

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Trustees' Report and Financial Statements**

**For the year ended 31 August 2015**

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Contents**

	Page
<b>Reference and administrative details of the academy, its trustees and advisers</b>	1 - 2
<b>Trustees' report</b>	3 - 7
<b>Governance statement</b>	8 - 10
<b>Statement on regularity, propriety and compliance</b>	11
<b>Trustees' responsibilities statement</b>	12
<b>Independent auditors' report</b>	13 - 14
<b>Independent reporting accountant's assurance report on regularity</b>	15 - 16
<b>Statement of financial activities</b>	17
<b>Balance sheet</b>	18
<b>Cash flow statement</b>	19
<b>Notes to the financial statements</b>	20 - 38

**OAKWOOD PARK GRAMMAR SCHOOL**

**(A company limited by guarantee)**

**Reference and Administrative Details of the Academy, its Members/ Trustees and Advisers  
For the year ended 31 August 2015**

**Members & Trustees** Michael Stevens MBE<sup>1</sup>

Julie Murton  
Kevin Moody<sup>1</sup>  
Mark Housden

**Governors not Trustees** Brian Calderwood<sup>1</sup>

Graham Twist<sup>1</sup>  
Penny Spiller<sup>1</sup>  
Darren Comber  
Simon Lake  
Nicola Vickery  
Duncan Dwinell  
Peter Ingram<sup>1</sup>  
Claire Petrucci  
Duncan Bain  
Vicki Gabriel  
Jill Williams  
Marjory Caine  
Louise Trumper  
Tom Abbott  
Julie Murton  
Shireen Razey  
Lynn Western

<sup>1</sup> member of the Finance and General Purposes committee

**Company registered  
number**

07584611

**Principal and registered  
office**

Oakwood Park  
Maidstone  
Kent  
ME16 8AH

**Company secretary**

Kevin Moody

**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 Solly, Assistant Head Teacher  
Sara Bryant, Director of Resources

**Independent auditors**

Williams Giles Limited  
Chartered Accountants  
Registered Auditors  
12 Conqueror Court  
Sittingbourne  
Kent  
ME10 5BH

**Bankers**

NatWest  
3 High street  
Maidstone  
Kent  
ME14 1XU

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Reference and Administrative Details of the Academy, its Members/ Trustees and Advisers**  
**For the year ended 31 August 2015**

**Administrative details (continued)**

<b>Solicitors</b>	Brachers LLP Sommerfield 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 year ended 31 August 2015**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for students aged 11 to 18 serving a catchment area in Kent. It has a student capacity of 1050 and had a roll of 982 in the school census on 8 October 2015.

**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

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

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Trustees' Report (continued)**  
**For the year ended 31 August 2015**

**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. Trustees' indemnities**

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

**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 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 continue to be:

- Develop a KS3 Curriculum that engages and stretches out students
- Continued to progress with the 3 year KS4 Curriculum
- Developed clear and co-ordinated Gifted and Talented programme
- Continue to increase a % 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
- 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 student 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

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Trustees' Report (continued)**  
**For the year ended 31 August 2015**

**c. 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 Directors have given careful consideration to the Charity Commission's general guidance on Public Benefits.

**Strategic report**

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

At GCSE:

96% of students gained 5 GCSEs A\*-C  
93% of students gained 5 GCSEs A\*-C (English & Maths)  
32% of all grades were A\*/A  
33% of students gained 5+ grades at A\*/A

At A Level:

56% of all grades were at A\*/B  
The average points per student equated to 3 B grades  
47% of all students who went to university secured a place at a Russell Group or Top 20 university, a record for the school

**Achievements and performance**

**a. 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 coming academic year. The Academy is aware of imminent funding impacts and have submitted a 5 year recovery plan to the EFA. For this reason it continues to adopt the going concern basis in preparing the financial statements.

**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 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.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Trustees' Report (continued)**  
**For the year ended 31 August 2015**

**Financial review**

**a. Financial and risk management objectives and policies**

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

The school maintains a healthy cash flow but the school realises that future funding will impact on the financial security of the school.

**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, this will increase ongoing financial pressure on the academy and a deficit might be experienced.
- A reduction in student numbers attending Oakwood Park Grammar School.
- The Academy's share of the LGPS deficit is managed by the actuaries who mitigate the risk by reviewing contributions payable by Academy staff.

