Registered number: 07584611 (England and Wales)

OAKWOOD PARK GRAMMAR SCHOOL

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

MHA MacIntyre Hudson

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OAKWOOD PARK GRAMMAR SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2018

Members
Julie Murton (Chair)
Kevin Moody (Head Teacher)
Michael Stevens MBE

Trustees / Governors

Julie Murton	**Chair**
Michael Stevens	**Vice Chair**
Graham Twist	**Community Trustee**
Kevin Moody	**Head teacher and Accounting Officer**
Shireen Razey	**Community Trustee**
Thomas Abbott	**Community Trustee**
Steve Mattingley	**Community Trustee**
Simon Lake	**Community Trustee**
Ed McGrath	**Parent Trustee**
Wendy Ball	**Parent Trustee**
Jill Williams	**Co-opted Staff Governor**
Maria Goodhew	**Co-opted Staff Governor**

Company Secretary
Kevin Moody

Senior Management Team
Kevin Moody (Head Teacher)
Judith Bevan (Deputy Head)
Anne Lewell (Deputy Head)

Company Name
Oakwood Park Grammar School

Principal and registered office
Oakwood Park, Maidstone, Kent, ME16 8AH

Company registered number
07584611 (England & Wales)

Independent Auditor
MHA MacIntyre Hudson, 71 New Dover Road, Canterbury, Kent, CT1 3DZ

Bankers
NatWest, 3 High Street, Maidstone, Kent, ME14 1XU

Solicitors
Brachers LLP, Somerfield House, 59 London Road, Maidstone, Kent ME16 8JH

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

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

The Trust operates an academy for pupils aged 11 to 18 serving a catchment area in Kent. It has a pupil capacity of 1100 and had a roll of 1076 in the school census on 4 October 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 throughout the year are included in the Reference and Administrative Details on page 1.

Members Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1148.

Method of Recruitment and Appointment or Election of Trustees

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

Policies and Procedures Adopted for the Induction and Training of Trustees

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

Organisational Structure

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

Arrangements for setting pay and remuneration of key management personnel

The Head Teacher's performance is monitored by a subcommittee of the Governing Body consisting of two Governors who are advised by an external consultant. Detailed targets are set and renewed annually.

The Head Teacher produces an annual report on his and the leadership team performance review. The Head Teacher makes recommendations to the sub-committee. Pay is then linked to the review and recommendations before approval from the sub-committee.

Trade Union facility time

The Academy does not have any current staff who are union officials.

Related parties and other connected charities and organisations

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private section organisations, transactions may take place with organisations in which a trustee 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.

OBJECTIVES AND ACTIVITIES

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 for all our staff.

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:

- Develop a KS3 curriculum that engages and stretches our students.
- Continued to progress with the 2 year KS4 Curriculum.
- Continue to increase attainment of 9-7 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.
- 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.
- Establish more links with schools and different organisations.
- Sound budget management.

Public Benefit

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

The Trustees have given careful consideration to the charity Commission's general guidance of Public Benefit.

STRATEGIC REPORT

Achievements and Performance

Oakwood Park Grammar School continues with high achievements as shown below:

At GCSE:

- 97% of students gained 5 GCSEs 9-4 (English and Maths).
- 37% of all grades were 9-7.
- 42% of students gained 5+ grades at 9-7*.

At A Level:

- 57% of all grades were at A*/B.

The average points per student equated to 3 B grades.

51% of all students who went to university secured a place at a Russell Group or Top 20 university.

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 and current budget set, with 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.

Funding is based on student numbers, and this is therefore a key performance indicator. Student numbers for September 2017 were strong with 782 in years 7 – 11 and 294 in Sixth Form. It is anticipated that these numbers will continue. The Sixth Form management team has been strengthened and this has been reflected in the recruitment and retention of students from other schools.

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.

Support from the Education Funding Agency and Cash Flow

The school currently has a deficit position which has been approved by the EFSA, and this it is anticipated to be fully recoverably by August 2019. The staffing restructure detailed in the recovery plan has been fully implemented and the associated costs have now been met. The Academy requested financial support from the EFSA for restructure costs. The EFSA provided statutory support only.

The Academy consistently reviews the five-year plan allowing for changes in EFSA funding, staff costs and student numbers.

The Academy received an advance on future funds to assist with cashflow during the financial year. This has been fully repaid during the financial year.

