

Company Registration Number: 09604912 (England & Wales)

THE OAK ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE OAK ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Fitzsimons P Dingemans R Wallace A Jenner T Occleshaw
Trustees	T Occleshaw, Chair ¹ R McAuley J Everett, Head Teacher P Wiltshire (resigned 31 August 2022) ¹ M Emmett T Farrelly (appointed 14 July 2022) I Myhill, Parent Trustee (appointed 7 February 2022) D Allen M Hersey, Parent Trustee I Patrick ¹ Member of Finance, Audit and Compliance Committee
Company registered number	09604912
Company name	The Oak Academy Trust
Principal and registered office	Barnham Primary School Elm Grove Barnham Bognor Regis West Sussex PO22 0HW
Senior management team	J Everett, Head Teacher N Schofield, School Business Manager M Draper, Deputy Head Teacher K Scott, Inclusion Coordinator
Independent auditors	Kreston Reeves LLP Statutory Auditor Chartered accountants 9 Donnington Park 85 Birdham Road Chichester West Sussex PO20 7AJ
Bankers	Lloyds Bank PLC 33-37 High Street Bognor Regis West Sussex PO21 1RS

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Solicitors	Foot Anstey White Building 1-4 Cumberland Place Southampton SO15 2NP
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THE OAK ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2021 to 31 August 2022. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

This is our seventh annual report of The Oak Academy Trust (hereinafter, the "Trust").

The year 2021-2022 has seen Barnham Primary School and the Trust build upon strong foundations. Whilst the year continued to remain extremely challenging as the country continued to adapt to the pressures and difficulties surrounding the Covid pandemic, our school and our community worked together to ensure that a stable and consistent learning environment was provided to meet the needs of all our children.

Through a combination of continuing to develop a kind, compassionate school community with an individualised approach to the learning development of our children, the school and Trust have been able to provide strong and successful learning experiences and opportunities that have led to positive academic improvement throughout our cohorts. This has resulted in good progress being made to the recovery required for our children in both their academic performance and social, emotional well-being.

Academic Achievement

Our Year 6 children had a very successful year and achieved outstanding academic outcomes. They achieved significantly above their peers both nationally and regionally, and as the data below shows, managed to reach outcomes that may well have seemed unachievable a year ago.

Year 6 SATs BPS	Age Expected	Greater Depth	Progress Scores	Av Scaled Scores
Reading	89%	45%	1.2	108
Maths	93%	30%	1.6	107
Writing	84%	21%	1.1	Not recorded
GPS	86%	27%	Not recorded	107
Combined	77%	11%	Not recorded	Not recorded

The rest of the school has also worked tremendously hard to make up for any lost ground suffered the previous two years and each year group continued to improve. Particular recognition must go to Year 3 who have made considerable gains with their learning from their starting position in both reading and maths.

Phonics

Year Group	
1	69%
2	91%

Reading

Year Group	End of Summer Term 2021	End of Summer Term 2022
2	43%	53%
3	43%	68%
4	62%	80%
5	79%	83%

Maths

Year Group	End of Summer Term 2021	End of Summer Term 2022
2	57%	63%
3	43%	77%
4	54%	67%
5	64%	78%

Grammar, Punctuation and Spelling

Year Group	End of Summer Term 2021	End of Summer Term 2022
3		32%
4	46%	54%
5	64%	83%

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FOR THE YEAR ENDED 31 AUGUST 2022

BPS Approach and Ethos for School Improvement

Last year our focus was on providing the catch-up required for our children to help them achieve in both their academic achievement as well as their well-being and resilience. This was delivered using an approach that focused on 3 key priorities and delivery mechanisms:

1. Whole School Approaches to improving the quality of teaching through staff development and assessment analysis
2. Targeted approaches with a specific focus on the needs of each pupil ie intervention programmes, tutoring
3. Wider strategies that tackle non-academic barriers to success in school ie attendance, wider enrichment activities

Due to the success and positive impact of this approach, we will be continuing to employ this philosophy for school improvement next year and will continue to implement the following steps for deploying funding:

1. Diagnostically assess learning and well-being of the pupils
2. Analyse the data and identify priorities
3. Implement action plans
4. Review Impact

I look forward to 2022-2023, and am excited about the journey of improvement the school and Trust are travelling. Our goal, as always is to ensure our children are supported to be the best they can be and myself and the team look forward to being able to achieve this.

Structure, governance and management

a. Constitution

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

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

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

Trustees are appointed in accordance with the direction in the Trust's Articles and Funding Agreement as at the point of Conversion July 2015.