**c. Reserves policy**

The rollover at August 2015 was £115,552, consisting of restricted and unrestricted funds. Any rollover will be included to support the coming budget.

The reserves are reviewed termly at each Finance Committee meeting via the budget monitoring. This will include unrestricted funds.

The school maintains two capital funds, one for devolved capital and one for capital grants received from the Education Funding Agency. The devolved capital fund is used in the buildings maintenance programme for the school. The capital grant fund is for specific capital projects and as such the funds are ring-fenced.

**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 during the coming year a new teaching block will be opened ready for the 2016-17 Academic Year. The school continues to actively seek additional funding to improve the school facilities.

In 2014-15 the curriculum was reviewed to take into account the changes of A Level to a linear system and this will continue to be monitored.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Trustees' Report (continued)**  
**For the year ended 31 August 2015**

**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 bank accounts and is a registered charity. The relevant accounts are submitted to the Charity Commission.

**Disclosure of information to auditors**

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.

**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 2015 and signed on the board's behalf by:

**Julie Murton**  
Chair of Trustees

**Kevin Moody**  
Trustee

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**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 year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Michael Stevens MBE	3	3
Julie Murton	3	3
Kevin Moody	3	3
Brian Calderwood	3	3
Graham Twist	2	3
Penny Spiller	2	3
Darren Comber	2	3
Simon Lake	2	3
Nicola Vickery	1	3
Duncan Dwinell	3	3
Peter Ingram	2	3
Claire Petrucci	1	3
Duncan Bain	2	3
Vicki Gabriel	2	3
Jill Williams	3	3
Marjory Caine	1	1
Louise Trumper	3	3
Tom Abbott	2	2
Shireen Razey	1	1
Lynn Western	2	2

Governance reviews:

Mr Stevens resigned as Chair during the Summer Term 2015 but continues as a trustee.

Two new community governors joined during the year and all sub committees memberships were reviewed. Governors' roles and responsibilities were also reviewed at this time.

All governors have been enrolled with the National Governors Association to ensure compliance and the access to appropriate advice and guidance.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Governance Statement (continued)**

The Finance 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 finance and resources.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Brian Calderwood	3	4
Peter Ingram	4	4
Kevin Moody	4	4
Penny Spiller	1	4
Michael Stevens MBE	2	4
Graham Twist	4	4

**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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Reviewing resource contracts
- Reviewing all teaching requirements

**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 year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 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;

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Governance Statement (continued)**

- 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. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control accounts/bank reconciliation
- Testing of fixed assets
- Testing of Governance and procedures
- Testing of Journeys Fund and School Fund procedures

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.

**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 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 2015 and signed on its behalf, by:

**Julie Murton**  
Chair of Trustees

**Kevin Moody**  
Accounting Officer

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**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 (2014).

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 (2014).

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.

**Kevin Moody**  
Accounting Officer

Date: 16 December 2015

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Trustees' Responsibilities Statement**  
**For the year ended 31 August 2015**

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;
- 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 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 2015 and signed on its behalf by:

**Julie Murton**  
Chair of Trustees

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Independent Auditors' Report to the Members of Oakwood Park Grammar School**

We have audited the financial statements of Oakwood Park Grammar School for the year ended 31 August 2015 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 2014 to 2015 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 2015 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 and the Academies Accounts Direction 2014 to 2015 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 year for which the financial statements are prepared is consistent with the financial statements.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Independent Auditors' Report to the Members 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 CF (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**

**(A company limited by guarantee)**

### **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 2014 to 2015, 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 2014 to 31 August 2015 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 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 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

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**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 year 1 September 2014 to 31 August 2015 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 CF

