
OUTWOOD GRANGE ACADEMIES TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015



OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its directors and advisers	1 - 2
Directors' report	3 - 16
Governance statement	17 - 21
Statement on regularity, propriety and compliance	22
Directors' responsibilities statement	23
Independent auditors' report	24 - 25
Independent reporting accountant's assurance report on regularity	26 - 27
Consolidated statement of financial activities	28 - 29
Consolidated balance sheet	30
Academy trust balance sheet	31
Consolidated cash flow statement	32
Notes to the financial statements	33 - 64

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members

Outwood Grange Education
Sir Michael Wilkins
Mr Roland Harden

Trustees

Mr David Earnshaw, Chair of Trustees
Mrs Sue Hague, Trustee
Mr Roland Harden, Trustee
Mr Steven Harness, Trustee (resigned 1 October 2014)
Mr Andrew Kent, Trustee
Mr Ralph Pickles, Trustee
Sir Michael Wilkins, Chief Executive

Company registered number

06995649

Principal and registered office

Potovens Lane, Outwood, Wakefield, West Yorkshire, WF1 2PF

Company secretary

Mrs K Bradford

Chief executive officer

Sir Michael Wilkins

Senior management team

Michael Wilkins, Academy Principal & Chief Executive
Katy Bradford, Chief Operating Officer
Laurence Mosley, Finance Director
Julie Slater, Academy Principal & Chief Executive (Regional)
Martyn Oliver, Academy Principal & Chief Executive Officer Designate
Paul Tarn, Academy Principal, Deputy CEO & Chief Executive (Regional)
Rob Tarn, Academy Principal & Chief Executive (Regional)

Independent auditors

Saffery Champness, Mitre House, North Park Road, Harrogate, North Yorkshire, HG1 5RX

Bankers

HSBC, 66 Westgate, Wakefield, West Yorkshire, WF1 1XB

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Solicitors

Wrigleys Solicitors, 19 Cookridge Street, Leeds, West Yorkshire, LS2 3AG

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

INTRODUCTION

The Trustees have pleasure in presenting their report and audited financial statements of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 37 of the attached financial statements, and comply with the Charitable Company's memorandum and articles of association, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 (SORP 2005).

The trust currently operates three primary and twelve secondary academies across the central and north east of England. Its academies have a combined pupil capacity of 16,000 and had a roll of just under 14,500 in the school census data from October 2014. A further secondary school, now known as Outwood Academy Ormesby, joined the trust on 1 September 2015. In addition the trust is working with a number of other schools, which are expected to join the trust in due course.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee with no share capital and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust, as incorporated on 1 September 2009 and amended on 18 August 2012.

The directors act as the trustees for the charitable activities of Outwood Grange Academies Trust Limited and are also directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Outwood Grange Academies Trust.

Details of the directors 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.

Principal Activities

The principal activities of the charitable company are to establish and maintain a number of academies in accordance with the requirements of the Master Funding Agreement in place with the Education Funding Agency ("EFA").

Method of Recruitment and Appointment of directors

The number of Directors of the company shall not be less than 3 but (unless determined by ordinary resolution) shall not be subject to any maximum. The articles of association set out the categories of directors and this includes the following:

- The Principal Sponsor (Outwood Grange Education)
- The Chief Executive
- Up to eight Sponsor Directors
- Parent Directors (elected by parent members of the Academy Councils)

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- One Director appointed by the Secretary of State in the event that such a director is required
- Any additional Directors appointed by the Secretary of State
- Any further Directors appointed by the Secretary of State
- Up to two Directors, if appointed by the Secretary of State in accordance with the terms of any relevant funding agreements following the provision of a notice by the Company to terminate that relevant funding agreement.
- The Principal Sponsor may appoint up to three co-opted Directors
- The number of Directors who are employees of the Company shall not exceed one third of the total number of Directors including the Chief Executive
- The Principal Sponsor shall appoint the Sponsor Directors and may appoint co-opted Directors

Policies and procedures adopted for the induction and training of directors

The training and induction provided for new directors will depend on their existing experience. Where necessary, induction will provide training on charity and educational, legal and financial matters. All new directors will be given a tour of all the academies and the chance to meet with staff and students. All directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors.

Organisational Structure

The management structure consists of four levels: the Board of Directors, the Academy Councils, the Executive Team and the Senior Leadership Teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Directors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust by the use of results and budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Academy Councils act as advisory bodies to the Outwood Grange Academies Trust (OGAT) Board.

The executive and senior leaders are: Chief Executive, Regional Executives, Executive Principals, Associate Executive Principal, Principals, Associate Principal, Vice Principals, Associate Vice Principals, Assistant Principals, Associate Assistant Principals, Chief Operating Officer, Director of Executive Services, Director of Human Resources, Director of Teaching School and Director of Finance. These managers control the individual academies at an executive level implementing the policies laid down by the Directors of the Board and reporting back to them. As a group the senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Executive Team always contain a Director.

Connected Organisations, including Related Party Relationships

During the year the Trust made the following recharges to Outwood Grange Services Limited, a wholly owned subsidiary company with a number of Directors in common:

- Recharge of costs £153,072 (2014 - £202,348). At the year-end a balance of £2,800 (2014 - £22,075) was due from Outwood Grange Services Limited.

During the year Outwood Grange Services Limited made a gift aid donation of £11,600 to the Trust (2014 - £155,000).

There were school funds at the former Outwood Grange, Ripon, Portland and Valley schools which came under common control following the date of conversion to academy status. These have all now been fully dissolved.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Ripon school fund transferred the balance of £2,458 into the Outwood Academy Ripon account in January 2015. There is also Kirkhamgate Preschool which is now under common control on conversion to an academy. This has not been consolidated as it is not material. There have been transactions equating to £750 between the Trust and the preschool for rent.

The Trust has been working with Humber UTC to support the opening of the UTC on 7th September 2015. The Trust has a representative on the Humber UTC board in David Earnshaw and Martyn Oliver is their National Leader of Education. An agreed NLE contract has been drawn up between the Trust and Humber UTC and charges are made for staff time spent supporting the Humber UTC. In the period to August 2015 the Trust charged Humber UTC £71,777.