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

Before new Trustees join the Board of Trustees they meet with the Chair of Trustees to learn more about the Trust and have the opportunity to attend a Trustee meeting, as an observer, to learn more about the role. All new Trustees are assigned a mentor and complete an induction programme. This includes:

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

- Meeting with the Chair of Trustees Governance Protocols, Committee Structures, Roles and Responsibilities
- Meeting with CEO/Head Teacher Strategic Vision, Overview and Context of schools in the Trust
- Meeting with Director of Business and Finance/School Business Manager - Overview of Trust Budget, compliance and policy
- Meeting with Safeguarding Lead Procedure and Protocols
- Meeting with the Clerk to Trustees Meeting Structure, Communication Methods

e. Organisational structure

The Trustees meet as a board throughout the year to determine the general policy of the Trust and to review its overall management and control for which they are legally responsible.

f. Pay policy for key management personnel

There are four key management personnel for The Oak Academy Trust. The arrangements for setting the pay and remuneration of the academy's key management personnel and any benchmarks, parameters or criteria used in setting their pay is currently in line with the Pay Policy for Barnham Primary School for roles of Headteacher and School Business Manager, Deputy Head Teacher and inclusion coordinator. The policy is reviewed annually in line with National Guidance.

g. Connected organisations, including related party relationships

The Trustees complete an annual form in respect of related parties and are required to declare any interest in transactions at the start of each meeting. Details of transactions in the year with related parties are disclosed in the accounts. There are no related parties which either control or significantly influence the decisions and operations of the Academy Trust and there is no sponsor or connected charity with which the Academy Trust jointly pursues its charitable activities.

Objectives and Activities

a. Objects and aims

The aim of The Oak Academy Trust is to provide Opportunity, Aspiration and Knowledge in order to elevate all. This is in accordance with the Academy Trust's objects as set out in the Memorandum of Association of The Oak Academy Trust that are specifically restricted to the following:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full time or part time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational

- to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

b. Objectives, strategies and activities

The measures The Trust uses to assess success are the key performance indicators set out below together with pupil outcomes. These form part of The Oak Academy Trust Development Plan and Barnham Primary School Improvement Plan. These are monitored and reported on to the Board of Trustees on a termly basis. Pupil

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Outcomes are measured against national and local comparative data.

The Key Objectives for The Oak Academy Trust for the Year 2021-22 were

- To continue to implement Covid 19 Protective Measures as directed by appropriate bodies
- Integrate a new financial management system, payroll system and HR Provider
- To continue to develop the credibility of the Trust
- Ensure sustainability of the Trust
- To seek best practice from successful and established Trusts
- To share best practice with educational partners
- To continue to ensure a balanced budget and effective financial management
- For pupil progress to be at a reasonable and expected level
- For the school to be Good and Outstanding as defined by Ofsted
- For the school to be full and to have waiting lists

c. Public benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake. We are satisfied that all our activities support our charitable objects and that consideration is given to the fulfillment of these objects when new activities are considered in particular the high standard of education for the children who attend Barnham Primary School provides significant public benefit to the local community.

Barnham Primary School is an academy and therefore is its own admissions authority. The school has a Pupil Admission Number (PAN) of 45. The Trustees of Barnham Primary School applies the regulations on admissions fairly and equitably to all those who attend our school. The school participates in the Local Authority co-ordinated scheme and all dates within the scheme must be adhered to.

We are an inclusive school and we welcome all applications for admission. The only restriction we place on entry is that of number. If the children applying for entry exceeds places available, we initiate our appeals process. All applications will be treated on merit and in a sensitive manner. It is our wish to provide families with a place at our school, if that is their choice and if the application meets our criteria.

Strategic report

Achievements and performance

a. Key performance indicators

The Key Objectives for The Oak Academy Trust for the Year 2021-22 were:

To continue to implement Covid 19 Protective Measures as directed by appropriate bodies

- Successfully achieved
- School and all classes remained open throughout the year
- Positive cases of Covid well managed so as to not impact significantly on the organisational management of the school and learning experience of the children

Integrate a new financial system, payroll system and HR Provider

- All successfully implemented

To continue to develop the credibility of the Trust

- Successful management and leadership of the Trust through the final year of the pandemic
- Positive and regular reviews with the office of the RSC
- Positive relationships with WSCC
- Robust mechanisms and programme for auditing the Trust across its financial and compliance activities
- Successful pupil outcomes

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FOR THE YEAR ENDED 31 AUGUST 2022

Ensure sustainability of the Trust

- The Trust has been successful in inducting a new Trustee with particular experience of Primary education
- The Trust continued to provide development for its middle and senior leaders
- The Trust has managed its finances well, resulting in an increase in operational funds and an in year surplus

To seek best practice from established and successful MATs

- Member of Coastal Region CEO forum
- Continued to meet and liaise with leaders of two local MATs to share best practice
- Developed further links with a large cross region MAT for school improvement
- Implemented and leading NPQSL training on behalf of regional Teaching Hub

To share best practice with educational partners

- Provided support to a local MAT as they took on leadership of an infant school
- Provided support to a cross region MAT with regards a pastoral development project – academic mentors
- Provided specific Inclusion support to a cross region MAT for one primary school

To continue to ensure a balanced budget and effective financial management

- Barnham Primary School and The Oak Academy Trust maintained a balanced budget with an increase in operational funds in year

For pupil progress to be at a reasonable and expected level

- Effective pupils progress and achievement made – see pupil outcomes shared earlier in this document

For the school to be Good and Outstanding as defined by Ofsted

- Barnham Primary School achieved an Ofsted grade of Good when inspected in May 2018

For the school to be full and to have waiting lists

- Years 1,2,5 and 6 are full and each have waiting lists

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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

a. Financial position

The Trust receives the majority of its income from the Education Funding Agency. These funds and the associated expenditure are shown on the Statement of Financial Activities which form part of this report.