FINANCIAL REVIEW

Reserves Policy

As a result of an ongoing deficit position as detailed above the school does not have any reserves.

Any potential reserves are reviewed termly at each Finance, Premises and Personnel Committee meetings via the budget monitoring. This will include all unrestricted funds.

The school maintains two capital funds, one for devolved capital and one for capital grants received from the EFSA which are ring-fenced.

At 31 August 2018 the total funds comprised:

Unrestricted		£11,397
Restricted:	Fixed asset funds	£12,895,853
	Pension reserve	£(1,901,000)
	GAG	£(237,038)
		£10,769,212

Investment Policy

Oakwood Park Grammar School does not have any investments. The decision on how to utilise any rollover is included within the budget setting process.

Principal Risks and Uncertainties

As an Academy, there are limited risks and uncertainties and not all can be controlled by the Academy. The principal risks that could affect the Academy are:

Government Funding
Changes in funding and support from the EFSA, statutory staffing costs including pension contributions and capital funding allocations will increase ongoing financial pressure for the Academy. This will impact on the five year plan and financial stability.

Pupil Strategy
The Academy continues to ensure popularity with current and prospective students by:

- Providing high quality learning and teaching.
- Maintaining high standards of success rates and inspection outcomes.
- Continuing to invest in resources and learning environment.

Fundraising

Oakwood Park Grammar School participates in charity fundraising only. The school does not participate in professional fundraising.

PLANS FOR FUTURE PERIODS

Oakwood Park Grammar School continues to develop the school building and associated environment. The school continues to submit further Capital Funding bids to improve sports 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 the school accounts and is a registered charity. The relevant accounts are submitted to the Charity Commission.

AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 20 December 2018 and signed on the board's behalf by:

.....

Julie Murton
Chair of Trustees

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Oakwood Park Grammar School Academy 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 Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year.

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

Trustee	Position	Meetings attended	Out of a possible
Julie Murton	Chair	3	3
Kevin Moody	Head Teacher	3	3
Mike Stevens	Vice Chair	3	3
Graham Twist	Community Governor	2	3
Shireen Razey	Community Governor	3	3
Thomas Abbott	Community Governor	2	3
Steve Mattingley	Community Governor	3	3
Duncan Bain	Parent Governor (term ended 22/1/18)	1	1
Vicki Gabriel	Parent Governor (term ended 22/1/18)	1	1
Simon Lake	Assoc Gov/Community Gov. from 1/6/18	2	3
Ed McGrath	Parent Governor	3	3
Wendy Ball	Parent Governor	3	3
Jill Williams	Staff Governor	3	3
Maria Goodhew	Staff Governor	3	3
Judith Bevan	Deputy Head	3	3
Anne Lewell	Deputy Head	3	3

Mrs Murton continues as the Chair, with Mr Stevens as the Vice-Chair.

The following Governors resigned or their term of office expired during the year:

- Duncan Bain
- Vicki Gabriel

Mr Lake became a Community Governor from 1/9/18 having previously been an Associate Governor.

The school continues to meet the required number of Governors for a quorate.

All Governors have access to the National Governors Association to ensure compliance and the access to appropriate advice and guidance. Additionally, all Governors can access training through Kent CPD.

Governance reviews:

The Academy annually performs a skills audit and reviews the composition of the committees.

Finance Premises and Personnel Committee:

The Finance Premises and Personnel Committee is a sub-committee of the main Board of Trustees. 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.

During the year the committee incorporated personnel and was renamed Finance, Premises and Personnel. Mr Stevens stepped down as Chair of the Finance Committee. Mr Bain and Ms Gabriel left during the year Mr Mattingley and Mr Abbott became joint-chair of the new FPP committee. Additionally Mrs Lewell (Deputy Head) and Mrs Bryant (Finance Manager) attend the meeting to advice on Premises and Finance respectively.

Attendance at meetings in the year was as follows:

Name	Position	Meetings attended	Out of a possible
Julie Murton		3	3
Kevin Moody	Head Teacher	3	3
Mike Stevens	Chair (1 meeting)	3	3
Graham Twist		2	3
Thomas Abbott	Co-Chair (2 meeting)	3	3
Steve Mattingley	Co-Chair (2 meeting)	2	3
Duncan Bain		1	1
Vicki Gabriel		1	1
Anne Lewell	Deputy Head	3	3
Sara Bryant	Finance Manager	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Head Teacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Reviewing resource contracts and renegotiating where possible.
- Reviewing all teaching and curriculum requirements.
- Reviewing staffing levels prior to reappointment of vacancies.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oakwood Park Grammar School for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

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

The 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 MHA MacIntyre Hudson, the external auditor, to perform additional checks.