The principal activity of Outwood Grange Services Ltd was educational support services and the advancement of sports & leisure activities through lettings of facilities.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the charitable company is to advance education in the UK for the public benefit, in particular by establishing, maintaining, carrying on, managing and developing its academies, offering a broad curriculum with strong emphasis on the specified specialisms of those academies. In setting our objectives and planning our activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

The main objectives of the Trust during the year ended 31 August 2015 are summarised in the table below which also shows performance against the objectives:

Objective	Performance
To ensure that every child enjoys the same high quality in terms of resourcing, tuition and care.	<p>A number of OGAT academies were inspected under the Ofsted framework during 2014/15 academic year, as follows:</p> <ul style="list-style-type: none">• Brumby - Good (from special measures)• Acklam – Good (from special measures) <p>And previously in the 2013/14 academic year:</p> <ul style="list-style-type: none">• Kirkhamgate - Outstanding (from special measures)• Ledger Lane – Good (from Satisfactory)• Brumby – section 8 outstanding progress• Portland – Outstanding (from Satisfactory)• Valley - Good (previously also Good) <p>Every secondary academy saw an increase in their GCSE results at A*- C including English and Maths.</p>
To raise the standard of educational achievements of all pupils.	See results table below
To improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review.	The Trust has reviewed its structure in a number of key areas to address changing organisational need, including Business Services, Finance, and Executive Principals, ensuring that the organisation's structure is scalable as the organisation grows and that capacity can be created in advance of need.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

To provide value for money for the funds expended.	The EFA supported the Trust's 2012 self-assessment of its financial management and governance as 'Good'. A value for money statement is included within these accounts.
To comply with all appropriate statutory and curriculum requirements.	All OGAT academies have been inspected by Ofsted during previous academic years and were meeting all curriculum requirements.
To maintain close links with industry and commerce.	The Trust has undertaken exploration with a number of industry leaders to discuss the role of academies in producing an effective and highly skilled workforce. The discussions are continuing to look at the development of high quality apprenticeships covering a wide range of industry sectors.
To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.	The EFA supported the Trust's 2012 self-assessment of its financial management and governance as 'Good'. The trust has been audited by Willis, the RPA's insurance assessor's in September 2015. Overall the rating for risk was good with some improvements to be made in the areas of accident and incident reporting. The Trust also engages Baker Tilly as internal audit and has an annual audit cycle which monitors governance and control processes throughout the trust.

The objectives and aims for 2015/16 are set out below:

- To progress on the journey towards all OGAT academies being recognised as 'Outstanding' by Ofsted.
- To ensure that all academies achieve Rank 10 for 5 A*- C GCSEs including English and Maths.
- To make strides towards a self-assessment of financial management and governance of 'Outstanding'
- To positively influence the lives and achievement of more young people through the measured and steady growth of the Trust, bringing more academies into the Family of Schools.
- To ensure that every academy is able to generate a positive financial outturn at the end of each financial year through efficient and effective curriculum-led financial planning.

Strategies and Activities

The vision for OGAT is to put 'Students First' and achieve world class status. This applies to all aspects of the organisation and at every level. The academies place students at the centre of everything they do, with a focus on maintaining a culture of success, a positive climate for learning and student attainment, achievement and social and emotional development. In raising standards for its own students the Trust contributes to the raising of educational standards and achievement generally across our academies through the mutual sharing of knowledge, expertise and resources from across the education, business, industry and voluntary sectors of Wakefield, Doncaster, Ripon, Scunthorpe, Worksop, Sheffield, Barnsley, Chesterfield, Redcar and Middlesbrough and the wider regional, national and global communities.

The Trust will continue to develop its DNA in its academies through a 'seven strand' approach encompassing: Leadership with Vision and Efficacy; Quality in the Classroom; Curriculum Design; Monitoring and Intervention; Systems & Policies; Targeted Professional Development; and Praise Culture.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The whole purpose of schools is that children come first and everything that is done must reflect this single goal. The Trust's mantra is an all-encompassing 'Students First'. It is an absolute priority that every student, irrespective of their starting point, succeeds and achieves. In order to do this, a high quality educational experience is an entitlement for every student at the academies, with all parties – students, staff, parents/carers and the wider community working together to achieve these goals for young people within the communities in which the Trust operates. Students with special needs are fully included and benefit from the focus on personalised learning and individual plans.

The Trust Board's whole purpose is to raise standards for all students by sustaining and enhancing performance and to develop the whole child, whilst at the same time engaging and collaborating with other schools to help improve the life chances of all young people, locally, nationally and globally.

Employees and disabled persons

The Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage and we actively combat bigotry.

The Trust considers all application forms from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

The Trust works with employee trade unions and professional associations across all our academies and engages in consultation, as required, to ensure that all aspects of the company affecting its employees, including financial and economic factor, is discussed, conveyed and consulted on with them.

Public Benefit

In exercising its powers and duties the Trust has complied with its duty to have due regard to the Charity Commission's guidance on Public Benefit. The main public benefit delivered by the Trust is the provision of a high quality of education to its students. This has been evidenced through the results achieved and feedback from external assessments.

Strategic Review

• **Outwood Grange Academy**

Outwood Grange has been a National Training School for over ten years and is accredited as a National Teaching School. The academy's performance is significantly above average in relation to all of the national floor standards for students' attainment and progress.

The predecessor college was judged as Outstanding when inspected by Ofsted in 2006 and, thereafter, standards continued to be very high.

In February 2012 an Ofsted inspection took place and the judgement was that the academy was Outstanding in all categories. A summary of the key findings is set out below:

- Outwood Grange provides an outstanding quality of education.
- Students' achievement is outstanding. All groups of students make progress at a better than expected rate and attain very high standards by the end of Key Stage 4.
- The sixth form is outstanding.
- The overwhelming majority of students are successful in going on to education, employment or training after they leave the academy.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- Outstanding teaching is at the root of students' excellent achievement.
- The drive for the academy's success comes from the outstanding work of its leaders.

- **Outwood Academy Adwick**

Outwood Academy Adwick has twin specialisms in sport and science.

In February 2012 an Ofsted inspection took place and the judgement was that the academy was Satisfactory in all aspects. A summary of the key findings is set out below:

- Achievement in the core subjects is showing signs of improvement despite being below the national average. Improvements in both English and Maths are evident in the progress made by different group of students.
- Relationships between students and adults are generally positive and the vertical tutor groups contribute well to their social awareness. Attendance is improving.
- The sixth form is satisfactory because students have a positive view of education and they have high aspirations.

- **Outwood Academy Brumby**

Outwood Academy Brumby joined the Outwood Grange Academies Trust Group on 1st April 2013.