**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 year ended 31 August 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Activities for generating funds	3	167,014	55,048	-	222,062	268,717
Investment income	4	-	-	-	-	231
Incoming resources from charitable activities	5	-	4,586,684	2,629,920	7,216,604	5,033,791
<b>Total incoming resources</b>		<b>167,014</b>	<b>4,641,732</b>	<b>2,629,920</b>	<b>7,438,666</b>	<b>5,302,739</b>
<b>Resources expended</b>						
Costs of generating funds:						
Costs of generating voluntary income	6	165,528	-	-	165,528	241,379
Charitable activities		-	4,731,434	180,893	4,912,327	4,814,678
Governance costs	7	-	19,717	-	19,717	50,453
<b>Total resources expended</b>	10	<b>165,528</b>	<b>4,751,151</b>	<b>180,893</b>	<b>5,097,572</b>	<b>5,106,510</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>1,486</b>	<b>(109,419)</b>	<b>2,449,027</b>	<b>2,341,094</b>	<b>196,229</b>
Transfers between Funds	20	(4,044)	11,419	(7,375)	-	-
<b>Net income for the year</b>		<b>(2,558)</b>	<b>(98,000)</b>	<b>2,441,652</b>	<b>2,341,094</b>	<b>196,229</b>
Actuarial gains and losses on defined benefit pension schemes		-	17,000	-	17,000	(3,000)
<b>Net movement in funds for the year</b>		<b>(2,558)</b>	<b>(81,000)</b>	<b>2,441,652</b>	<b>2,358,094</b>	<b>193,229</b>
Total funds at 1 September 2014		118,110	(1,238,000)	10,370,399	9,250,509	9,057,280
<b>Total funds at 31 August 2015</b>		<b>115,552</b>	<b>(1,319,000)</b>	<b>12,812,051</b>	<b>11,608,603</b>	<b>9,250,509</b>

All activities relate to continuing operations.

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

The notes on pages 20 to 38 form part of these financial statements.

**OAKWOOD PARK GRAMMAR SCHOOL**

(A company limited by guarantee)

Registered number: 07584611

**Balance Sheet  
As at 31 August 2015**

	<b>Note</b>	<b>2015</b>		<b>2014</b>	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	17		<b>10,728,858</b>		10,031,906
<b>Current assets</b>					
Debtors	18	<b>148,752</b>		117,032	
Cash at bank and in hand		<b>2,476,149</b>		631,302	
			<u><b>2,624,901</b></u>		<u>748,334</u>
<b>Creditors:</b> amounts falling due within one year	19	<b>(426,156)</b>		(291,731)	
<b>Net current assets</b>			<u><b>2,198,745</b></u>		<u>456,603</u>
<b>Total assets less current liabilities</b>			<u><b>12,927,603</b></u>		<u>10,488,509</u>
Defined benefit pension scheme liability	27		<u><b>(1,319,000)</b></u>		<u>(1,238,000)</u>
<b>Net assets including pension scheme liability</b>			<u><u><b>11,608,603</b></u></u>		<u><u>9,250,509</u></u>
<b>Funds of the academy</b>					
Restricted funds:					
Restricted funds excluding pension liability		<b>12,812,051</b>		10,370,399	
Pension reserve		<b>(1,319,000)</b>		(1,238,000)	
Total restricted funds			<u><b>11,493,051</b></u>		<u>9,132,399</u>
Unrestricted funds	20		<u><b>115,552</b></u>		<u>118,110</u>
<b>Total funds</b>			<u><u><b>11,608,603</b></u></u>		<u><u>9,250,509</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 16 December 2015 and are signed on their behalf, by:

**Julie Murton**  
Chair of Trustees

**Kevin Moody**  
Accounting Officer

The notes on pages 20 to 38 form part of these financial statements.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Cash Flow Statement**  
**For the year ended 31 August 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	22	92,772	(27,507)
Returns on investments and servicing of finance	23	-	231
Capital expenditure and financial investment	23	1,752,075	296,743
<b>Increase in cash in the year</b>		<b>1,844,847</b>	<b>269,467</b>

**Reconciliation of Net Cash Flow to Movement in Net Funds**  
**For the year ended 31 August 2015**

	2015 £	2014 £
Increase in cash in the year	1,844,847	269,467
<b>Movement in net funds in the year</b>	<b>1,844,847</b>	<b>269,467</b>
Net funds at 1 September 2014	631,302	361,835
<b>Net funds at 31 August 2015</b>	<b>2,476,149</b>	<b>631,302</b>

The notes on pages 20 to 38 form part of these financial statements.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 August 2015**

**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 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

**1.2 Company status**

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

**1.3 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.

**1.4 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.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 August 2015**

**1. Accounting Policies (continued)**

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.