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

- testing of payroll systems,
- testing of purchase systems, and
- testing of control account/ bank reconciliations.

On a quarterly basis, the auditor reports to the Board of Trustees, through the Finance, Premises and Personnel Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Academy Trust changed auditors from William Giles Ltd to MHA MacIntyre Hudson during the financial year.

REVIEW OF EFFECTIVENESS

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

- the work of the external auditor,
- the financial management and governance self-assessment process, and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 20 December 2018 and signed on its behalf by:

.....
Julie Murton
Chair of Trustees

.....
Kevin Moody
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Oakwood Park Grammar School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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

.....

Kevin Moody
Accounting Officer

Date: 20 December 2018

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

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

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

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

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

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

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

Approved by order of the Members of the Board of Trustees on 20 December 2018 and signed on its behalf by:

.....

Julie Murton
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAKWOOD PARK GRAMMAR SCHOOL

OPINION

We have audited the financial statements of Oakwood Park Grammar School (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAKWOOD PARK GRAMMAR SCHOOL

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust 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 Trust 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 Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAKWOOD PARK GRAMMAR SCHOOL

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the Academy Trust's Members 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 Trust'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 Trust and its Members for our audit work, for this report, or for the opinions we have formed.

Alyson Howard

Alyson Howard FCCA DChA CF (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants & Statutory Auditors

71 New Dover Road
Canterbury
Kent
CT1 3DZ
Date: 21 December 2018

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

In accordance with the terms of our engagement letter dated 28 June 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Oakwood Park Grammar School during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Oakwood Park Grammar School and the ESFA 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Oakwood Park Grammar School and the ESFA, 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 6 January 2011, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

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

The work undertaken to draw our conclusions includes:

- reviewing the minutes of meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors of the Academy Trust;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Internal Reviewer.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

71 New Dover Road
Canterbury
Kent
CT1 3DZ

Date: 21 December 2018

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

	Note	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	-	-	157,107	157,107	222,955
Charitable activities	3	13,950	4,486,849	-	4,500,799	4,280,494
Other trading activities	4	398,111	-	-	398,111	308,592
Investments	5	-	-	-	-	16
TOTAL INCOME		412,061	4,486,849	157,107	5,056,017	4,812,057
EXPENDITURE ON:						
Raising funds		400,664	-	-	400,664	209,479
Charitable activities		-	4,667,064	233,883	4,900,947	5,067,891
TOTAL EXPENDITURE	6	400,664	4,667,064	233,883	5,301,611	5,277,370
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		11,397	(180,215)	(76,776)	(245,594)	(465,313)
Actuarial gains on defined benefit pension schemes	22	-	452,000	-	452,000	565,000
NET MOVEMENT IN FUNDS		11,397	271,785	(76,776)	206,406	99,687
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(2,409,823)	12,972,629	10,562,806	10,463,119
TOTAL FUNDS CARRIED FORWARD		11,397	(2,138,038)	12,895,853	10,769,212	10,562,806

The notes on pages 21 to 44 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		**12,828,348**		12,822,866
CURRENT ASSETS					
Debtors	15	**179,149**		117,653	
Cash at bank and in hand		**17,910**		281,740	
		197,059		399,393	
CREDITORS: amounts falling due within one year	16	**(355,195)**		(478,453)	
NET CURRENT LIABILITIES			**(158,136)**		(79,060)
TOTAL ASSETS LESS CURRENT LIABILITIES			**12,670,212**		12,743,806
Defined benefit pension scheme liability	22		**(1,901,000)**		(2,181,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			**10,769,212**		10,562,806
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted general funds	17	**(237,038)**		(228,823)	
Restricted fixed asset funds	17	**12,895,853**		12,972,629	
Restricted funds excluding pension liability		**12,658,815**		12,743,806	
Restricted general funds - pension reserve		**(1,901,000)**		(2,181,000)	
Total restricted funds			**10,757,815**		10,562,806
Unrestricted funds	17		**11,397**		-
TOTAL FUNDS			**10,769,212**		10,562,806

The financial statements on pages 18 to 44 were approved by the Trustees, and authorised for issue, on 20 December 2018 and are signed on their behalf, by:

.....

