

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

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OAKWOOD PARK GRAMMAR SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014**

Members & Trustees	MICHAEL STEVENS MBE ¹ JULIE MURTON KEVIN MOODY ¹ MARK HOUSDEN
Governors not Trustees	BRIAN CALDERWOOD ¹ GRAHAM TWIST ¹ PENNY SPILLER ¹ NIGEL EAGLETON DARREN COMBER SIMON LAKE NICOLA VICKERY DUNCAN DWINELL PETER INGRAM ¹ CLARE PETRUCCI DUNCAN BAIN VICKY GABRIEL JILL WILLIAMS MAJORY CAINE LOUISE TRUMPER MATT DOLTON (resigned) COLIN CAREY (resigned) ¹ PAUL HARFLEET (resigned) MOREL D'SOUZA (End of Office)

¹ member of the Finance and General Purposes committee

Company registered number	07584611
Principal and registered office	Oakwood Park Maidstone Kent ME16 8AH

Senior management team	KEVIN MOODY, Head Teacher MARK HOUSDEN, Deputy Head Teacher MICHELLE TIPP, Assistant Head Teacher ANN LEWELL, Assistant Head Teacher JUDITH BEVAN, Assistant Head Teacher MARK SOLL, Assistant Head Teacher SARA BRYANT, Director of Resources
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Independent auditors	Williams Giles Limited Chartered Accountants Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH
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Bankers	Nat West 3 High street Maidstone Kent ME14 1XU
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014

Administrative details (continued)

Solicitors	Brachers LLP Somerfield House 59 London Rd Maidstone Kent ME16 8JH
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OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2014

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Oakwood Park Grammar School (the academy) for the ended 31 August 2014. The Trustees confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Kent. It has a pupil capacity of 1050 and had a roll of 1007 in the school census on 2 October 2014.

Structure, governance and management

a. CONSTITUTION

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Oakwood Park Grammar School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Oakwood Park Grammar School.

Details of the trustees who served during the year are included in the Reference and Administrative Details

The academy is constituted under a Memorandum of Association dated 30/03/2011.

b. MEMBERS' LIABILITY

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

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

- The members may appoint up to 20 Directors (Trustees)
- Staff Directors (Trustees) may be appointed by the Members but cannot exceed one third of the total number of Directors (Trustees). These Directors are appointed through election.
- There will be a minimum of two Parent Directors (Trustees). The Parent Director (Trustees) must be a parent to a registered student of the Academy. These Directors are appointed through election.
- The term of office for a Director (Trustee) shall be 4 years. The Director (Trustee) may be re-appointed or re-elected subject to eligibility. These governors are nominated and then approved and co-opted.

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

When appointed Directors (Trustees) will meet initially on a one to one basis with the Head Teacher. An induction process with follow up and training via Governor Services as appropriate. The appointed Director will sit on committees dependent upon vacancy, availability, skills set and interests..

e. ORGANISATIONAL STRUCTURE

The organisational details are available in the Terms of Reference. This includes Scheme of Delegation and individual Terms of Reference for committees.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Oakwood Park Grammar School is not part of a wider network of schools.

Oakwood Park Grammar School Trust is a registered charity set up for the educational benefit of the students at Oakwood Park Grammar School and as such adheres to the regulations set down by the Charities Commission. Two Directors are also Trustees for the Charity.

g. RISK MANAGEMENT

The school has not been exposed to any major risks during the year. The school operates risk management throughout the year through stringent internal control systems. The school submitted the FMGE return in May 2012 including the Statement of Internal Control.

h. TRUSTEES' INDEMNITIES

The indemnity provision is £2 million and is covered by Royal Sun Alliance.

i. PRINCIPAL ACTIVITIES

The Academy's objective is specifically restricted to the advance for the public benefit education in the United Kingdom, in particular to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the Academy and offering a broad and balanced curriculum.