**1.5 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.

**1.6 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.

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 coming academic year. The Academy is aware of imminent funding impacts and have submitted a 5 year recovery plan to the EFA. For this reason it continues to adopt the going concern basis in preparing the financial statements.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 August 2015**

**1. Accounting Policies (continued)**

**1.7 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.

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

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% Straight line
Fixtures and fittings	-	10% Straight line
Computer equipment	-	20% Straight line

**1.8 Operating leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.9 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 year ended 31 August 2015**

**1. Accounting Policies (continued)**

**1.10 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.

**1.11 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 2015 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 year ended 31 August 2015.

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**3. Activities for generating funds**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
School trips	167,014	-	167,014	244,565
Other income	-	55,048	55,048	24,152
	<u>167,014</u>	<u>55,048</u>	<u>222,062</u>	<u>268,717</u>

**4. Investment income**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	-	-	-	231
	<u>-</u>	<u>-</u>	<u>-</u>	<u>231</u>

**5. Funding for Academy's educational operations**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	4,460,013	4,460,013	4,419,339
Pupil premium	-	47,213	47,213	45,774
Other DfE/EFA grants	-	74,231	74,231	68,639
	<u>-</u>	<u>4,581,457</u>	<u>4,581,457</u>	<u>4,533,752</u>
<b>Other government grants</b>				
Other government grants	-	5,227	5,227	6,183
	<u>-</u>	<u>5,227</u>	<u>5,227</u>	<u>6,183</u>
<b>Capital funding</b>				
Devolved formula capital	-	22,833	22,833	20,740
Other capital grants	-	2,607,087	2,607,087	473,116
	<u>-</u>	<u>2,629,920</u>	<u>2,629,920</u>	<u>493,856</u>
	<u>-</u>	<u>7,216,604</u>	<u>7,216,604</u>	<u>5,033,791</u>

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**6. Costs of generating voluntary income**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
School trips	165,528	-	165,528	241,379
	<u>165,528</u>	<u>-</u>	<u>165,528</u>	<u>241,379</u>

**7. Governance costs**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	15,975	15,975	12,550
Legal and professional	-	3,742	3,742	37,903
	<u>-</u>	<u>19,717</u>	<u>19,717</u>	<u>50,453</u>

**8. Direct costs**

	Educational operations £	Total 2014 £
Educational supplies	88,952	89,685
Examination fees	108,201	110,664
Staff development	17,581	11,469
Educational consultancy	11,300	15,317
Staff restructuring costs	16,200	12,000
Wages and salaries	2,373,380	2,330,507
National insurance	219,670	189,361
Pension cost	374,527	315,984
Depreciation	180,893	179,591
	<u>3,390,704</u>	<u>3,254,578</u>

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**9. Support costs**

	Educational operations £	Total 2014 £
LGPS costs	21,000	43,000
Recruitment and support	22,378	45,922
Maintenance of premises and equipment	31,184	50,825
Cleaning	69,703	69,588
Rent & rates	45,581	38,448
Light & heat	70,728	68,868
Insurance	33,735	39,113
Catering	32,788	32,705
Computer costs	44,603	54,205
Other support costs	180,649	144,504
Wages and salaries	783,405	764,556
National insurance	31,311	48,767
Pension cost	154,558	159,599
	<u>1,521,623</u>	<u>1,560,100</u>

**10. Resources expended**

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Depreciation	Other costs	2015	2014
	£	2015	2015	£	£
		£	£		
Costs of generating voluntary income	-	-	165,528	165,528	241,379
<b>Costs of generating funds</b>	<u>-</u>	<u>-</u>	<u>165,528</u>	<u>165,528</u>	<u>241,379</u>
Direct costs	2,983,777	180,893	226,034	3,390,704	3,254,578
Support costs	969,274	-	552,349	1,521,623	1,560,100
<b>Charitable activities</b>	<u>3,953,051</u>	<u>180,893</u>	<u>778,383</u>	<u>4,912,327</u>	<u>4,814,678</u>
<b>Governance</b>	<u>-</u>	<u>-</u>	<u>19,717</u>	<u>19,717</u>	<u>50,453</u>
	<u>3,953,051</u>	<u>180,893</u>	<u>963,628</u>	<u>5,097,572</u>	<u>5,106,510</u>

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**11. Net incoming / (outgoing) resources**