Julie Murton
Chair of Trustees

The notes on pages 21 to 44 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	19	**(149,259)**	(48,371)
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(271,678)**	(115,550)
Capital grants from DfE Group		**157,107**	222,955
Net cash (used in)/provided by investing activities		**(114,571)**	107,405
Change in cash and cash equivalents in the year		**(263,830)**	59,034
Cash and cash equivalents brought forward		**281,740**	222,706
Cash and cash equivalents carried forward	20	**17,910**	281,740

The notes on pages 21 to 44 form part of these financial statements.

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Oakwood Park Grammar School constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and rounded to the nearest pound.

Oakwood Park Grammer School is a company limited by guarantee, incorporated in England. The address of the rigistered office and principal place of operation are detailed on page 1. The nature of the Academy Trust's operations and Principal activity are detailed in the Trustees Report.

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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant 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. Capital grants are recognised on entitlement and not deferred over the life of the asset on which they are expended.

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

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

1.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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.

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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% Straight line
Furniture and fixtures	-	10% Straight line
Computer equipment	-	20% Straight line

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 .

1.6 Operating leases

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

1.7 Debtors

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

1.8 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. ACCOUNTING POLICIES (continued)

1.9 Liabilities and provisions

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Taxation

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

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1. ACCOUNTING POLICIES (continued)

1.12 Pensions (continued)

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

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

1.13 Fund accounting

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Any change in the valuation of Freehold Property (see Note 14) would impact the total net assets of the Academy Trust.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	**Restricted general funds 2018 £**	**Restricted fixed asset funds 2018 £**	**Total funds 2018 £**	Total funds 2017 £
Capital grants	**-**	**-**	**157,107**	**157,107**	222,955
Total 2017	-	-	222,955	222,955	

3. CHARITABLE ACTIVITIES - FUNDING FOR EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,367,478	4,367,478	4,158,945
Pupil Premium	-	51,695	51,695	46,490
DfE / ESFA Revenue Grants	-	64,446	64,446	75,059
	-	4,483,619	4,483,619	4,280,494
Other Government grants				
Local Authority Revenue Grants	-	3,230	3,230	-
	-	3,230	3,230	-
Other funding				
Other Income	13,950	-	13,950	-
	13,950	-	13,950	-
Total 2018	13,950	4,486,849	4,500,799	4,280,494
Total 2017	-	4,280,494	4,280,494	

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

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
Other income	-	-	-	72,264
School trips	398,111	-	398,111	236,328
Total 2018	398,111	-	398,111	308,592
Total 2017	236,328	72,264	308,592	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest recieved	-	-	-	16
Total 2017	16	-	16	

6. TOTAL EXPENDITURE

	Staff costs 2018 £	Premises costs 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising funds					
Direct costs	-	-	-	-	-
Support costs	-	-	400,664	400,664	209,479
Charitable activities:					
Direct costs	2,722,449	-	205,369	2,927,818	3,002,752
Support costs	1,207,381	452,085	313,663	1,973,129	2,065,139
Total 2018	3,929,830	452,085	919,696	5,301,611	5,277,370
Total 2017	4,037,070	216,670	1,023,630	5,277,370	

In 2017, of the total expenditure of £5,277,370, £209,479 was from unrestricted funds, £4,836,194 was from restricted general funds and £231,697 was from restricted fixed asset funds.

7. ANALYSIS OF EXPENDITURE BY CHARITABLE ACTIVITIES

	Activities undertaken directly 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Educational operations	2,927,818	1,973,129	4,900,947	5,067,891
Total 2017	3,002,752	2,065,139	5,067,891	

8. TOTAL SUPPORT COSTS

	Educational operations £	Total 2018 £	Total 2017 £
Defined benefit pension scheme finance cost	**56,000**	**56,000**	54,000
Technology costs	**36,773**	**36,773**	49,352
Premises costs	**218,202**	**218,202**	216,670
Governance costs	**23,385**	**23,385**	21,862
Other costs	**253,505**	**253,505**	230,198
Support staff costs	**1,151,381**	**1,151,381**	1,261,360
Depreciation	**233,883**	**233,883**	231,697
Total 2018	**1,973,129**	**1,973,129**	2,065,139
Total 2017	2,065,139	2,065,139	