In March 2015 an Ofsted inspection took place and the judgement of the academy was Good in all aspects and Outstanding in Leadership and Management. A summary of the key findings is set out below:

- The Chief Executive of the Academies Trust, Academy Executive Principal and Principal, are highly ambitious for all students in this rapidly improving school.
- Attainment and overall progress across the academy have improved significantly in a very short time.
- Leaders concentrate relentlessly on improving teaching. They provide high-quality professional development. As a result, teaching is good.
- Students enjoy coming to school and most behave well. They say how much school life has changed for the better, in recent times, and how exceptionally well cared for and safe they feel.

- **Outwood Academy Ripon**

Outwood Academy Ripon holds specialist status in technology.

In March 2012 an Ofsted inspection took place and the judgement was that the academy was Good in all aspects. A summary of the key findings is set out below:

- This is a good academy with a good sixth form.
- All groups of students make good progress and achieve well in both English and Maths.
- The quality of teaching is improving apace and is good with examples of outstanding practice. The academy is always striving to improve teaching and learning further and to increase the percentage of outstanding lessons.
- Students behave well and are generally fully engaged during lessons.
- Leadership and management are good.

- **Outwood Academy Portland**

OGAT started working with the Portland Comprehensive School in the summer of 2011 and it has been running the school, in agreement with the local authority and governing body, since September 2011. The school became an academy on 1 June 2012.

In March 2014 the academy was inspected again and has now achieved Outstanding. The key findings are set out below:

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- The attainment and progress of students at the end of Key Stage 4 have improved dramatically.
- Teaching is of a consistently high quality. All students are stretched and challenged by the work they are given. Resources chosen to support students' learning are interesting and stimulating, but some marking is not wholly effective in helping students to improve their work.
- The Principal and Executive Principal provide outstanding leadership. They are ably supported by an exceptionally strong team both within the academy and through the highly effective overarching academy trust which maintains a consistent focus on the quality of teaching and pupils' achievement
- Students' attitudes to learning are exemplary and they show a spirit of enquiry and deep interest in learning. Students show consideration and courtesy to others. Behaviour systems are consistently followed and understood by staff and students.
- Leaders at all levels take an active part in driving improvement in teaching and achievement to ensure high standards. Subject leadership is very strong.

- **Outwood Academy Valley**

OGAT started working with Valley Comprehensive School in the summer of 2011. This followed an Ofsted inspection at which the school was given a Notice to Improve. Since that point the school has undergone significant change in terms of staffing, including at senior management level. The school became an academy on 1 June 2012. In March 2014 a further Ofsted inspection took place and overall the school was judged as Good with some Outstanding features. A summary of the key findings is set out below:

- Outstanding leadership and management ensure that the quality of teaching and students' achievement are continually improving.
- From average starting points most students make at least good progress and reach above and, sometimes, well-above average standards when they leave Year 11.
- The curriculum is a strength of the academy. Opportunities for students to pursue courses that interest them, a wide choice of course choices and a wealth of enrichment activities ensure that most students enjoy learning.
- Students' behaviour is good and they are proud of their academy. They look smart and are friendly, kind and respectful to each other, to staff and to visitors. They feel very safe in the academy.
- The sixth form is good.
- Teaching provides well planned and interesting tasks, good class management, a clear focus on improving literacy, and opportunities for gaining the skills and knowledge needed for examination success. All contribute to students' good achievement.

- **Outwood Academy Acklam**

Outwood Academy Acklam joined the Trust in September 2013. The previous school was placed in Special Measures in 2011 and made inadequate progress over the following two years. In 2013 the DfE approached OGAT to sponsor the school as an academy. The first year's results increased by 16% including English and maths. The academy was inspected by Ofsted in April 2015 and the judgement of the academy was Good in all aspects and Outstanding in Leadership and Management. A summary of the key findings is set out below: conversion.

- Outstanding leadership by the Academy Trust, governors, and leaders and managers at all levels has ensured that Outwood Academy Acklam is improving rapidly and has the capacity to improve even further.
- High expectations of what students and staff can achieve are helping to build confidence and raise aspirations across the academy. Close monitoring of students' progress, well-targeted extra help for those who need it and high quality training for staff are all combining to raise achievement and improve teaching.
- Students behave well and have good attitudes to learning. They, rightly, feel valued, show respect for staff and are aware of the needs of others, including those who come from backgrounds different from their own.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- From starting points which are below average, students make good progress as they move through the academy. Standards improved in 2014, but remained below average. However, progress continues to accelerate and Year 11 students are on track to reach average standards in mathematics and above average standards in English this year.

- **Outwood Academy City**

Outwood Academy City joined the Trust in January 2014. The predecessor school was in Special Measures since September 2012. In 2014 the school saw an increase of 12% on its GCSE results including English and maths. It has not been inspected since conversion.

- **Outwood Primary Academy Kirkhamgate**

Outwood Primary Academy Kirkhamgate joined the Outwood Grange Academies Trust Group on 1st March 2013. An Ofsted inspection took place in September 2014 and the academy achieved Outstanding having previously been in special measures. A summary of the key findings is set out below.

- The impact of leadership from the Principal and other senior leaders, since the school opened as an academy, has been immense.
- Their effectiveness is seen particularly in the management of teaching and learning which has driven up standards and progress at a rapid rate.
- Pupils are extremely keen to learn and are excited by the approaches to learning that teachers choose.
- Pupils feel very safe in school. Their behaviour is exemplary and attendance is above average.
- Teaching is consistently good and often better. Expectations are high. Pupils' varying needs are catered for extremely well. Consequently, all pupils make rapid progress.
- Children are given an excellent start in the Reception class and many exceed expected levels in all they do in their readiness for Year 1.
- Attainment throughout the school has risen quickly and are above average. A high proportion of pupils achieve better than expected in reading, writing and mathematics. Standards in mathematics are particularly high. The school aims to bring writing standards to a similar level.

- **Outwood Primary Academy Ledger Lane**

Outwood Primary Academy Ledger Lane joined the Outwood Grange Academies Trust Group on 1st December 2012. It was inspected by Ofsted in 2014 and the headline findings included:

- The vast majority of pupils achieve well across all key stages.
- Most pupils make good progress overall in the Early Years Foundation Stage and in Key Stage 1 where attainment is generally above average by the end of Year 2.
- Attainment is well-above average in reading, writing and mathematics by the end of Year 6.
- Pupils with special educational needs, and those from minority ethnic backgrounds, achieve particularly well, because all adults provide timely challenge and high quality support.
- The chief executive of the Academies Trust and members of the academy's governing body are highly effective in holding the academy's leaders to account. They share the same ambition as the Principal in providing high-quality education for all pupils, so that they are well equipped for their future lives.