A further significant income stream for the trust is received from West Sussex County Council for the operation of a 12 place Special Support Centre for children with physical disabilities and speech language and communication needs at Barnham Primary School. This income and associated expenditure is also shown on the Statement of Financial Activities.

The net expenditure/operating deficit before the actuarial adjustment to the Local Government Pension Scheme(LGPS) was £112,988 (2021: £49,670).

The Trust participates in the WSCC LGPS. The actuarial gain in the year was £983,000. The valuation under FRS102 show the obligations of this scheme to exceed its assets at 31 August 2021 by £54,000.

Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

and expenditure streams, the need to match income with commitments and the nature of reserves.

At the balance sheet date the Academy had total funds of £3,761,714 of which £3,187,864 are restricted fixed asset funds, £512,894 restricted income reserves and £114,956 are unrestricted reserves. These are reduced by the deficit on the pension reserve of £54,000 relating to the Local Government Pension scheme. The Academy's current level of unrestricted reserves and restricted general funds (excluding the pension reserve) is £627,850. The Trust's policy is to maintain a level of free reserves over £350,000, and therefore the Trustees are satisfied with the current level of reserves. Surplus reserves will firstly support future forecast in year deficits and also contribute towards potential school development projects including future CIF bids or building projects.

b. Investments policy

There are currently no funds available for long term investment. It is the Trustees intention to develop an investment policy when appropriate.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate any exposure to major risks. An annual review is undertaken, and the trustees have identified the following key potential risks:

- the reputational damage caused by poor academic outcomes of Barnham Primary School
- strategic and operational disruption as well as viability of the Trust caused by inadequate governance, monitoring, reporting and compliance
- Reduced intake in Year R therefore affecting the school budget

These risks are actively monitored by the Trustees and representatives of Barnham Primary School.

The key controls used by the Trust to mitigate against such risks are:

- formal agendas for all Trust meetings and activities including regular reviews of the register
- comprehensive strategic planning, budgeting and management reporting
- an organisation structure with clear lines of reporting and communication
- formal written policies, protocols and procedures
- clear authorisation and approval levels

Fundraising

The Oak Academy Trust recognises the vital contribution made by its supporters, with voluntary donations being a valuable part of the trust's incoming resources.

We believe that giving to charity should be a positive experience, and to help ensure that this is the case we acknowledge the damaging impact an excessively aggressive approach to fundraising can have on vulnerable people, whether from unreasonably persistent approaches being made or undue pressure to give being applied, and great care is undertaken to ensure that such practices are not adopted by the trust. To this end, all fundraising activity is carried out by our proactive and busy parents association, Many Hands. This group raises money for the school through regular activities such as school fairs, discos, film and quiz nights. All of these events are voluntary and advertised in a non intrusive manner. Many Hands is run by a committee of parents led by a chair and treasurer and operates independently from the school.

The charity does not utilise the services of any external commercial fundraiser's. At this point, given that the majority of the charity's donations are from pupils' parents, the trustees do not consider it necessary to subscribe to a Fundraising Regulator.

The charity welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

a. Future developments

The aim of The Oak Academy Trust is to provide Opportunity, Aspiration and Knowledge in order to elevate all. The key objectives for the Trust for the year 2022-2023 are:

- To continue to develop the credibility of the Trust
- To ensure the sustainability of the Trust
- To seek best practice from successful and established trusts
- To share best practice with educational partners
- To continue to ensure a balance budget and effective financial management
- For pupil achievement to be at an expected or above expected level
- For the school to be Good or better than Good as defined by Ofsted
- For the school to be full and have waiting lists

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 20 December 2022 and signed on its behalf by:



T Occleshaw
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Oak 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Oak Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

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GOVERNANCE STATEMENT (CONTINUED)

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 times during the year.

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

Trustee	Meetings attended	Out of a possible
T Occlshaw, Chair	4	6
D Allen	5	6
M Emmett	5	6
T Farrelly	1	1
M Hersey, Parent Trustee	5	6
I Myhill, Parent Trustee	4	4
R McAuley	3	6
I Patrick	6	6
P Wiltshire	6	6

During 21/22 the Trustee Body has remained focused on supporting the school through a challenging time. Autumn term was impacted by high levels of Covid Absence affecting both staff and pupil attendance levels. Despite this Trustees were purposeful in ensuring that pupils received high quality teaching and learning in a stable and consistent environment and that the Recovery Premium was used effectively to support those pupils in most need.

In addition, Trustees were driven to ensure that system changes and premises improvements that were unable to take place during the previous two years were implemented. These have included new school gates to improve safeguarding and health and safety. New IT systems for Finance and Accounts, Safeguarding and Trustee communication have all been put into operation, increasing the effectiveness of the school leadership.

