(254,000)
Salary rate increase +0.1%	60,000	122,000
Mortality assumption - 1 year increase	186,000	162,000

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24. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	2,612,000	2,293,000
Debt Instruments	987,000	738,000
Property	404,000	333,000
Cash and other liquid assets	386,000	219,000
	<u>4,389,000</u>	<u>3,583,000</u>

The actual return on scheme assets was £194,000 (2017 - £335,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2018 £	2017 £
Current service cost	(671,000)	(684,000)
Interest income	83,000	56,000
Interest cost	(265,000)	(237,000)
	<u>(853,000)</u>	<u>(865,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	10,627,000	9,284,000
Transferred in on existing academies joining the trust	-	1,500,000
Current service cost	671,000	684,000
Interest cost	265,000	237,000
Employee contributions	130,000	130,000
Actuarial gains	(1,031,000)	(1,091,000)
Benefits paid	(50,000)	(117,000)
	<u>10,612,000</u>	<u>10,627,000</u>

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24. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	3,583,000	2,776,000
Transferred in on existing academies joining the trust	-	151,000
Interest income	83,000	56,000
Actuarial losses	98,000	127,000
Employer contributions	545,000	460,000
Employee contributions	130,000	130,000
Benefits paid	(50,000)	(117,000)
	<u>4,389,000</u>	<u>3,583,000</u>
Closing fair value of scheme assets	<u>4,389,000</u>	<u>3,583,000</u>

25. OPERATING LEASE COMMITMENTS

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

Group	2018 £	2017 £
Amounts payable:		
Within 1 year	11,706	12,591
Between 1 and 5 years	4,417	16,122
	<u>16,123</u>	<u>28,713</u>
Total	<u>16,123</u>	<u>28,713</u>

At 31 August 2018 the Academy had annual commitments under non-cancellable operating leases as follows:

Academy		
Amounts payable:		
Within 1 year	11,706	12,591
Between 1 and 5 years	4,417	16,122
	<u>16,123</u>	<u>28,713</u>
Total	<u>16,123</u>	<u>28,713</u>

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26. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Income related party transactions

During the year the Academy received £2,000 (2017 - £1,540) for the School Sports Partnership Provision from Fielding Primary School, a school at which Mr David Millican is also a trustee.

During the year the Academy received £Nil (2017 - £510) for the School Sports Partnership Provision from Dairy Meadow Primary School, a school at which Mr Mark Poulson, a member of the academy, was also a Trustee.

These transactions were on the same terms as those that apply to all schools participating in the Schools Sports Partnership Provision. Mr David Millican and Mr Mark Poulson were not involved in any discussions relating to these transactions.

During the year Featherstone Sports Centre Limited made a distribution of £Nil (2017 - £28,906) to the Multi Academy Trust. Further details of income and expenditure allocation of the subsidiary company, Featherstone Sports Centre Limited, are included in note 27.

No amounts were outstanding at 31 August 2018 in respect of the transactions noted above.

Expenditure related party transactions

During the year the Academy paid £Nil (2017 - £1,855) for consultancy from Stanhope Primary School, a school at which a trustee of the Academy, Mrs Denise Joy Maloney, is also a Trustee.

During the year the Academy paid £6,550 (2017 - £7,130) to the Centre for Education & Financial Management (CEFM) for Internal Audit and HR services. Ms Christine Rose Dickson is a Director of CEFM, and a Trustee of the academy.

No amounts were outstanding at 31 August 2018 in respect of the transactions noted above.

Advantage is taken of FRS 102 exemption from disclosure of all other intra group transactions between the academy and its wholly owned subsidiary, Featherstone Sports Centre Limited.

During the year, an administrator at the school was married to Mr S Haider, a trustee. The employment was under normal commercial terms and the trustee was not involved in her recruitment.

No further related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

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27. PRINCIPAL SUBSIDIARIES

Featherstone Sports Centre Limited

Subsidiary name	Featherstone Sports Centre Limited
Basis of control	
Equity shareholding %	100%
Total assets as at 31 August 2018	£ 85,443
Total liabilities as at 31 August 2018	£ 96,691
Total equity as at 31 August 2018	£ (11,248)
Turnover for the year ended 31 August 2018	£ 272,239
Expenditure for the year ended 31 August 2018	£ 278,792
Loss for the year ended 31 August 2018	£ (6,553)

28. MEMBERS' LIABILITY

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

29. POST BALANCE SHEET EVENTS

On 10 September 2018, Featherstone Sports Centre Trust, a company limited by guarantee, was incorporated and it acquired the trade and assets of Featherstone Sports Centre Limited. The Sports Centre which was previously operated by Featherstone Sports Centre Limited will continue to operate within the trust.