- **Outwood Primary Academy Lofthouse Gate**

Outwood Primary Academy Lofthouse Gate joined the Trust in September 2013. The previous school was judged as being Good by Ofsted earlier that year and chose to convert to academy status within the Trust. The academy has not been inspected since conversion.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- **Outwood Academy Foxhills**

Outwood Academy Foxhills joined the Trust in September 2014. The previous Academy (Invenio) was in special measures. The fifth monitoring inspection took place in July 2015 and Ofsted have said "The academy is making reasonable progress towards the removal of special measures."

Some highlights of the report are:

"A great deal of hard work and effort has been spent in trying to ensure that current Year 11 students do as well as they possibly can in their examinations. Additional lessons at weekends and during the half-term holiday have taken place and been generally well attended. Much of the focus has been on trying to plug significant gaps in students' knowledge and understanding due to poor quality teaching over a longer period of time. Alongside this, leaders carefully and closely check the progress individual students are making and provide timely intervention.

- Teaching continues to show signs of improvement.
- Students confirm that behaviour in lessons has significantly improved.
- Senior leaders continue to effectively support and develop subject leaders.
- The Outwood Grange Academy Trust continues to provide effective support.

- **Outwood Academy Newbold**

Outwood Academy Newbold joined the Trust in January 2015. The previous school was in special measures. The fourth monitoring inspection took place in September 2014, before the school converted to an OGAT academy and Ofsted have said "the school is making reasonable progress towards the removal of special measures and the school may appoint newly qualified teachers before the next monitoring inspection". No further inspections have since taken place, but the academy results showed significant improvement from 38% in 2014 to 62% in 2015.

- **Outwood Academy Bydales**

Outwood Academy Bydales joined the trust in February 2015. The previous school was in special measures. The third monitoring inspection report took place in December 2014, before the school converted to an OGAT academy and Ofsted have said "The school is not making enough progress towards the removal of special measures. The school may not appoint newly qualified teachers before the next monitoring inspection. No further inspections have taken place, but the academy results showed a significant improvement from 55% in 2014 to 73% in 2015.

- **Outwood Academy Shafton**

Outwood Academy Shafton joined the Trust in March 2015. The previous school was inspected in December 2014 and deemed to require improvement from previously being inadequate. No further inspections have taken place since the school joined the Trust, but the academy results showed significant improvement from 28% in 2014 to 45% in 2015.

ACHIEVEMENTS AND PERFORMANCE AND KEY PERFORMANCE INDICATORS

The Trust is now in its sixth year of operation and four new academies have joined during the 2014/15 financial year. These are: Outwood Academy Foxhills, Outwood Academy Newbold, Outwood Academy Bydales, and Outwood Academy Shafton.

Secondary Academies

The total numbers of students in secondary academies for the year ended 31 August 2015 were as follows (2013/14 figures are shown for comparative purposes):

Academy	2014/15	2013/14
Years 7-11		

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Outwood Grange Academy	1,786	1,780
Outwood Academy Adwick	940	917
Outwood Academy Brumby	678	676
Outwood Academy Portland	987	979
Outwood Academy Ripon	459	434
Outwood Academy Valley	1,397	1,403
Outwood Academy Acklam	786	839
Outwood Academy City	922	1,030
Outwood Academy Foxhills	612	-
Outwood Academy Bydales	729	-
Outwood Academy Newbold	772	-
Outwood Academy Shafton	1,046	-
Years 12-13		
Outwood Grange Academy	314	341
Outwood Academy Adwick	150	144
Outwood Academy Portland	225	217
Outwood Academy Ripon	63	75
Outwood Academy Valley	192	184
Outwood Academy Newbold	115	-

The headline examination results for the 2014/15 academic year are summarised as follows:

Academy	5+ A*-C including English & Maths	
	2014/15	2013/14
Outwood Grange Academy	85%	80%
Outwood Academy Adwick	63%	59%
Outwood Academy Brumby	58%	58%
Outwood Academy Portland	81%	76%
Outwood Academy Ripon	80%	63%
Outwood Academy Valley	77%	73%
Outwood Academy Acklam	54%	48%
Outwood Academy City	68%	54%
Outwood Academy Foxhills	53%	-
Outwood Academy Bydales	73%	-
Outwood Academy Newbold	62%	-
Outwood Academy Shafton	45%	-

Attendance

Academy	Attendance Levels		Unauthorised Absence	
	2014/15	2013/14	2014/15	2013/14
Outwood Grange Academy	94.3%	94.2%	1.3%	0.9%
Outwood Academy Adwick	92.8%	91.8%	3.6%	3.8%
Outwood Academy Brumby	93.9%	92.7%	1.6%	2.3%
Outwood Academy Portland	94.2%	92.8%	2.1%	2.7%
Outwood Academy Ripon	95.3%	95.1%	4.5%	2.7%
Outwood Academy Valley	94.6%	92.3%	2.0%	2.0%
Outwood Academy Acklam	92.0%	86.5%	3.0%	5.3%
Outwood Academy City	91.7%	91.1%	3.7%	3.2%

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Outwood Academy Foxhills	91.3%	-	2.8%	-
Outwood Academy Bydales	95.2%	-	1.4%	-
Outwood Academy Newbold	93.4%	-	8.1%	-
Outwood Academy Shafton	91.7%	-	3.9%	-

Primary Academies

The total numbers of students in primary academies for the year ended 31 August 2015 were as follows (2013/14 figures are shown for comparative purposes):

Primary Academy	2014/15	2013/14
Years 1-6		
Outwood Primary Academy Kirkhamgate	143	146
Outwood Primary Academy Ledger Lane	237	273
Outwood Primary Academy Lofthouse Gate	392	444

The percentages of pupils achieving level 4 or above at Key Stage 2 results for the 2014/15 academic year are summarised as follows:

Primary Academy	English		Maths	
	2014/15	2013/14	2014/15	2013/14
Outwood Primary Academy Kirkhamgate	96%	92%	100%	88%
Outwood Primary Academy Ledger Lane	75%	97%	75%	100%
Outwood Primary Academy Lofthouse Gate	100%	95%	96%	93%

Attendance

Primary Academy	Attendance Levels		Unauthorised Absence	
	2014/15	2013/14	2014/15	2013/14
Outwood Primary Academy Kirkhamgate	96.3%	96.8%	0.5%	0.5%
Outwood Primary Academy Ledger Lane	95.3%	95.1%	1.0%	1.7%
Outwood Primary Academy Lofthouse Gate	96.2%	96.2%	3.8%	1.2%

Going Concern

After making appropriate enquiries, the Directors have a reasonable expectation that the 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.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

FINANCIAL REVIEW

Financial report for the year

Most of the Trust's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also receives grants for fixed assets. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2015, total expenditure of £73.4m was covered by recurrent grant funding together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds & donated pension deficits and surpluses) was £2.5m.