9. GOVERNANCE COSTS

	2018 £	2017 £
Legal and professional fees	**10,185**	8,667
Auditors' remuneration - audit of the financial statements	**9,000**	9,000
Auditors' remuneration - other services	**2,400**	2,395
Governance internal audit costs	**1,800**	1,800
Total	**23,385**	21,862

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- Owned by the Academy Trust	**233,883**	231,697
Auditors' remuneration - audit of the financial statements	**9,000**	9,000
Auditors' remuneration - other services	**2,400**	2,395
Governance internal audit costs	**1,800**	1,800

11. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	**2,821,108**	2,817,363
Social security costs	**292,422**	294,335
Pension costs	**571,203**	680,776
	3,684,733	3,792,474
Supply teacher costs	**164,097**	132,811
Staff restructuring costs	**25,000**	57,785
Defined benefit pension scheme finance cost	**56,000**	54,000
	3,929,830	4,037,070

Staff restructuring costs comprise:

Redundancy payments	**-**	46,785
Severance payments	**25,000**	11,000
	25,000	57,785

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

Included in staff severance payments are two non-contractual severance payments, one amounting to £20,500 and the other £483.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	**59**	49
Support Staff	**24**	34
Management	**3**	6
	86	89

11. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	**2**	2
In the band £70,001 - £80,000	**0**	1
In the band £80,001 - £90,000	**0**	1
In the band £90,001 - £100,000	**1**	1

The Key Management Personnel of the Academy Trust comprise the Trustees' and the Senior Leadership Team. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by Key Management Personnel for services to the Academy Trust was £267,585 (2017 - £261,237).

12. TRUSTEES' REMUNERATION AND EXPENSES

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

		2018	2017
		£	£
K Moody	Remuneration	**95,000-100,000**	95,000-100,000
	Pension contributions paid	**15,000-20,000**	15,000-20,000
M Housden	Remuneration	**NIL**	25,000-30,000
	Pension contributions paid	**NIL**	0-5,000

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

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2018 was included in the total insurance cost..

14. TANGIBLE FIXED ASSETS

	Freehold property £	Assets under construction £	Plant and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2017	13,602,951	32,313	298,133	142,789	14,076,186
Additions	266,749	-	4,929	-	271,678
Disposals	-	(32,313)	-	-	(32,313)
At 31 August 2018	13,869,700	-	303,062	142,789	14,315,551
Depreciation					
At 1 September 2017	938,887	-	171,644	142,789	1,253,320
Charge for the year	203,573	-	30,310	-	233,883
At 31 August 2018	1,142,460	-	201,954	142,789	1,487,203
Net book value					
At 31 August 2018	12,727,240	-	101,108	-	12,828,348
At 31 August 2017	12,664,064	32,313	126,489	-	12,822,866

Included in freehold property is freehold land at valuation of £3,680,800 (2017 - £3,680,800) which is not depreciated.

15. DEBTORS

	2018 £	2017 £
Trade debtors	3,240	8,685
VAT recoverable	32,348	39,149
Other debtors	4,887	-
Prepayments and accrued income	138,674	69,819
	179,149	117,653

16. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	**69,376**	144,275
Other taxation and social security	**71,254**	84,667
Other creditors	**65,040**	127,806
Accruals and deferred income	**149,525**	121,705
	355,195	478,453

Deferred income	2018 £	2017 £
Deferred income at 1 September 2017	**72,588**	55,950
Resources deferred during the year	**82,913**	72,588
Amounts released from previous years	**(72,588)**	(55,950)
Deferred income at 31 August 2018	**82,913**	72,588

At the Balance Sheet date, the Academy Trust was holding funds received for school trips occurring in the 2018-19 academic year.