The Trustee Body and Committees

The Trustee Body has been strengthened by the addition of two new Trustees during the year, both bringing new skills and attributes to the group. Trustee Committees have been able to resume face to face meeting and a Trustees visits programme has been re-established.

Governors Virtual Office, a communication and workflow tool, has been introduced providing trustees with a platform to increase engagement and ensure they are fully briefed before meetings leaving more time for debate of strategic issues.

School Improvement

Ensuring good pupil attendance has been priority for the School Improvement Committee. Strategies for ensuring the return to regular attendance across the school have been monitored by the committee with weekly attendance figures shared with the Chair of Trustees.

Monitoring the impact of the Covid Recovery Plan continued to be a central role of the committee. With Trustees scrutinising plans at a whole school, targeted intervention and wider strategy level. A significant part of this work has been ensuring that pupil wellbeing and mental health has received equal focus, leading to increases in the number of pupils accessing play therapy and the training of a Mental Health Lead.

FACC

Good financial management and compliance continued to be a priority for the FACC. Implementation of a number of projects that had been on hold during Covid was also a goal. A replacement for the existing Finance and Accounts system was introduced providing more effective and meaningful management information, as well as reducing staff workload. A new safeguarding management system has also been implicated at a whole school level as well as supporting the day to day management of this work, leadership reporting and access to relevant information has become much more accessible.

Attendance during the year at meetings was as follows:

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Trustee	Meetings attended	Out of a possible
P Wiltshire	4	4
T Occleshaw	4	4

Review of value for money

- Effective use of Recovery Premium utilising on-line tutoring and booster classes resulting in excellent KS2 results
- New support role introduced to support both pupil academic interventions and support pupil wellbeing and resilience
- Implementation of new financial and accounting software resulting in improved management reporting and more effective systems
- Funding allocated to increase premises support for facilities manager, allowing a number of whole school projects to move forward

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Oak Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided to buy-in an internal audit service from Phil Andrews School Finance Solutions.

The auditors' role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of income systems
- testing of control account/ bank reconciliation's
- testing of key policies and procedures

On a semi-annual basis, the reviewer reports to the Board of Trustees through the Finance, audit and compliance committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, audit and compliance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



Tony Occleshaw
Chair of Trustees
Date: 20 December 2022



James Everett
Accounting Officer

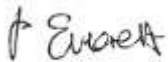
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Oak Academy Trust I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2021.

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



J Everett
Accounting Officer
Date: 20 December 2022

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



T Occleshaw

Date: 20 December 2022

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

Opinion

We have audited the financial statements of The Oak Academy Trust (the 'academy') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

THE OAK ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE OAK ACADEMY TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

THE OAK ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE OAK ACADEMY TRUST (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Academy Trust and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to child protection and safeguarding, health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, Academies Accounts Direction, Academy Trust Handbook, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of land and buildings and revenue and noncompliance with financial management and governance requirements which are consistent with the obligations of public funded bodies. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including the misuse of public funding in areas such as cash, payroll and credit card expenditure; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Identifying key contracts and confirming that all required procurement and tendering procedures have been followed; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing internal audit reports; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

THE OAK ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE OAK ACADEMY TRUST (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Simon Webber BA (Hons) DChA FCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered accountants

Chichester

Date: 21 December 2022

THE OAK ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE OAK ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Oak Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Oak Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Oak Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Oak Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Oak Academy Trust's funding agreement with the Secretary of State for Education dated December 2014 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

THE OAK ACADEMY TRUST
(A company limited by guarantee)

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Work undertaken

The work undertaken to draw our conclusion includes:

- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Ensured that grants have been applied for the purposes intended
- Confirmed internal control procedures exist and work as documented relating to expenditure and have been complied with
- Confirmed regularity relating to expense claims and that they are not for personal benefit
- Reviewed expenditure and considered whether any supply from related parties
- Reviewed minutes for declarations of interest
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academy Trust handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Kreston Reeves LLP
Statutory Auditor
Chartered accountants

Date: 21 December 2022

THE OAK ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	1,486	-	7,251	8,737	18,334
Investments	5	76	-	-	76	68
Charitable activities		-	1,579,030	-	1,579,030	1,514,607
Other income	6	19,846	-	-	19,846	5,067
Total income		21,408	1,579,030	7,251	1,607,689	1,538,076
Expenditure on:						
Charitable activities	8	13,567	1,634,645	72,465	1,720,677	1,587,746
Total expenditure		13,567	1,634,645	72,465	1,720,677	1,587,746
Net income/(expenditure)		7,841	(55,615)	(65,214)	(112,988)	(49,670)
Transfers between funds	19	-	(10,971)	10,971	-	-
Net movement in funds before other recognised gains/(losses)		7,841	(66,586)	(54,243)	(112,988)	(49,670)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	983,000	-	983,000	(182,000)
Net movement in funds		7,841	916,414	(54,243)	870,012	(231,670)
Reconciliation of funds:						
Total funds brought forward		107,115	(457,520)	3,242,107	2,891,702	3,123,372
Net movement in funds		7,841	916,414	(54,243)	870,012	(231,670)
Total funds carried forward		114,956	458,894	3,187,864	3,761,714	2,891,702

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

The notes on pages 26 to 50 form part of these financial statements.