At 31 August 2015 the net book value of fixed assets was £115.5m and movements in tangible fixed assets are shown in note 20 to the financial statements. The value of fixed assets includes the assets that had previously been "donated" by Wakefield MDC, Doncaster MBC, North Yorkshire CC, Nottinghamshire CC, North Lincolnshire CC, Doncaster MBC, Middlesbrough BC, Sheffield CC, together with assets donated in the year by North Lincolnshire CC, Redcar & Cleveland CC, Chesterfield CC, Barnsley CC as part of the transfer agreements as set out below:

- The freehold land and buildings at Foxhills are occupied under Freehold. These are included in the balance sheet at a value of £11.8m, together with other fixed assets valued at £0.2m.
- The leasehold land and buildings at Bydales are occupied under a 125 year lease from the local authority. There is no value in the balance sheet as the land and buildings are occupied under a PFI agreement. Fixtures, furniture and equipment are valued at £123k.
- The leasehold land and buildings at Newbold are occupied under a 125 year lease from the local authority. There is no value in the balance sheet as the land and buildings are occupied under a PFI agreement and the only Fixtures, furniture and equipment are additions in the period.
- The leasehold land and buildings at Shafton are occupied under a 125 year lease from the local authority. There is no value in the balance sheet as the land and buildings are occupied under a PFI agreement. Fixtures, furniture and equipment are valued at £163k.

Other than donated assets, the major items of expenditure on fixed assets during the year were the building of the new Arts block at Outwood Grange Academy plus a new artificial sports surface and new biomass boiler, an extension of the sports hall at Adwick, general upgrading of computer equipment across all the academies and also various safeguarding works.

The assets were used exclusively for providing education and the associated support services to the pupils of all the academies.

The deficits in the Local Government Pension Schemes (LGPS) are recognised on the balance sheet in accordance with the provisions of FRS 17.

Reserves policy

The trust has reviewed the overall reserves of the Trust and in tandem each year the board attempts to set at least a breakeven budget. The current forecast for the next three years, based on our current delivery model, shows a deficit position for 16/17 & 17/18 and beyond. The Trust therefore assessed that it requires £8M safety cash to fund any deficits and sustain the Trusts' effective delivery model. It also allows for potential capacity building.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The balance of the current cash of £19.2m has been allocated to capital projects based on health and safety, safeguarding, operational necessity and teaching and learning.

Under DfE guidelines, certain Academies are allowed to carry forward up to 12% of the General Annual Grant (GAG) received in the year. Following discussions with the EFA they have given permission for Outwood Grange Academy and Outwood Academy Adwick to carry forward surpluses in excess of 12% up to and including the academic year 2014/15 for planned capital investment. This relaxation does not apply to Ripon, Portland, Valley and Brumby. Ledger Lane, Kirkhamgate, Acklam, City and Lofthouse Gate Academies have no restriction on carry forward GAG. The new academies that joined in the year, Foxhills, Newbold, Bydales and Shafton have no restriction on carry forward GAG.

Financial position

The Trust held fund balances at 31 August 2015 of £115.5m comprising £115.5m of restricted fixed asset funds, £9.2m of restricted funds (before including a pension reserve deficit of £15.6m) and £6.6m of unrestricted general funds.

Investment Policy

The general policy objective is to invest the surplus funds prudently. The investment priorities are:

- Security of the invested capital,
- Liquidity of the invested capital,
- And commensurate with security and liquidity, an optimal return on those investments.

Principal Risks and Uncertainties

The Directors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The key risks have been determined as:

Health and safety issues – a student, employee or volunteer is injured at work.

Recruitment risk – recruiting someone unsuitable to work with children.

Legal risks – for example, risk that legislative requirements such as the Child Protection Act are not complied with.

Financial risks – uncertainty regarding future government funding streams.

The Directors have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. There are systems in place to minimise risks, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls. Where significant financial risk still remains the directors have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail on page 20 - 21.

PLANS FOR FUTURE PERIODS

As a major sponsor of academies, OGAT will continue to develop its chain of academies in order to continue to support children, some of whom come from challenging backgrounds. We aim to provide the highest educational opportunities for all children as well as providing professional development for all teaching and support staff so that our academies continue to be self-developing and self-supporting in the future.

Capacity building in advance of need is a big part of our drive; our willingness to engage with outside partners and with new and innovative practices will help us to continue to secure the high levels of success already achieved.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

AUDITORS

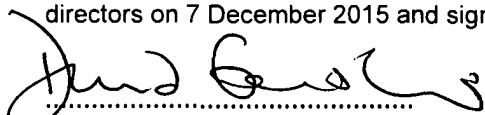
In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors 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.

Saffery Champness have expressed their willingness to remain in office as auditors to the Trust.

APPROVAL

Trustees report, incorporating a strategic report, approved by order of the board of trustees as company directors on 7 December 2015 and signed on its behalf by:



Mr David Earnshaw
Chair of Trustees

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Outwood Grange Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' report and in the Directors' responsibilities statement. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Director	Meetings attended	Out of a possible
Outwood Grange Education	0	0
Sir Michael Wilkins	7	7
Mr Roland Harden	6	7
Mr David Earnshaw, Chair of Trustees	7	7
Mrs Sue Hague, Trustee	7	7
Mr Steven Harness, Trustee	0	0
Mr Andrew Kent, Trustee	7	7
Mr Ralph Pickles, Trustee	7	7

Sue Hague was elected as a trustee on 1 September 2014.

Governance reviews:

During the year a governance review took place, conducted by our internal auditors Baker Tilly (now RSM).

The scope of the review was to:

- Evaluate the adequacy of risk management and control within the system and the extent to which controls have been applied, with a view to providing an opinion; and
- Confirm that control activities are put in place to ensure that risks to the achievement of the organisation's objectives are managed effectively.

The review concluded that:

Taking account of the issues identified, the Board can take substantial assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied and effective.