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	180,893	179,591
Auditors' remuneration	15,975	12,550
	196,868	192,141

**12. Auditors' remuneration**

	2015 £	2014 £
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	4,675	2,100
	12,725	11,150

**13. Staff**

**a. Staff costs**

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,156,785	3,095,063
Social security costs	250,981	238,128
Other pension costs (Note 27)	529,085	475,583
	3,936,851	3,808,774
Staff restructuring costs	16,200	12,000
	3,953,051	3,820,774

**b. Staff severance payments**

Included in staff restructuring costs is are non statutory/non contractual severance payments totalling £16,200 (2014: £12,000). Individually, the payments were: £12,000, £2,700 and £1,500.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 August 2015**

**13. Staff (continued)**

**c. Staff numbers**

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

	<b>2015</b>	2014
	<b>No.</b>	No.
Teachers	<b>55</b>	58
Support staff	<b>35</b>	30
Management	<b>5</b>	6
	<hr/> <b>95</b> <hr/>	<hr/> 94 <hr/>

**d. Higher paid staff**

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

	<b>2015</b>	2014
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>3</b>	3
In the band £70,001 - £80,000	<b>2</b>	2
In the band £80,001 - £90,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>1</b>	1
	<hr/> <b>1</b> <hr/>	<hr/> 1 <hr/>

The above employee's participated in the Teachers' Pension Scheme and Local Government Pension Scheme. During the period ended 31 August 2015, pension contributions for these members of staff amounted to £74,189 (2014: £75,793).

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**14. 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:

	2015 £	2014 £
K Moody - Remuneration	<b>85,000-90,000</b>	90,000-95,000
- Employers pension contributions	<b>5,000-10,000</b>	10,000-15,000
M Housden - Remuneration	<b>65,000-70,000</b>	75,000-80,000
- Employers pension contributions	<b>5,000-10,000</b>	10,000-15,000

**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 year ended 31 August 2015 was included in the total insurance cost.

**16. Other finance income**

	2015 £	2014 £
Expected return on pension scheme assets	<b>83,000</b>	62,000
Interest on pension scheme liabilities	<b>(104,000)</b>	(105,000)
	<b><u>(21,000)</u></b>	<b><u>(43,000)</u></b>

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**17. Tangible fixed assets**

	Freehold property £	Assets Under Construction £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2014	10,057,541	170,302	260,014	130,276	10,618,133
Additions	9,943	862,387	-	5,515	877,845
At 31 August 2015	<u>10,067,484</u>	<u>1,032,689</u>	<u>260,014</u>	<u>135,791</u>	<u>11,495,978</u>
<b>Depreciation</b>					
At 1 September 2014	416,578	-	86,017	83,632	586,227
Charge for the year	127,734	-	26,001	27,158	180,893
At 31 August 2015	<u>544,312</u>	<u>-</u>	<u>112,018</u>	<u>110,790</u>	<u>767,120</u>
<b>Net book value</b>					
At 31 August 2015	<u>9,523,172</u>	<u>1,032,689</u>	<u>147,996</u>	<u>25,001</u>	<u>10,728,858</u>
At 31 August 2014	<u>9,640,963</u>	<u>170,302</u>	<u>173,997</u>	<u>46,644</u>	<u>10,031,906</u>

Included in freehold property is freehold land at valuation of £3,680,800 (2014 - £3,680,800) which is not depreciated.

**18. Debtors**

	2015 £	2014 £
VAT debtor	42,720	73,875
Prepayments and accrued income	106,032	43,157
	<u>148,752</u>	<u>117,032</u>

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

	2015 £	2014 £
Trade creditors	260,078	134,648
Other taxation and social security	69,330	69,035
Other creditors	61,207	58,938
Accruals and deferred income	35,541	29,110
	<u>426,156</u>	<u>291,731</u>

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

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

	£
<b>Deferred income</b>	
Deferred income at 1 September 2014	20,960
Resources deferred during the year	27,491
Amounts released from previous years	(20,960)
	27,491
Deferred income at 31 August 2015	27,491

As at the balance sheet date the academy trust was holding funds received in advance for school trip income relating to the following financial year.