17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted Funds						
General funds	-	412,061	(400,664)	-	-	11,397
Restricted General Funds						
General Annual Grant (GAG)	(228,823)	4,367,478	(4,375,693)	-	-	(237,038)
Pupil Premium	-	51,695	(51,695)	-	-	-
Other DfE / ESFA revenue grants	-	64,446	(64,446)	-	-	-
Local Authority revenue grants	-	3,230	(3,230)	-	-	-
Pension reserve	(2,181,000)	-	(172,000)	-	452,000	(1,901,000)
	(2,409,823)	4,486,849	(4,667,064)	-	452,000	(2,138,038)
Restricted Fixed Asset Funds						
NBV of fixed assets	12,822,866	-	(233,883)	239,365	-	12,828,348
DfE / ESFA capital grants	149,763	157,107	-	(239,365)	-	67,505
	12,972,629	157,107	(233,883)	-	-	12,895,853
Total restricted funds	10,562,806	4,643,956	(4,900,947)	-	452,000	10,757,815
Total of funds	10,562,806	5,056,017	(5,301,611)	-	452,000	10,769,212

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

The Designated fund is a reserve held specifically for investment in future educational projects.

The Unrestricted General fund has been created to recognise the income and expenditure in respect of activities undertaken by the Academy Trust.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been set up because the GAG must be used for the normal educational running costs of the Academy Trust.

The Pupil Premium fund has been established to recognise the restricted funding from the Education and Skills Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

17. STATEMENT OF FUNDS (continued)

The Other DfE / ESFA revenue grants fund has been created to recognise the restricted funding received from the Department for Education/Education and Skills Funding Agency which fall outside the scope of core funding.

The Local Authority revenue grants fund has been set up to recognise the income received from Suffolk County Council as a contribution towards the cost of the Academy Trust's revenue expenditure. Funding received for Special Educational Needs is also recognised within Local Authority revenue grants. These funds are to assist with the costs incurred providing disadvantaged students with the additional educational resources that they require.

The LGPS deficit (pension reserve) fund represents the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised. The fund is in deficit, but given the nature of the liability this is not payable immediately. Plans are in place to meet the deficit.

The NBV of owned Fixed Assets fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The DfE / ESFA Capital grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of owned Fixed Assets fund. Capital grants received and receivable but not yet spent on fixed assets are held as current assets in the restricted fixed asset fund.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General funds	-	236,344	(209,479)	(26,865)	-	-
Restricted General Funds						
General Annual Grant (GAG)	(54,978)	4,158,945	(4,362,381)	29,591	-	(228,823)
Pupil Premium	-	46,490	(46,490)	-	-	-
Other government grants	-	87,297	(87,297)	-	-	-
Other generated funds	-	60,026	(60,026)	-	-	-
Pension reserve	(2,466,000)	-	(280,000)	-	565,000	(2,181,000)
	(2,520,978)	4,352,758	(4,836,194)	29,591	565,000	(2,409,823)
Restricted Fixed Asset Funds						
NBV of fixed assets	12,939,013	-	(231,697)	115,550	-	12,822,866
DfE / ESFA capital grants	45,084	222,955	-	(118,276)	-	149,763
Total restricted funds	10,463,119	4,575,713	(5,067,891)	26,865	565,000	10,562,806
Total of funds	10,463,119	4,812,057	(5,277,370)	-	565,000	10,562,806

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted Funds						
General funds	-	648,405	(610,143)	(26,865)	-	11,397
Restricted General Funds						
General Annual Grant (GAG)	(54,978)	8,526,423	(8,738,074)	29,591	-	(237,038)
Pupil Premium	-	98,185	(98,185)	-	-	-
Other DfE / ESFA revenue grants	-	64,446	(64,446)	-	-	-
Local Authority revenue grants	-	3,230	(3,230)	-	-	-
Other government grants	-	87,297	(87,297)	-	-	-
Other generated funds	-	60,026	(60,026)	-	-	-
Pension reserve	(2,466,000)	-	(452,000)	-	1,017,000	(1,901,000)
	(2,520,978)	8,839,607	(9,503,258)	29,591	1,017,000	(2,138,038)
Restricted Fixed Asset Funds						
NBV of fixed assets	12,939,013	-	(465,580)	354,915	-	12,828,348
DfE / ESFA capital grants	45,084	380,062	-	(357,641)	-	67,505
Total restricted funds	10,463,119	9,219,669	(9,968,838)	26,865	1,017,000	10,757,815
Total of funds	10,463,119	9,868,074	(10,578,981)	-	1,017,000	10,769,212

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	12,828,348	12,828,348
Current assets	11,397	118,157	67,505	197,059
Creditors due within one year	-	(355,195)	-	(355,195)
Defined benefit pension scheme liability	-	(1,901,000)	-	(1,901,000)
	11,397	(2,138,038)	12,895,853	10,769,212