- The Trust has a well-established Board of Directors which is supported by two main Committees (Finance and Resource, and Audit and Risk). Governance arrangements are clearly defined for the Board of Directors, its Committees and the Academy Councils.
- Terms of Reference for each group are in place, aligned with the Memorandum and Articles of Association and the Academies Handbook 2014, and these are approved by the Board of Directors.
- A summary from the Committee meeting minutes and Academy Council meeting minutes are reported back to the Board of Directors at each meeting.
- Academy Councils meet at least six times a year in order to monitor the Academy's activities and advise

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

the Trust on key areas.

- There is a meeting and agenda cycle in place to ensure that key items are planned in advance and discussed during the year by the Board of Directors and Committees.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to review the 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.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Mr Andrew Kent, Trustee	2	2

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Baker Tilly as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial and other systems. The internal auditor reports to the board of trustees three times a year, through the audit committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned, highlighting a number of minor control issues which are being addressed as necessary.

The audit committee is a sub-committee of the main board of trustees. Its purpose is to review the work undertaken by the internal auditors and to direct them to reviewing areas that are considered to be higher risk. It is also responsible for reviewing the main risks of the trust as a whole and maintaining and reviewing a risk register.

2 meetings of the audit committee took place in the year to 31 August 2015.

REVIEW OF VALUE FOR MONEY

As accounting officer, the Chief Executive 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:

- Strategy

The vision for OGAT is to put 'Students First' and achieve world class status. This applies to all aspects of the organisation and at every level. The academies place students at the centre of everything they do, with a focus on maintaining a culture of success, a positive climate for learning and student attainment, achievement and social and emotional development. In raising standards for its own students the Trust contributes to the raising of educational standards and achievement generally across the communities we serve through the mutual sharing of knowledge, expertise and resources across the education, business, industry and voluntary sectors in the wider regional,

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

national and global context.

The whole purpose of schools is that children come first and everything that is done must reflect this single goal. The Trust's mantra is an all-encompassing 'Students First'. It is an absolute priority that every student, irrespective of their starting point, succeeds and achieves. In order to do this, a high quality educational experience is an entitlement for every student at the academies, with all parties – students, staff, parents/carers and the wider community working together to achieve these goals for young people. Students with special needs are fully included and benefit from the focus on personalised learning and individual plans.

The Trust Board's whole purpose is to raise standards for all students by sustaining and enhancing performance and to develop the whole child, whilst at the same time engaging and Strategy (continued) collaborating with other schools to help improve the life chances of all young people, locally, nationally and globally.

Actions

Our primary focus as a Trust is to improve the life chances for young people. Once new schools are taken into the Trust, the Trust has a model for school improvement.

Process

In relation to the process of teaching and achieving good outcomes for students, OGAT uses a model developed over several years which is called the 7 strand transformation model. This has been shown to achieve excellent results, as demonstrated in the section Improvement in Educational Results below. The model is constantly being refined and updated. One of the benefits of being a Multi Academy Trust is the ability to draw on a wide pool of teachers to enhance best practice.

Teaching Costs

The largest single element of cost is the payroll cost of teaching and educational support staff. OGAT uses a curriculum-led planning model to optimise the numbers of such staff required in each academy. The parameter we use is 0.79 contact ratio with less than 8 % curriculum bonus. The national average teaching staff cost as a percentage of income is about 50%: for OGAT the average is 46%.

Non-pay costs

The refinement of our support systems continues. The Trust continues to drive the streamlining of our finance and administration systems. The Trust has a single finance system that operates across our academies and we integrate as much administration as possible into this system. We operate electronic ordering, electronic payslips, on line expenses and an integrated HR/payroll system.

The Trust continues to eliminate often expensive service level agreements in schools that join the Trust. It also rolls out the benefits of our office supplies contract and energy framework.

The Trust is constantly examining ways to achieve better value for money.

Capital Works

The Trust has an extensive capital programme and will seek to maximise the impact the spend has on the students. Priorities are assessed on a health and safety and safeguarding ranking first. Impact on students' education and operational necessity also feature in the ranking process.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Resources are finite and therefore careful consideration is given to large projects. The Trust works in close collaboration with the EFA on any major capital requirements.

Improvement in Educational Results

Sir Michael Wilshaw, HMCI quoted in Her Majesties Chief Inspectors Annual report "Successful MATs include The David Ross Education Trust, The Diocese of Westminster Academy Trust, the Harris Federation and Outwood Grange Academies Trust, all of which had GCSE results that were well above the national average in 2013."

A summary of this year's results is set out on pages 11 and 12 of the directors report, together with comparative figures for 2014. The results have improved across the board. In addition to these results we have also worked with Carlton Community College under an NLE contract, which has improved its results in 2015 to 52% from 29% in 2014. Expected levels of progress are excellent in all three Primaries.

Sharing Of Best Practice Across The Sector

OGAT has been involved in a wide range of activities nationally to share its experience and processes to help other Academies or MAT's improve educational and financial performance. The adoption of some of these practices may help drive better VFM across the sector.

Conclusion

OGAT does not seek to be a large MAT for the sake of it. It does, however, wish to benefit as many students as possible but only on the basis that they are provided with a high-quality educational experience. The limiting factor is the availability of suitable senior staff trained in the OGAT methodologies. There is still plenty of room for improvement, both in the classroom and in the management of back-office costs. There is also improvement to be made in our take-on processes for new academies. At present taking on a new academy requires significant up-front input from senior staff.

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 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 Outwood Grange Academies Trust 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 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 ongoing process for identifying, evaluating and managing the academy trust'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.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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 Board 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.
- internal Audit checks on high risk areas.

The board of trustees has considered the need for a specific internal audit function and continues to appoint Baker Tilly as internal auditor.

The internal auditor's role 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:

- Health & Safety Review
- Procurement Review
- Key Financial Controls Review - Adwick & Foxhills
- Safeguarding Review
- Risk Management Review
- Governance Review

On an annual basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

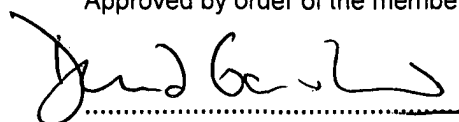
REVIEW OF EFFECTIVENESS

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

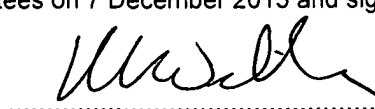
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Auditors and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 7 December 2015 and signed on its behalf, by:



Mr David Earnshaw
Chair of Trustees



Sir Michael Wilkins, Chief Executive
accounting officer

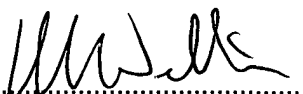
OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Outwood Grange Academies Trust I have considered my responsibility to notify the academy trust 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 trust 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 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 (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.