Objectives and Activities

a. OBJECTS AND AIMS

- High quality teaching that engages and challenges all students to become more independent and successful in their learning
- Excellent standards of behaviour from all our students to create a positive climate for learning based on respect and tolerance of others
- A wide range of exceptional opportunities for all our students to extend their learning beyond the classroom
- Personalised Information and Guidance (IAG) for all our students at every stage of their school career.
- Outstanding professional development opportunities for all our staff

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The objectives of the school as stated in the School Development Plan are:

- To continue to ensure that everything we do is led by the school's mission statement to create an Exceptional Learning Experience
- To continue to develop the school as an outward-looking community
- To secure the best possible resources for the school, deployed effectively to support learning

During this year to achieve the objectives we have:

- Develop a KS3 Curriculum that engages and stretches our students
- Continued to progress with the 3 year KS4 Curriculum
- Developed clear and co-ordinated Gifted and Talented programme
- Continue to increase % of A*/A at GCSE and A* – B at 'A' Level
- Develop and enhance our enrichment provision so that all students are participating in sporting, music, drama and cultural activities.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

- Continue to develop our IAG provision.
- Continue to develop Student voice so it plays a major role in the evaluation of learning
- Continue to develop Assessment for Learning within the school so all students know what they need to do to improve and move to the next level
- Monitor and review our mentoring of all students so everyone's individual needs are catered for
- Continue to develop the House System
- Foster and develop international links with other schools
- Continue the Sustainable School ethos
- Establish more links with schools and different organisations
- Sound budget management

c. PUBLIC BENEFIT

The primary objective of Oakwood Park Grammar School is to provide education and establish, maintain and develop a broad and balanced curriculum for the general public. The Academy does not have to provide a financial return to shareholders.

The Directors have given careful consideration to the Charity Commission's general guidance on Public Benefit.

Strategic report

Achievements and performance

a. GOING CONCERN

The school has a predicted deficit on the current three year plan. There is a recovery plan in place with savings being made from Year 2 onwards. This will allow the school to set a balanced in year budget from Year 3 and start recovering any accumulated deficit. The three year plan is constantly being reviewed and monitored to provide accurate information for the Head Teacher, thus enabling him to make informed decisions.

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.

b. KEY FINANCIAL PERFORMANCE INDICATORS

Oakwood Park Grammar School prepares the annual budget as per financial regulations. Each budget heading is analysed for previous expenditure trends and anticipated expenditure for the coming year before the final amount has been decided.

During the year detailed monitoring is prepared on a monthly basis for all expenditure, including staffing. This is compared to the original/current budget set and any variances investigated.

Where appropriate, benchmarking against expenditure in similar organisations is completed.

Oakwood Park Grammar School uses Government performance tables to compare examination results and ranking with other similar academies and schools.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Oakwood Park Grammar School current liability for the LGPS Pension as shown on the balance sheet is £1,238,000 and this is the only principal financial risk the school has been exposed to.

The school maintains healthy cash flow and at this time there are no other financial risks.

b. PRINCIPAL RISKS AND UNCERTAINTIES

As an Academy there are limited risks and uncertainties. The principal risks that could affect the Academy are:

- A reduction in funding and support from the Education Funding Agency
- A reduction in student numbers attending Oakwood Park Grammar School

c. RESERVES POLICY

The rollover at August 2014 was £118k, consisting of restricted and unrestricted funds. The rollover will support the coming budget.

d. MATERIAL INVESTMENTS POLICY

Oakwood Park Grammar School does not have any investments. The decision on how to use the rollover is included during the budget setting process. Any excess rollover will be capitalised as required.

Plans for future periods

a. FUTURE DEVELOPMENTS

Oakwood Park Grammar School continues to develop the school buildings and has been successful in obtaining a grant from the ACMF for a replacement teaching block. Further capital investment will be actively sought to continue with improving the school facilities.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Oakwood Park Grammar School Trust Fund is administered at Oakwood Park Grammar School. This fund operates outside of the school bank accounts and is a registered charity. The relevant accounts are submitted to the Charity Commission as required.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.