THE OAK ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09604912

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	3,187,864	3,241,424
		<u>3,187,864</u>	<u>3,241,424</u>
Current assets			
Stocks	15	-	1,759
Debtors	16	63,477	24,713
Cash at bank and in hand		741,310	673,467
		<u>804,787</u>	<u>699,939</u>
Creditors: amounts falling due within one year	17	(170,989)	(130,226)
		<u>633,798</u>	<u>569,713</u>
Net current assets		<u>633,798</u>	<u>569,713</u>
Total assets less current liabilities		<u>3,821,662</u>	<u>3,811,137</u>
Creditors: amounts falling due after more than one year	18	(5,948)	(7,435)
Net assets excluding pension liability		<u>3,815,714</u>	<u>3,803,702</u>
Defined benefit pension scheme liability	27	(54,000)	(912,000)
Total net assets		<u><u>3,761,714</u></u>	<u><u>2,891,702</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	19	3,187,864	3,242,107
Restricted income funds	19	512,894	454,480
		<u>3,700,758</u>	<u>3,696,587</u>
Restricted funds excluding pension asset	19	3,700,758	3,696,587
Pension reserve	19	(54,000)	(912,000)
		<u>3,646,758</u>	<u>2,784,587</u>
Total restricted funds	19	<u>3,646,758</u>	<u>2,784,587</u>
Unrestricted income funds	19	<u>114,956</u>	<u>107,115</u>
Total funds		<u><u>3,761,714</u></u>	<u><u>2,891,702</u></u>

THE OAK ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09604912

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 22 to 50 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



T Occleshaw

Date: 20 December 2022

The notes on pages 26 to 50 form part of these financial statements.

THE OAK ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	80,908	82,761
Cash flows from investing activities	23	(11,578)	(9,147)
Cash flows from financing activities	22	(1,487)	(1,487)
Change in cash and cash equivalents in the year		67,843	72,127
Cash and cash equivalents at the beginning of the year		673,467	601,340
Cash and cash equivalents at the end of the year	24, 25	741,310	673,467

The notes on pages 26 to 50 from part of these financial statements

THE OAK ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Sponsorship income**

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **Donations**

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's accounting policies.

1.4 Expenditure

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

THE OAK ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- Over length of lease - 125 years
Leasehold improvements	- 20 years
Fixtures, fittings and equipment	- 3-5 years

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 Stocks

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

1.8 Debtors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.

1.11 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.12 Operating leases

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

1.13 Redundancy and termination benefits

It is the Trust's policy to recognise termination benefits when they become committed, by legislation, by contractual or other agreements with employees or their representatives or by a constructive obligation or a desire to act equitably, to make payments (or provide other benefits) to employees when it terminates their employment. Termination payments do not provide the Trust with future economic benefits therefore it is the Trust's policy to recognise them as an expense in the Statement of Financial Activities immediately.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.14 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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:

Lease commitments - The academy trust has entered into lease commitments in respect of plant and equipment. The classification of these leases as operating leases requires the trustees to consider whether the terms and conditions of each lease are such that the academy trust has acquired the risks and rewards associated with the ownership of the underlying assets.

Multi-employer defined benefit pension scheme - Certain employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgment of the trustees, the academy trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme.

Local Government Pension Scheme - 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 will impact the carrying amount of the pension liability.

Tangible fixed assets - The academy tangible fixed assets are stated at their cost less provision for depreciation and impairment. The academy's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the academy determines at acquisition the reliable estimates for the useful life of the asset and its residual value. These estimates are based upon factors such as the expected use of the acquired asset and market conditions. At subsequent reporting dates the trustees consider whether there are any factors that indicate that there would be a need to reconsider the estimates used.

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3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	1,486	-	1,486	11,060
Capital Grants	-	7,251	7,251	7,274
	<u>1,486</u>	<u>7,251</u>	<u>8,737</u>	<u>18,334</u>
Total 2021	<u>1,500</u>	<u>16,834</u>	<u>18,334</u>	

4. Funding for the academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations			
DfE/ESFA grants			
General annual grant (GAG)	1,267,480	1,267,480	1,209,463
Other DfE/ESFA grants			
Other DfE/ESFA grants	42,477	42,477	40,430
Pupil premium	55,789	55,789	50,869
Universal free school meals	45,916	45,916	38,952
	<u>1,411,662</u>	<u>1,411,662</u>	<u>1,339,714</u>
Other Government grants			
Local authority grants	167,368	167,368	150,093
	<u>167,368</u>	<u>167,368</u>	<u>150,093</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	-	24,800
	<u>-</u>	<u>-</u>	<u>24,800</u>
	<u>1,579,030</u>	<u>1,579,030</u>	<u>1,514,607</u>
	<u>1,579,030</u>	<u>1,579,030</u>	<u>1,514,607</u>

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NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the academy's charitable activities (continued)

In the year to 31 August 2021, Teachers pension grants were presented separately in the financial statements. Following a change to the structure of DfE/ESFA funding in the current year, these grants are now included as part of the General annual grant and are no longer separately identifiable. Therefore the prior year's Teachers pension grant (£38,463) has been amalgamated with the General annual grant (£1,171,000), for comparative purposes.