.....
**Sir Michael Wilkins, Chief
Executive
Accounting Officer**

Date: 7 December 2015

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Directors (who act as trustees of Outwood Grange Academies Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors 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 the Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

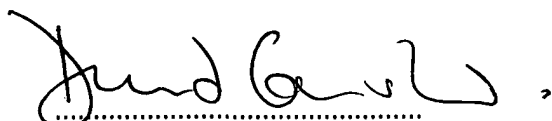
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2005;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 Trust will continue in business.

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Trust'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 7 December 2015 and signed on its behalf by:



.....
Mr David Earnshaw
Chair of Trustees

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OUTWOOD GRANGE ACADEMIES TRUST

We have audited the financial statements of Outwood Grange Academies Trust for the year ended 31 August 2015 which comprise the Trust Statement of Financial Activities, the Trust and Academy Trust Balance Sheets, the Trust 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 trust'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 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, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the Directors 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 Trust's and the parent academy trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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 Trust's and the parent charitable academy trust's affairs as at 31 August 2015 and of the Trust's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, SORP 2005 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OUTWOOD GRANGE ACADEMIES TRUST

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:

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



Alison Robinson (Senior statutory auditor)

for and on behalf of

Saffery Champness

Chartered Accountants
Statutory Auditors

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

18 December 2015

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OUTWOOD GRANGE ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 29 June 2015 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 Outwood Grange Academies Trust 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 Outwood Grange Academies Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Outwood Grange Academies Trust 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 Outwood Grange Academies Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF OUTWOOD GRANGE ACADEMIES TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Outwood Grange Academies Trust's funding agreement with the Secretary of State for Education dated 1 September 2009, 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 trust's income and expenditure.

The work undertaken to draw to our conclusions includes:

- Risk based sample testing on income and expenditure
- Review of the systems and internal controls in place
- Making appropriate enquiries of the Accounting Officer

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO OUTWOOD
GRANGE ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

OPINION

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.



Alison Robinson

Saffery Champness

Chartered Accountants
Statutory Auditors

Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX

18 December 2015

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

CONSOLIDATED 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 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Donated assets on conversion	3	-	-	12,467	12,467	37,908
Donated surplus / deficit on conversion	3	702	-	-	702	(356)
Pension deficits on conversion	3	-	(4,509)	-	(4,509)	(1,936)
Activities for generating funds	4	1,395	-	-	1,395	936
Investment income	5	140	-	-	140	121
Incoming resources from charitable activities	6	220	70,410	1,614	72,244	58,631
TOTAL INCOMING RESOURCES		2,457	65,901	14,081	82,439	95,304
RESOURCES EXPENDED						
Charitable activities	11	1,215	68,347	3,733	73,295	57,004
Governance costs	8	1	95	-	96	124
TOTAL RESOURCES EXPENDED	12	1,216	68,442	3,733	73,391	57,128
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		1,241	(2,541)	10,348	9,048	38,176

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Transfers between Funds	25	-	(3,750)	3,750	-	-
NET INCOME FOR THE YEAR		1,241	(6,291)	14,098	9,048	38,176
Actuarial gains and losses on defined benefit pension schemes		-	(266)	-	(266)	82
NET MOVEMENT IN FUNDS FOR THE YEAR		1,241	(6,557)	14,098	8,782	38,258
<i>Total funds at 1 September 2014</i>		<i>5,325</i>	<i>-</i>	<i>101,398</i>	<i>106,723</i>	<i>68,465</i>
TOTAL FUNDS AT 31 AUGUST 2015		6,566	(6,557)	115,496	115,505	106,723

All activities relate to continuing operations or acquisitions.

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

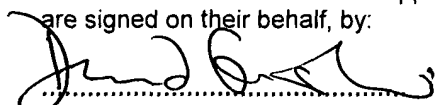
The notes on pages 33 to 64 form part of these financial statements.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 06995649

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£000	2015 £000	2014 £000
FIXED ASSETS				
Tangible assets	21		115,495	101,256
CURRENT ASSETS				
Stocks	22	14		10
Debtors	23	3,566		2,618
Cash at bank and in hand		19,164		18,231
		<u>22,744</u>		<u>20,859</u>
CREDITORS: amounts falling due within one year	24	(6,982)		(5,049)
NET CURRENT ASSETS			<u>15,762</u>	<u>15,810</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>131,257</u>	<u>117,066</u>
Defined benefit pension scheme liability	32	(15,752)		(10,343)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>115,505</u></u>	<u><u>106,723</u></u>
FUNDS OF THE ACADEMY TRUST				
Restricted funds:				
Restricted funds	25	9,195		10,343
Restricted fixed asset funds	25	115,496		101,398
Restricted funds excluding pension liability		<u>124,691</u>		<u>111,741</u>
Pension reserve		<u>(15,752)</u>		<u>(10,343)</u>
Total restricted funds			<u>108,939</u>	<u>101,398</u>
Unrestricted funds	25		<u>6,566</u>	<u>5,325</u>
TOTAL FUNDS			<u><u>115,505</u></u>	<u><u>106,723</u></u>

The financial statements were approved by the Directors, and authorised for issue, on 7 December 2015 and are signed on their behalf, by:


Mr David Earnshaw
Chair of Trustees

The notes on pages 33 to 64 form part of these financial statements.

OUTWOOD GRANGE ACADEMIES TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 06995649

**ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2015**

	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Tangible assets	21		115,493		101,252
CURRENT ASSETS					
Stocks	22	14		10	
Debtors	23	3,562		2,581	
Cash at bank and in hand		18,904		18,009	
		<u>22,480</u>		<u>20,600</u>	
CREDITORS: amounts falling due within one year	24	(6,719)		(4,788)	
NET CURRENT ASSETS			<u>15,761</u>		<u>15,812</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>131,254</u>		<u>117,064</u>
Defined benefit pension scheme liability	32	(15,752)		(10,343)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>115,502</u></u>		<u><u>106,721</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
Restricted funds	25	9,195		10,343	
Restricted fixed asset funds	25	115,493		101,396	
		<u>124,688</u>		<u>111,739</u>	
Restricted funds excluding pension asset					
Pension reserve		(15,752)		(10,343)	
		<u></u>		<u></u>	
Total restricted funds			108,936		101,396
Unrestricted funds	25		6,566		5,325
TOTAL FUNDS			<u><u>115,502</u></u>		<u><u>106,721</u></u>

The financial statements were approved by the Directors, and authorised for issue, on 7 December 2015 and are signed on their behalf, by:


Mr David Earnshaw
Chair of Trustees

The notes on pages 33 to 64 form part of these financial statements.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £000	2014 £000
Net cash flow from operating activities	27	3,866	5,977
Returns on investments and servicing of finance	28	140	121
Capital expenditure and financial investment	28	(4,030)	(6,560)
Cash transferred on conversion to an academy trust		957	101
INCREASE/(DECREASE) IN CASH IN THE YEAR		933	(361)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015 £000	2014 £000
Increase/(Decrease) in cash in the year	933	(361)
MOVEMENT IN NET FUNDS IN THE YEAR	933	(361)
Net funds at 1 September 2014	18,231	18,592
NET FUNDS AT 31 AUGUST 2015	19,164	18,231

The notes on pages 33 to 64 form part of these financial statements.