**20. Statement of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
Unrestricted funds	118,110	167,014	(165,528)	(4,044)	-	115,552
	118,110	167,014	(165,528)	(4,044)	-	115,552
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	4,460,013	(4,471,432)	11,419	-	-
Other DfE/EFA grants	-	72,962	(72,962)	-	-	-
Pupil Premium	-	47,213	(47,213)	-	-	-
Other government grants	-	6,496	(6,496)	-	-	-
Other generated funds	-	55,048	(55,048)	-	-	-
Pension reserve	(1,238,000)	-	(98,000)	-	17,000	(1,319,000)
	(1,238,000)	4,641,732	(4,751,151)	11,419	17,000	(1,319,000)
<b>Restricted fixed asset funds</b>						
Assets held for depreciation	10,031,906	-	(180,893)	877,845	-	10,728,858
Capital grants	338,493	2,607,087	-	(862,387)	-	2,083,193
Devolved formula capital	-	22,833	-	(22,833)	-	-
	10,370,399	2,629,920	(180,893)	(7,375)	-	12,812,051
Total restricted funds	9,132,399	7,271,652	(4,932,044)	4,044	17,000	11,493,051
Total of funds	9,250,509	7,438,666	(5,097,572)	-	17,000	11,608,603

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**20. Statement of funds (continued)**

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. Included within unrestricted funds are amounts ring fenced as journeys funds, these are to be applied to school trip activities.

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 2015. Note 2 discloses whether the limit was exceeded.

**Summary of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds	118,110	167,014	(165,528)	(4,044)	-	115,552
Restricted funds	(1,238,000)	4,641,732	(4,751,151)	11,419	17,000	(1,319,000)
Restricted fixed asset funds	10,370,399	2,629,920	(180,893)	(7,375)	-	12,812,051
	<u>9,250,509</u>	<u>7,438,666</u>	<u>(5,097,572)</u>	<u>-</u>	<u>17,000</u>	<u>11,608,603</u>

**21. Analysis of net assets between funds**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	10,728,858	10,728,858	10,031,906
Current assets	115,552	426,156	2,083,193	2,624,901	748,334
Creditors due within one year	-	(426,156)	-	(426,156)	(291,731)
Provisions for liabilities and charges	-	(1,319,000)	-	(1,319,000)	(1,238,000)
	<u>115,552</u>	<u>(1,319,000)</u>	<u>12,812,051</u>	<u>11,608,603</u>	<u>9,250,509</u>

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**22. Net cash flow from operations**

	2015 £	2014 £
Net incoming resources before revaluations	2,341,094	196,229
Returns on investments and servicing of finance	-	(231)
Depreciation of tangible fixed assets	180,893	179,591
Capital grants from DfE	(2,629,920)	(493,856)
(Increase)/decrease in debtors	(31,720)	158,839
Increase/(decrease) in creditors	134,425	(139,079)
FRS 17 adjustments	98,000	71,000
<b>Net cash inflow/(outflow) from operations</b>	<b>92,772</b>	<b>(27,507)</b>

**23. Analysis of cash flows for headings netted in cash flow statement**

	2015 £	2014 £
<b>Returns on investments and servicing of finance</b>		
Interest received	-	231
	-	231
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(877,845)	(197,113)
Capital grants from DfE	2,629,920	493,856
<b>Net cash inflow capital expenditure</b>	<b>1,752,075</b>	<b>296,743</b>

**24. Analysis of changes in net funds**

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	631,302	1,844,847	2,476,149
<b>Net funds</b>	<b>631,302</b>	<b>1,844,847</b>	<b>2,476,149</b>

**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.

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 August 2015**

**26. Capital commitments**

At 31 August 2015 the academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>2,367,311</u>	<u>3,229,698</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 2012 and of the LGPS 31 August 2015.

Contributions amounting to £61,207 were payable to the scheme at 31 August 2015 (2014 - £58,938) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**27. Pension commitments (continued)**

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £324,000 (2014: £307,000).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

**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 2015 was £172,000, of which employer's contributions totalled £128,000 and employees' contributions totalled £44,000. The agreed contribution rates for future years are 19.8% for employers and variable% 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.