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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

AUDITORS

The auditors, Williams Giles Limited, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 16 December 2014 and signed on the board's behalf by:



MICHAEL STEVENS
Chair



KEVIN MOODY
Trustee

OAKWOOD PARK GRAMMAR SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Oakwood Park Grammar School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 3 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
DUNCAN BAIN	1	1
MAJORY CAINE	2	3
BRIAN CALDERWOOD	2	3
COLIN CAREY	1	1
DARREN COMBER	2	3
MOREL D'SOUZA	0	0
MATT DOLTON	2	3
DUNCAN DWINELL	2	2
NIGEL EAGLETON	2	3
VICKY GABRIEL	1	1
PAUL HARFLEET	0	0
MARK HOUSDEN	3	3
PETER INGRAM	3	3
SIMON LAKE	3	3
KEVIN MOODY	3	3
JULIE MURTON	3	3
CLARE PETRUCCI	1	1
PENNY SPILLER	2	3
MICHAEL STEVENS MBE	2	3
LOUISE TRUMPER	3	3
GRAHAM TWIST	2	3
NICOLA VICKERY	1	2
JILL WILLIAMS	3	3

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GOVERNANCE STATEMENT (continued)

The **Finance Committee** is a sub-committee of the main governing body. Its purpose is to assist and support the governing Body, ensuring sound oversight is exercised over the management of the Academy's finances and resources.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
BRIAN CALDERWOOD	3	3
COLIN CAREY	2	2
PETER INGRAM	3	3
KEVIN MOODY	3	3
PENNY SPILLER	2	3
MICHAEL STEVENS MBE	2	3
GRAHAM TWIST	2	3

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oakwood Park Grammar School for the period 1 September 2013 to 31 August 2014 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 period 1 September 2013 to 31 August 2014 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 Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Williams Giles Limited, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the board of trustees on 16 December 2014 and signed on its behalf, by:



MICHAEL STEVENS
Chair



KEVIN MOODY
Accounting Officer

OAKWOOD PARK GRAMMAR SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Oakwood Park Grammar School I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of 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 (2013).

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 EFA.

A handwritten signature in black ink, appearing to read 'Kevin Moody', with a long horizontal flourish extending to the right.

KEVIN MOODY
Accounting Officer

Date: 16 December 2014

OAKWOOD PARK GRAMMAR SCHOOL
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 16 December 2014 and signed on its behalf by:



MICHAEL STEVENS
Chair

OAKWOOD PARK GRAMMAR SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF OAKWOOD PARK GRAMMAR SCHOOL

We have audited the financial statements of Oakwood Park Grammar School for the period ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

OAKWOOD PARK GRAMMAR SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF OAKWOOD PARK GRAMMAR SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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.

Alyson Howard FCCA (Senior statutory auditor)

for and on behalf of

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH
Date:

OAKWOOD PARK GRAMMAR SCHOOL
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OAKWOOD
PARK GRAMMAR SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Oakwood Park Grammar School during the period 1 September 2013 to 31 August 2014 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 Oakwood Park Grammar School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Oakwood Park Grammar School and EFA 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 Oakwood Park Grammar School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF OAKWOOD PARK GRAMMAR SCHOOL'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Oakwood Park Grammar School's funding agreement with the Secretary of State for Education dated 26 April 2011, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. 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 period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OAKWOOD
PARK GRAMMAR SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Alyson Howard FCCA

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date:

OAKWOOD PARK GRAMMAR SCHOOL

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Activities for generating funds	3	244,565	24,152	-	268,717	191,365
Investment income	4	231	-	-	231	234
Incoming resources from charitable activities	5	-	4,539,935	493,856	5,033,791	4,881,135
TOTAL INCOMING RESOURCES		244,796	4,564,087	493,856	5,302,739	5,072,734
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	6	241,379	-	-	241,379	116,045
Charitable activities		-	4,635,087	179,591	4,814,678	4,993,692
Governance costs	7	-	50,453	-	50,453	55,594
TOTAL RESOURCES EXPENDED	10	241,379	4,685,540	179,591	5,106,510	5,165,331
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		3,417	(121,453)	314,265	196,229	(92,597)

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STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfers between Funds	20	(11,877)	11,877	-	-	-
NET INCOME / (EXPENDITURE) FOR THE PERIOD		(8,460)	(109,576)	314,265	196,229	(92,597)
Actuarial gains and losses on defined benefit pension schemes		-	(3,000)	-	(3,000)	(25,000)
NET MOVEMENT IN FUNDS FOR THE PERIOD		(8,460)	(112,576)	314,265	193,229	(117,597)
Total funds at 1 September 2013		126,570	(1,125,424)	10,056,134	9,057,280	9,174,877
TOTAL FUNDS AT 31 AUGUST 2014		118,110	(1,238,000)	10,370,399	9,250,509	9,057,280

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the period.