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted general funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	12,822,866	12,822,866
Current assets	-	249,630	149,763	399,393
Creditors due within one year	-	(478,453)	-	(478,453)
Defined benefit pension scheme liability	-	(2,181,000)	-	(2,181,000)
	-	(2,409,823)	12,972,629	10,562,806

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(245,594)	(465,313)
Adjustment for:		
Depreciation charges	233,883	231,697
Loss on the disposal of fixed assets	32,313	-
(Increase)/decrease in debtors	(61,496)	8,245
(Decrease)/increase in creditors	(123,258)	119,955
Capital grants from DfE and other capital income	(157,107)	(222,955)
Defined benefit pension scheme cost less contributions payable	116,000	226,000
Defined benefit pension scheme finance cost	56,000	54,000
Net cash used in operating activities	(149,259)	(48,371)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	**17,910**	281,740
Total	**17,910**	281,740

21. 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 ESFA.

Should the funding agreement be terminated for any reason, the Academy shall repay to the ESFA 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 ESFA.

22. PENSION COMMITMENTS

The Academy Trust'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 Multi-Employer Defined Benefit Pension Schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

22. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £337,617 (2017 - £*339,197*).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £156,237 (2017 - £*153,000*), of which employer's contributions totalled £117,576 (2017 - £*114,000*) and employees' contributions totalled £38,661 (2017 - £*39,000*). The agreed contribution rates for future years are 19.9% for employers and 5.5% to 12.5% for employees.

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

22. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	**2.65 %**	2.60 %
Rate of increase in salaries	**3.80 %**	4.20 %
Rate of increase for pensions in payment / inflation	**2.30 %**	2.70 %
Inflation assumption (CPI)	**2.30 %**	2.70 %

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

	2018	2017
Retiring today		
Males	**23.1**	23.0
Females	**25.2**	25.1
Retiring in 20 years		
Males	**25.3**	25.2
Females	**27.5**	27.4

Sensitivity analysis	**At 31 August 2018 £'000**	At 31 August 2017 £'000
Discount rate +0.1%	**(97)**	(100)
Discount rate -0.1%	**100**	102
Mortality assumption - 1 year increase	**159**	158
Mortality assumption - 1 year decrease	**(153)**	(153)

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	**1,713,000**	1,642,000
Gilts	**19,000**	16,000
Other bonds	**223,000**	225,000
Property	**311,000**	286,000
Cash and other liquid assets	**77,000**	74,000
Absolute return fund	**170,000**	89,000
Total market value of assets	**2,513,000**	2,332,000

The actual return on scheme assets was £106,000 (2017 - *£306,000*).

22. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Current service cost	**(251,000)**	(252,000)
Past service cost	**-**	(87,000)
Interest income	**61,000**	41,000
Interest cost	**(117,000)**	(95,000)
Total	**(307,000)**	(393,000)
Actual return on scheme assets	**-**	306,000

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

	2018 £	2017 £
Opening defined benefit obligation	**4,513,000**	4,317,000
Current service cost	**251,000**	252,000
Interest cost	**117,000**	95,000
Employee contributions	**39,000**	39,000
Actuarial gains	**(408,000)**	(135,000)
Benefits paid	**(98,000)**	(142,000)
Past service costs	**-**	87,000
Closing defined benefit obligation	**4,414,000**	4,513,000

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

	2018 £	2017 £
Opening fair value of scheme assets	**2,332,000**	1,851,000
Interest income	**61,000**	41,000
Actuarial losses	**44,000**	430,000
Employer contributions	**135,000**	113,000
Employee contributions	**39,000**	39,000
Benefits paid	**(98,000)**	(142,000)
Closing fair value of scheme assets	**2,513,000**	2,332,000

23. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	-	5,738

24. 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.

25. RELATED PARTY TRANSACTIONS

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

During the year, the Trust incurred costs of £6,929 (2017 - £303) with Astra Security Systems Limited, a company of which G Twist (Community Trustee) is a director and shareholder. There were no amounts outstanding at the year end (2017 - £nil), and all services were provided at cost, complying with the requirements of the AFH.

26. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the Trust received £17,015 (2017 - £11,450) and disbursed £17,015 (2017 - £11,450) from the fund. No amounts were being carried forward in creditors.