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.00	1,018,000	6.70	891,000
Gilts	6.00	15,000	3.00	16,000
Other Bonds	6.00	164,000	3.60	153,000
Property	6.00	201,000	5.90	133,000
Cash	6.00	39,000	2.90	55,000
Target Return Portfolio	6.00	65,000	5.90	56,000
Total market value of assets		<b>1,502,000</b>		1,304,000
Present value of scheme liabilities		<b>(2,821,000)</b>		(2,542,000)
Deficit in the scheme		<b>(1,319,000)</b>		(1,238,000)

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	<b>(2,821,000)</b>	(2,542,000)
Fair value of scheme assets	<b>1,502,000</b>	1,304,000
Net liability	<b>(1,319,000)</b>	(1,238,000)

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**27. Pension commitments (continued)**

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

	2015 £	2014 £
Current service cost	(205,000)	(162,000)
Interest on obligation	(104,000)	(105,000)
Expected return on scheme assets	83,000	62,000
	<u>(226,000)</u>	<u>(205,000)</u>
Total	<u>(226,000)</u>	<u>(205,000)</u>
Actual return on scheme assets	<u>33,000</u>	<u>111,000</u>

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

	2015 £	2014 £
Opening defined benefit obligation	2,542,000	2,143,000
Current service cost	205,000	162,000
Interest cost	104,000	105,000
Contributions by scheme participants	44,000	39,000
Actuarial (Gains)/losses	(67,000)	100,000
Estimated benefits paid net of transfers in	(7,000)	(7,000)
	<u>2,821,000</u>	<u>2,542,000</u>
Closing defined benefit obligation	<u>2,821,000</u>	<u>2,542,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	1,304,000	979,000
Expected return on assets	83,000	62,000
Actuarial gains and (losses)	(50,000)	97,000
Contributions by employer	128,000	134,000
Contributions by employees	44,000	39,000
Estimated benefits paid net of transfers in	(7,000)	(7,000)
	<u>1,502,000</u>	<u>1,304,000</u>
	<u>1,502,000</u>	<u>1,304,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £-223,000 (2014 - £-240,000).

The academy expects to contribute £135,000 to its Defined benefit pension scheme in 2016.

**OAKWOOD PARK GRAMMAR SCHOOL**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the year ended 31 August 2015

**27. Pension commitments (continued)**

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

	<b>2015</b>	2014
Equities	<b>68.00 %</b>	69.00 %
Gilts	<b>1.00 %</b>	1.00 %
Other Bonds	<b>11.00 %</b>	12.00 %
Property	<b>13.00 %</b>	10.00 %
Cash	<b>3.00 %</b>	4.00 %
Target Return Portfolio	<b>4.00 %</b>	4.00 %

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

	<b>2015</b>	2014
Discount rate for scheme liabilities	<b>4.00 %</b>	3.90 %
Expected return on scheme assets at 31 August	<b>6.00 %</b>	6.00 %
Rate of increase in salaries	<b>4.50 %</b>	4.50 %
Rate of increase for pensions in payment / inflation	<b>2.70 %</b>	2.70 %
Inflation assumption (CPI)	<b>2.70 %</b>	2.70 %
RPI Increases	<b>3.60 %</b>	3.50 %

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

	<b>2015</b>	2014
Retiring today		
Males	<b>22.8</b>	22.7
Females	<b>25.2</b>	25.1
Retiring in 20 years		
Males	<b>25.1</b>	24.9
Females	<b>27.6</b>	27.4

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

Defined benefit pension schemes

	<b>2015</b>	2014	2013	2012
	£	£	£	£
Defined benefit obligation	<b>(2,821,000)</b>	(2,542,000)	(2,143,000)	(1,783,000)
Scheme assets	<b>1,502,000</b>	1,304,000	979,000	689,000
Deficit	<b>(1,319,000)</b>	(1,238,000)	(1,164,000)	(1,094,000)
Experience adjustments on scheme liabilities	<b>67,000</b>	(100,000)	(101,000)	(1,492,000)
Experience adjustments on scheme assets	<b>(50,000)</b>	97,000	76,000	429,000

**OAKWOOD PARK GRAMMAR SCHOOL**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the year ended 31 August 2015**

**28. Operating lease commitments**

At 31 August 2015 the academy had annual commitments under non-cancellable operating leases as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Within 1 year	<b>4,080</b>	-
Between 2 and 5 years	-	4,080
	<u><u>4,080</u></u>	<u><u>4,080</u></u>

**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 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.

No related party transactions occurred in the year.