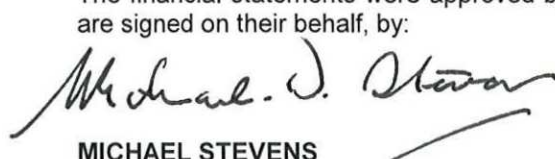
The notes on pages 21 to 39 form part of these financial statements.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07584611

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014	£	2013	£
FIXED ASSETS						
Tangible assets	17		10,031,906		10,014,384	
CURRENT ASSETS						
Debtors	18	117,032		275,871		
Cash at bank and in hand		631,302		361,835		
		<u>748,334</u>		<u>637,706</u>		
CREDITORS: amounts falling due within one year	19	(291,731)		(430,810)		
NET CURRENT ASSETS			456,603		206,896	
TOTAL ASSETS LESS CURRENT LIABILITIES			10,488,509		10,221,280	
Defined benefit pension scheme liability	27	(1,238,000)		(1,164,000)		
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>9,250,509</u>		<u>9,057,280</u>	
FUNDS OF THE ACADEMY						
Restricted funds:						
Restricted funds	20	-		38,576		
Restricted fixed asset funds	20	10,370,399		10,056,134		
Restricted funds excluding pension liability		<u>10,370,399</u>		<u>10,094,710</u>		
Pension reserve		(1,238,000)		(1,164,000)		
Total restricted funds			9,132,399		8,930,710	
Unrestricted funds	20		118,110		126,570	
TOTAL FUNDS			<u>9,250,509</u>		<u>9,057,280</u>	

The financial statements were approved by the Trustees, and authorised for issue, on 16 December 2014 and are signed on their behalf, by:



MICHAEL STEVENS
Chair of Trustees



KEVIN MOODY
Trustee

The notes on pages 21 to 39 form part of these financial statements.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	22	(27,507)	(379,715)
Returns on investments and servicing of finance	23	231	234
Capital expenditure and financial investment	23	296,743	41,748
INCREASE/(DECREASE) IN CASH IN THE YEAR		269,467	(337,733)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2014**

	2014 £	2013 £
Increase/(Decrease) in cash in the year	269,467	(337,733)
MOVEMENT IN NET FUNDS IN THE YEAR	269,467	(337,733)
Net funds at 1 September 2013	361,835	699,568
NET FUNDS AT 31 AUGUST 2014	631,302	361,835

The notes on pages 21 to 39 form part of these financial statements.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.5 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 one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised.

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

Land and buildings were valued on the 1 May 2011 by DVS in accordance with the RICS Valuation Standards Global and UK, 7th Edition, as published by the Royal Institution of Chartered Surveyors, and this is the valuation used in the accounts.

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

Freehold property	-	2% SL
Fixtures and fittings	-	10% SL
Computer equipment	-	20% SL
Assets under construction	-	N/A

1.7 Taxation

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

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.8 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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the academy.

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 quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded 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 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the period ended 31 August 2014.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
School trips	244,565	-	244,565	111,720
GTP funding	-	-	-	63,311
Other income	-	24,152	24,152	16,334
	<u>244,565</u>	<u>24,152</u>	<u>268,717</u>	<u>191,365</u>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Bank interest	231	-	231	234
	<u>231</u>	<u>-</u>	<u>231</u>	<u>234</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	4,419,339	4,419,339	4,485,118
Other DfE/EFA grants	-	68,639	68,639	69,861
Pupil premium	-	45,774	45,774	48,725
	<u>-</u>	<u>4,533,752</u>	<u>4,533,752</u>	<u>4,603,704</u>
Other government grants				
Other government grants	-	6,183	6,183	4,285
	<u>-</u>	<u>6,183</u>	<u>6,183</u>	<u>4,285</u>
Other funding				
Devolved capital formula	-	20,740	20,740	32,923
Other capital grants	-	473,116	473,116	240,223
	<u>-</u>	<u>493,856</u>	<u>493,856</u>	<u>273,146</u>
	<u>-</u>	<u>5,033,791</u>	<u>5,033,791</u>	<u>4,881,135</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
School trips	241,379	-	241,379	116,045

7. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	-	12,550	12,550	12,550
Legal and profesional	-	37,903	37,903	43,044
	-	50,453	50,453	55,594

8. DIRECT COSTS

	Educational operations £	Total 2013 £
Educational supplies	89,685	164,262
Examination fees	110,664	91,392
Staff development	11,469	18,147
Educational consultancy	15,317	17,744
Other direct costs	-	89,620
Staff restructuring costs	12,000	-
Wages and salaries	2,330,507	2,389,625
National insurance	189,361	190,175
Pension cost	315,984	324,160
Depreciation	179,591	177,818
	3,254,578	3,462,943

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

9. SUPPORT COSTS

	Educational operations £	Total 2013 £
LGPS costs	43,000	33,000
Recruitment and support	45,922	28,345
Maintenance of premises and equipment	50,825	96,114
Cleaning	69,588	70,183
Rent & rates	38,448	33,263
Light & heat	68,868	73,499
Insurance	39,113	51,018
Catering	32,705	34,117
Computer costs	54,205	62,067
Other support costs	144,504	119,229
Wages and salaries	764,556	730,642
National insurance	48,767	57,268
Pension cost	159,599	142,004
	<u>1,560,100</u>	<u>1,530,749</u>

10. RESOURCES EXPENDED

	Staff costs 2014 £	Non Pay Expenditure Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	-	-	241,379	241,379	116,045
Costs of generating funds	<u>-</u>	<u>-</u>	<u>241,379</u>	<u>241,379</u>	<u>116,045</u>
Direct costs	2,923,770	179,591	151,217	3,254,578	3,462,943
Support costs	972,922	-	587,178	1,560,100	1,530,749
Charitable activities	<u>3,896,692</u>	<u>179,591</u>	<u>738,395</u>	<u>4,814,678</u>	<u>4,993,692</u>
Governance	<u>-</u>	<u>-</u>	<u>50,453</u>	<u>50,453</u>	<u>55,594</u>
	<u>3,896,692</u>	<u>179,591</u>	<u>1,030,227</u>	<u>5,106,510</u>	<u>5,165,331</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the charity	179,591	177,818
Auditors' remuneration	12,550	12,550
	<u>192,141</u>	<u>190,370</u>

12. AUDITORS' REMUNERATION

	2014 £	2013 £
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	7,250	7,250
Fees payable to the academy's auditor and its associates in respect of:		
Internal audit services	1,800	1,800
All other services	2,100	2,100
	<u>11,150</u>	<u>11,150</u>

13. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	3,095,063	3,120,267
Social security costs	238,128	247,443
Other pension costs (Note 27)	475,583	466,164
	<u>3,808,774</u>	<u>3,833,874</u>
Supply teacher costs	75,918	28,310
Staff restructuring costs	12,000	33,000
	<u>3,896,692</u>	<u>3,895,184</u>

b. Staff severance payments

Included in staff restructuring costs is one severance payment totalling £12,000 (2013: £33,000).

OAKWOOD PARK GRAMMAR SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

13. STAFF (continued)

c. Staff numbers

The average number of persons employed by the academy during the period expressed as full time equivalents was as follows:

	2014 No.	2013 No.
Teachers	58	57
Support staff	30	28
Management	6	8
	<u>94</u>	<u>93</u>

d. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2014 No.	2013 No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	2
In the band £100,001 - £110,000	1	1
	<u>7</u>	<u>8</u>

OAKWOOD PARK GRAMMAR SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

14. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	2014 £	2013 £
K Moody	105,000-110,000	100,000-105,000
M Housden	85,000-90,000	80,000-85,000

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2014 was included in the total insurance cost.