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Short term deposits	76	76	68
	<u>76</u>	<u>76</u>	<u>68</u>

In the year to 31 August 2021, £68 of investment income was unrestricted.

6. Other income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	19,846	19,846	5,067
	<u>19,846</u>	<u>19,846</u>	<u>5,067</u>

In the year to 31 August 2021, £5,067 of other income was unrestricted.

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Educational operations:					
Direct costs	1,083,277	-	60,456	1,143,733	1,090,422
Allocated support costs	272,453	156,587	147,904	576,944	497,324
	<u>1,355,730</u>	<u>156,587</u>	<u>208,360</u>	<u>1,720,677</u>	<u>1,587,746</u>
Total 2021	<u>1,245,282</u>	<u>154,456</u>	<u>188,008</u>	<u>1,587,746</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Educational operations	<u>13,567</u>	<u>1,707,110</u>	<u>1,720,677</u>	<u>1,587,746</u>
Total 2021	<u>2,259</u>	<u>1,585,487</u>	<u>1,587,746</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	<u>1,143,733</u>	<u>576,944</u>	<u>1,720,677</u>	<u>1,587,746</u>
Total 2021	<u>1,090,422</u>	<u>497,324</u>	<u>1,587,746</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	1,049,241	1,049,241	1,007,925
Supply teachers	34,036	34,036	20,938
Educational supplies	55,820	55,820	57,159
Staff development	4,636	4,636	4,400
	<u>1,143,733</u>	<u>1,143,733</u>	<u>1,090,422</u>

Analysis of support costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	272,453	272,453	216,419
Depreciation	72,465	72,465	69,810
Maintenance of premises and equipment	31,648	31,648	24,210
Cleaning	29,874	29,874	36,094
Rates	9,446	9,446	11,033
Light and heat	13,154	13,154	13,309
Telephone	3,439	3,439	8,314
Printing, postage and stationery	11,041	11,041	9,713
Computer costs	30,463	30,463	19,028
Insurance	5,634	5,634	8,828
Security	539	539	(2,668)
Catering	46,693	46,693	50,351
Bank interest and charges	160	160	160
Legal and professional	16,578	16,578	19,498
Auditors' remuneration	8,250	8,250	6,900
Accountancy	4,134	4,134	2,760
Governors expenses	-	-	313
Other support costs	20,973	20,973	3,252
	<u>576,944</u>	<u>576,944</u>	<u>497,324</u>

Governance costs in the period totalled £28,962 (2021: £29,471), and included legal and professional fees, accountancy fees, audit fees and governors expenses.

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

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Operating lease rentals	1,532	1,532
Depreciation of tangible fixed assets	72,465	69,810
Fees paid to auditors for:		
- audit	8,250	6,900
- other services	4,134	2,760
	=====	=====

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	904,947	864,587
Social security costs	82,499	77,752
Pension costs	334,248	282,005
	=====	=====
	1,321,694	1,224,344
Supply teachers	34,036	20,938
	=====	=====
	1,355,730	1,245,282
	=====	=====

b. Staff numbers

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

	2022	2021
	No.	No.
Teachers	12	11
Administration and support	22	21
Management	4	4
	=====	=====
	38	36
	=====	=====

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
In the band £70,001 - £80,000	1	1

d. Key management personnel

The key management personnel of the academy comprises the Trustees and the senior management team as listed on the information page. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £286,657 (2021: £283,192).

12. Trustees' remuneration and expenses

One Trustee has been paid remuneration or has received other benefits from an employment with the academy. The principal only received remuneration in respect of services they provide undertaking the role of principal under their contract of employment.

The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
J Everett, Head Teacher	Remuneration	70,000 -	70,000 -
		75,000	75,000
	Pension contributions paid	15,000 -	15,000 -
		20,000	20,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. Trustees' and Officers' insurance

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

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14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Total £
Cost or valuation			
At 1 September 2021	3,384,258	190,426	3,574,684
Additions	-	18,905	18,905
At 31 August 2022	<u>3,384,258</u>	<u>209,331</u>	<u>3,593,589</u>
Depreciation			
At 1 September 2021	194,440	138,820	333,260
Charge for the year	41,953	30,512	72,465
At 31 August 2022	<u>236,393</u>	<u>169,332</u>	<u>405,725</u>
Net book value			
At 31 August 2022	<u>3,147,865</u>	<u>39,999</u>	<u>3,187,864</u>
At 31 August 2021	<u>3,189,818</u>	<u>51,606</u>	<u>3,241,424</u>

15. Stocks

	2022 £	2021 £
Finished goods and goods for resale	-	1,759
	<u> </u>	<u> </u>

16. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	746	1,510
Other debtors	18,803	5,109
Prepayments and accrued income	43,928	18,094
	<u>63,477</u>	<u>24,713</u>
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Loans	1,487	1,487
Trade creditors	22,802	3,565
Other creditors	5,591	-
Accruals and deferred income	141,109	125,174
	<u>170,989</u>	<u>130,226</u>

The balance included within loans relates to Salix Finance Limited. This is an interest free loan, repayable over 8 years. £1,487 of this amount is repayable within one year, the remainder is due after more than one year.