16. OTHER FINANCE INCOME

	2014 £	2013 £
Expected return on pension scheme assets	62,000	40,000
Interest on pension scheme liabilities	(105,000)	(73,000)
	<u>(43,000)</u>	<u>(33,000)</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

17. TANGIBLE FIXED ASSETS

	Freehold property £	Assets Under Construction £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2013	10,037,626	-	260,014	123,380	10,421,020
Additions	19,915	170,302	-	6,896	197,113
At 31 August 2014	10,057,541	170,302	260,014	130,276	10,618,133
Depreciation					
At 1 September 2013	289,043	-	60,016	57,577	406,636
Charge for the period	127,535	-	26,001	26,055	179,591
At 31 August 2014	416,578	-	86,017	83,632	586,227
Net book value					
At 31 August 2014	9,640,963	170,302	173,997	46,644	10,031,906
At 31 August 2013	9,748,583	-	199,998	65,803	10,014,384

Included in freehold property is freehold land at valuation of £3,680,800 (2013 - £3,680,800) which is not depreciated.

18. DEBTORS

	2014 £	2013 £
VAT debtor	73,875	100,435
Prepayments and accrued income	43,157	175,436
	<u>117,032</u>	<u>275,871</u>

**19. CREDITORS:
Amounts falling due within one year**

	2014 £	2013 £
Trade creditors	134,648	182,659
Other taxation and social security	69,035	74,593
Other creditors	58,938	61,387
Accruals and deferred income	29,110	112,171
	<u>291,731</u>	<u>430,810</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

19. CREDITORS:
Amounts falling due within one year (continued)

	£
Deferred income	
Deferred income at 1 September 2013	104,021
Resources deferred during the year	20,960
Amounts released from previous years	(104,021)
	<hr/>
Deferred income at 31 August 2014	20,960
	<hr/> <hr/>

20. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	126,570	244,796	(241,379)	(11,877)	-	118,110
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds						
General Annual Grant (GAG)	38,576	4,419,339	(4,469,792)	11,877	-	-
Other DfE/YPLA grants	-	70,877	(70,877)	-	-	-
Pupil Premium	-	45,774	(45,774)	-	-	-
Other grants	-	6,183	(6,183)	-	-	-
Other generated funds	-	21,914	(21,914)	-	-	-
Pension reserve	(1,164,000)	-	(71,000)	-	(3,000)	(1,238,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(1,125,424)	4,564,087	(4,685,540)	11,877	(3,000)	(1,238,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds						
Assets held for depreciation	10,014,386	-	(179,591)	197,111	-	10,031,906
Capital grants	41,748	493,856	-	(197,111)	-	338,493
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	10,056,134	493,856	(179,591)	-	-	10,370,399
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	8,930,710	5,057,943	(4,865,131)	11,877	(3,000)	9,132,399
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	9,057,280	5,302,739	(5,106,510)	-	(3,000)	9,250,509
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

20. STATEMENT OF FUNDS (continued)

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Under the funding agreement with the Secretary of State, the academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 2 discloses whether the limit was exceeded.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	126,570	244,796	(241,379)	(11,877)	-	118,110
Restricted funds	(1,125,424)	4,564,087	(4,685,540)	11,877	(3,000)	(1,238,000)
Restricted fixed asset funds	10,056,134	493,856	(179,591)	-	-	10,370,399
	<u>9,057,280</u>	<u>5,302,739</u>	<u>(5,106,510)</u>	<u>-</u>	<u>(3,000)</u>	<u>9,250,509</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	10,031,906	10,031,906	10,014,385
Current assets	118,110	291,731	338,493	748,334	637,704
Creditors due within one year	-	(291,731)	-	(291,731)	(430,810)
Provisions for liabilities and charges	-	(1,238,000)	-	(1,238,000)	(1,164,000)
	<u>118,110</u>	<u>(1,238,000)</u>	<u>10,370,399</u>	<u>9,250,509</u>	<u>9,057,280</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources before revaluations	196,229	(92,597)
Returns on investments and servicing of finance	(231)	(234)
Depreciation of tangible fixed assets	179,591	-
Capital grants from DfE	(493,856)	(273,146)
Decrease/(increase) in debtors	158,839	(207,347)
(Decrease)/increase in creditors	(139,079)	148,609
FRS 17 adjustments	71,000	45,000
Net cash outflow from operations	(27,507)	(379,715)

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	231	234
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(197,113)	(231,398)
Capital grants from DfE	493,856	273,146
Net cash inflow capital expenditure	296,743	41,748

24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	361,835	269,467	-	631,302
Net funds	361,835	269,467	-	631,302

25. CONTINGENT LIABILITIES

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the EFA.