	2022	2021
	£	£
Deferred income at 1 September 2021	96,902	93,920
Resources deferred during the year	103,186	96,902
Amounts released from previous periods	(96,902)	(93,920)
	<u>103,186</u>	<u>96,902</u>

At the balance sheet date the academy trust was holding funds received in advance for WSCC SSC, IAR and ENF funding, Senior Mental Health Leader Training funding and ESFA UIFSM.

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

	2022	2021
	£	£
Loans	5,948	7,435
	<u>5,948</u>	<u>7,435</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Activities other income	70,416	21,408	(13,567)	-	-	78,257
Voluntary income	36,699	-	-	-	-	36,699
	<u>107,115</u>	<u>21,408</u>	<u>(13,567)</u>	<u>-</u>	<u>-</u>	<u>114,956</u>
Restricted general funds						
General Annual Grant (GAG)	440,753	1,267,480	(1,208,172)	(10,971)	-	489,090
Other DfE/ESFA grants	-	144,182	(120,378)	-	-	23,804
Local authority grants	-	167,368	(167,368)	-	-	-
Covid catchup premium	13,727	-	(13,727)	-	-	-
Pension reserve	(912,000)	-	(125,000)	-	983,000	(54,000)
	<u>(457,520)</u>	<u>1,579,030</u>	<u>(1,634,645)</u>	<u>(10,971)</u>	<u>983,000</u>	<u>458,894</u>
Restricted fixed asset funds						
Capital expenditure from GAG	16,306	-	(1,993)	(4,334)	-	9,979
Assets transferred on conversion	2,885,747	-	(24,240)	2,011	-	2,863,518
Devolved formula capital grant	21,987	7,251	(8,062)	14,459	-	35,635
CIF funding	309,699	-	(34,983)	(1,164)	-	273,552
Donated assets	8,368	-	(3,187)	(1)	-	5,180
	<u>3,242,107</u>	<u>7,251</u>	<u>(72,465)</u>	<u>10,971</u>	<u>-</u>	<u>3,187,864</u>

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Total Restricted funds	2,784,587	1,586,281	(1,707,110)	-	983,000	3,646,758
Total funds	2,891,702	1,607,689	(1,720,677)	-	983,000	3,761,714

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

General Annual Grant must be used for the normal running costs of the Trust. Under the Funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021 or 31 August 2022.

Other DfE/ESFA grants consist of grants received for pupil premium, sport expenditure and universal free school meals.

The Covid-19 Catch-up Premium funding is a one-off universal catch-up premium for the 2020/2021 academic year to support children and young people to catch up lost time after school closure.

Local authority grants mainly consist of grants received for the special support centre.

Activities other income includes school trip, rent and school club income. In addition, included is also uniform sales and income received for mentoring university students.

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19. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Activities other income	70,790	1,500	(1,874)	-	-	70,416
Voluntary income	31,949	5,135	(385)	-	-	36,699
	<u>102,739</u>	<u>6,635</u>	<u>(2,259)</u>	<u>-</u>	<u>-</u>	<u>107,115</u>
Restricted general funds						
General Annual Grant (GAG)	372,888	1,171,000	(1,102,797)	(338)	-	440,753
Other DfE/ESFA grants	-	168,714	(168,714)	-	-	-
Local authority grants	-	150,093	(150,093)	-	-	-
Covid catchup premium	-	24,800	(11,073)	-	-	13,727
Pension reserve	(647,000)	-	(83,000)	-	(182,000)	(912,000)
	<u>(274,112)</u>	<u>1,514,607</u>	<u>(1,515,677)</u>	<u>(338)</u>	<u>(182,000)</u>	<u>(457,520)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	15,289	-	(6,219)	7,236	-	16,306
Assets transferred on conversion	2,909,987	-	(24,240)	-	-	2,885,747
Devolved formula capital grant	25,632	7,274	(4,021)	(6,898)	-	21,987
CIF funding	343,837	-	(34,138)	-	-	309,699
Donated assets	-	9,560	(1,192)	-	-	8,368
	<u>3,294,745</u>	<u>16,834</u>	<u>(69,810)</u>	<u>338</u>	<u>-</u>	<u>3,242,107</u>

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19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Total Restricted funds	3,020,633	1,531,441	(1,585,487)	-	(182,000)	2,784,587
Total funds	<u>3,123,372</u>	<u>1,538,076</u>	<u>(1,587,746)</u>	<u>-</u>	<u>(182,000)</u>	<u>2,891,702</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	3,187,864	3,187,864
Current assets	114,956	689,831	-	804,787
Creditors due within one year	-	(170,989)	-	(170,989)
Creditors due in more than one year	-	(5,948)	-	(5,948)
Provisions for liabilities and charges	-	(54,000)	-	(54,000)
Total	<u>114,956</u>	<u>458,894</u>	<u>3,187,864</u>	<u>3,761,714</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	3,241,424	3,241,424
Current assets	107,115	592,141	683	699,939
Creditors due within one year	-	(130,226)	-	(130,226)
Creditors due in more than one year	-	(7,435)	-	(7,435)
Provisions for liabilities and charges	-	(912,000)	-	(912,000)
Total	<u>107,115</u>	<u>(457,520)</u>	<u>3,242,107</u>	<u>2,891,702</u>

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(112,988)	(49,670)
Adjustments for:		
Depreciation	72,465	69,810
Capital grants	(7,251)	(7,274)
Interest receivable	(76)	(68)
Defined benefit pension scheme cost less contributions payable	109,000	71,000
Defined benefit pension scheme finance cost	16,000	12,000
Decrease in stocks	1,759	-
Increase in debtors	(38,764)	(5,078)
Increase/(decrease) in creditors	40,763	(7,959)
Net cash provided by operating activities	80,908	82,761

22. Cash flows from financing activities

	2022 £	2021 £
Repayments of salix loan	(1,487)	(1,487)
Net cash used in financing activities	(1,487)	(1,487)

23. Cash flows from investing activities

	2022 £	2021 £
Bank interest	76	68
Purchase of tangible fixed assets	(18,905)	(16,489)
Capital grants	7,251	7,274
Net cash used in investing activities	(11,578)	(9,147)

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24. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	741,310	673,467
Total cash and cash equivalents	741,310	673,467

25. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	673,467	67,843	741,310
Debt due within 1 year	(1,487)	-	(1,487)
Debt due after 1 year	(7,435)	1,487	(5,948)
	664,545	69,330	733,875

26. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	39,590	-

27. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

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27. Pension commitments (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions 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 every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £134,043 (2021 - £131,512).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £84,000 (2021 - £84,000), of which employer's contributions totalled £67,000 (2021 - £67,000) and employees' contributions totalled £ 17,000 (2021 - £17,000). The agreed contribution rates for future years are 19.5 per cent for employers and 5.5 to 12.5 per cent for employees.

As noted the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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

	2022	2021
	%	%
Rate of increase in salaries	3.55	3.4
Rate of increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	1.65
Commutation of pensions to lump sums (pre-April 2008 service)	50	50
Commutation of pensions to lump sums (post-April 2008 service)	75	75

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

	2022	2021
	Years	Years
Retiring today		
Males	21.9	22.1
Females	24.2	24.4
Retiring in 20 years		
Males	22.8	23.1
Females	25.9	26.1

Share of scheme assets

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

27. Pension commitments (continued)

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities	639,000	714,000
Property	205,000	110,000
Cash and other liquid assets	26,000	55,000
Debt instruments	409,000	494,000
Total market value of assets	1,279,000	1,373,000

The actual return/(loss) on scheme assets was (£176,000) (2021 - £187,000).

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

	2022	2021
	£	£
Current service cost less employers contributions	(109,000)	(71,000)
Interest income	23,000	19,000
Interest cost	(39,000)	(31,000)
Total amount recognised in the Statement of financial activities	(125,000)	(83,000)

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

	2022	2021
	£	£
At 1 September	2,285,000	1,749,000
Interest cost	39,000	31,000
Employee contributions	17,000	17,000
Actuarial (gains)/losses	(1,159,000)	369,000
Estimated benefits paid	(25,000)	(19,000)
Current service cost	176,000	138,000
At 31 August	1,333,000	2,285,000

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27. Pension commitments (continued)

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

	2022	2021
	£	£
At 1 September	1,373,000	1,102,000
Interest income	23,000	19,000
Actuarial (losses)/gains	(176,000)	187,000
Employer contributions	67,000	67,000
Employee contributions	17,000	17,000
Estimated benefits paid	(25,000)	(19,000)
	<hr/>	<hr/>
At 31 August	1,279,000	1,373,000
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28. Operating lease commitments

At 31 August 2022 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	1,532	1,532
Later than 1 year and not later than 5 years	511	2,043
	<hr/>	<hr/>
	2,043	3,575
	<hr/> <hr/>	<hr/> <hr/>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £1,532 (2021: £1,532).

29. Members' liability

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

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30. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year, K Patrick, the partner of I Patrick (trustee), received remuneration on an employed basis as a member of support staff. K Patrick is paid within the normal pay scale for their role and receives no special treatment as a result of the relationship to a trustee. Remuneration was between £20,000 - £30,000 (2021: £20,000 - £30,000). There were no amounts outstanding at 31 August 2022 (2021: Nil).