Should the funding agreement be terminated for any reason, the Academy shall repay to the EFA the current value of the academy's land and buildings and other assets, to the extent that such assets were funded by sums received from the EFA.

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26. CAPITAL COMMITMENTS

At 31 August 2014 the academy had capital commitments as follows:

	2014 £	2013 £
Contracted for but not provided in these financial statements	<u>3,229,698</u>	<u>-</u>

27. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

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

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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27. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2014 was £180,000, of which employer's contributions totalled £141,000 and employees' contributions totalled £39,000. The agreed contribution rates for future years are 23.1% for employers and var% for employees.

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

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

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.70	891,000	6.60	705,000
Gilts	3.00	16,000	3.50	-
Other Bonds	3.60	153,000	4.40	118,000
Property	5.90	133,000	4.60	78,000
Cash	2.90	55,000	0.50	39,000
Target Return Portfolio	5.90	56,000	5.00	39,000
Total market value of assets		<u>1,304,000</u>		<u>979,000</u>
Present value of scheme liabilities		-		<u>(2,143,000)</u>
Surplus/(deficit) in the scheme		<u>1,304,000</u>		<u>(1,164,000)</u>

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(2,542,000)	(2,143,000)
Fair value of scheme assets	<u>1,304,000</u>	<u>979,000</u>
Net liability	<u>(1,238,000)</u>	<u>(1,164,000)</u>

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

	2014 £	2013 £
Current service cost	(162,000)	(153,000)
Interest on obligation	(105,000)	(73,000)
Expected return on scheme assets	<u>62,000</u>	<u>40,000</u>
Total	<u>(205,000)</u>	<u>(186,000)</u>
Actual return on scheme assets	<u>111,000</u>	<u>117,000</u>

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

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

	2014 £	2013 £
Opening defined benefit obligation	2,143,000	1,783,000
Current service cost	162,000	153,000
Interest cost	105,000	73,000
Contributions by scheme participants	39,000	39,000
Actuarial Losses	100,000	101,000
Estimated benefits paid net of transfers in	(7,000)	(6,000)
	<u>2,542,000</u>	<u>2,143,000</u>
Closing defined benefit obligation	<u>2,542,000</u>	<u>2,143,000</u>

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

	2014 £	2013 £
Opening fair value of scheme assets	979,000	689,000
Expected return on assets	62,000	40,000
Actuarial gains and (losses)	97,000	76,000
Contributions by employer	134,000	141,000
Contributions by employees	39,000	39,000
Estimated benefits paid net of transfers in	(7,000)	(6,000)
	<u>1,304,000</u>	<u>979,000</u>
	<u>1,304,000</u>	<u>979,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014	2013
Equities	69.00 %	72.00 %
Gilts	1.00 %	- %
Other Bonds	12.00 %	12.00 %
Property	10.00 %	8.00 %
Cash	4.00 %	4.00 %
Target Return Portfolio	4.00 %	4.00 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate for scheme liabilities	3.90 %	4.70 %
Expected return on scheme assets at 31 August	6.00 %	5.90 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.90 %
Inflation assumption (CPI)	2.70 %	2.90 %
RPI Increases	3.50 %	3.70 %

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27. PENSION COMMITMENTS (continued)

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

	2014	2013
Retiring today		
Males	22.7	20.1
Females	25.1	24.1
Retiring in 20 years		
Males	24.9	22.1
Females	27.4	26.0

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2014 £	2013 £	2012 £
Defined benefit obligation	(2,542,000)	(2,143,000)	(1,783,000)
Scheme assets	1,304,000	979,000	689,000
Deficit	(1,238,000)	(1,164,000)	(1,094,000)
Experience adjustments on scheme liabilities	(100,000)	(101,000)	(1,492,000)
Experience adjustments on scheme assets	97,000	76,000	429,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	4,080	4,080

29. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.