OUTWOOD GRANGE ACADEMIES TRUST
(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. A summary of the principal accounting policies which have been applied consistently except where noted is set out below.

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

No separate SOFA has been presented for the academy trust alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 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 Directors.

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.

1.3 Incoming resources

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

Grants are included in the SOFA 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 trust which amounts to a donation is recognised in the SOFA in the period in which it is receivable, where there is certainty of receipt and it is measurable.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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 SOFA, 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 trust's policies.

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

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

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 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.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Directors 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 Directors make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Trust prepares 3 year budget plans and capital expenditure forecasts, monitoring against reserves and cash available. The budgets for next year show that the Trust is in a good financial position whilst recognising the challenging climate of reduced funding and increasing costs. The Directors believe that the Trust has sufficient reserves and cash to continue for at least the next twelve months.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.6 Basis of consolidation

The financial statements consolidate the accounts of Outwood Grange Academies Trust and all of its subsidiary undertakings ('subsidiaries').

The academy trust has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised. However, where computers, tablets and their accessories are purchased that cost individually less than £1,000 but are bought in bulk, these are also 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 SOFA and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the SOFA so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

A review 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 SOFA.

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% - 50 years
Long-term leasehold property	-	0.8% - 125 years for l/h land, 2% - 50 years for l/h property
Motor vehicles	-	25% - 4 years
Fixtures and fittings	-	10% - 10 years
Computer equipment	-	25% - 4 years
Assets under construction	-	0%

1.8 Investments

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.9 Operating leases

Rentals under operating leases are charged to the SOFA 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.

1.10 Stocks

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

1.11 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 Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the academy trust.

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 quinquennial valuations using a prospective benefit method. As stated in note 32, the TPS is a multi-employer scheme and the academy trust 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 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 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 SOFA 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.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.13 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for no consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Invenio Academy (Foxhills), Newbold Community School, Bydales School and Shafton ALC to the academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Directors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Outwood Grange Academies Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transactions are set out in note 37 .

1.14 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs, but this is not recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 37.

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the academy trust 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. Outwood Academy Portland, Outwood Academy Valley, Outwood Academy Ripon and Outwood Academy Brumby, are subject to the carry forward limits. Outwood Grange Academy and Outwood Academy Adwick have an agreement to carry forward all surpluses until 2014/15 for specific capital works. Outwood Academy Ledger Lane, Outwood Academy Kirkhamgate, Outwood Academy Acklam, Outwood Academy City, Outwood Academy Foxhills, Outwood Academy Newbold, Outwood Academy Bydales, Outwood Academy Shafton have no restriction on the GAG carry forward.

The academy trust has not exceeded these limits during the year ended 31 August 2015.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

3. VOLUNTARY INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Donated assets on conversion	-	12,467	12,467	37,908
Donated surplus	702	-	702	(356)
	<u>702</u>	<u>12,467</u>	<u>13,169</u>	<u>37,552</u>
Pension Deficits on conversion	-	(4,509)	(4,509)	(1,936)
Voluntary income	<u>702</u>	<u>7,958</u>	<u>8,660</u>	<u>35,616</u>

The donated assets relate to fixed assets donated on conversion from North Lincolnshire Council to Outwood Academy Foxhills, Derbyshire Council to Outwood Academy Newbold, Middlesbrough Council to Outwood Academy Bydales and Barnsley MBC to Outwood Academy Shafton. Details of the assets donated on conversion can be seen in note 36.

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Hire of Facilities	125	-	125	114
External Fees	502	-	502	262
Educational sales	188	-	188	117
Project grants	580	-	580	425
Other income	-	-	-	18
	<u>1,395</u>	<u>-</u>	<u>1,395</u>	<u>936</u>

5. INVESTMENT INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Investment income	<u>140</u>	<u>-</u>	<u>140</u>	<u>121</u>

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Educational Operations	220	72,024	72,244	58,631

FUNDING FOR EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
DfE/EFA revenue grants				
General Annual Grant	-	62,365	62,365	51,832
Start Up Grant	-	640	640	688
Capital Grant	-	1,614	1,614	621
Other DfE/EFA Grants	50	5,099	5,149	3,698
	50	69,718	69,768	56,839
Other government grants				
Local Authority Grants	-	880	880	717
Other Government Grants	-	72	72	87
	-	952	952	804
Other funding				
Catering	-	1,354	1,354	943
Other Unrestricted Income	170	-	170	45
	170	1,354	1,524	988
	220	72,024	72,244	58,631

7. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Educational Operations	1,215	72,080	73,295	57,004

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

7. EXPENDITURE BY CHARITABLE ACTIVITY (continued)

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2015 £000	Depreciation 2015 £000	Other costs 2015 £000	Total 2015 £000	Total 2014 £000
Educational Operations	51,611	3,733	17,951	73,295	57,004

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Internal audit costs	-	25	25	33
Auditors' remuneration	-	39	39	44
Auditors' non audit costs	1	10	11	17
Legal fees	-	-	-	9
Actuarial fees	-	20	20	19
Trustees travel reimbursed	-	1	1	2
	1	95	96	124

9. DIRECT COSTS

	Educational Operations £000	Total 2015 £000	Total 2014 £000
Pension finance cost	88	88	209
Educational supplies	1,727	1,727	1,314
Examination fees	1,107	1,107	842
Staff development	165	165	103
External fees	1,891	1,891	1,475
Other Costs	467	467	439
Wages and salaries	29,003	29,003	22,475
National insurance	2,248	2,248	1,742
Pension cost	3,703	3,703	2,842
Depreciation	3,733	3,733	3,331
	44,132	44,132	34,772

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

10. SUPPORT COSTS

	Educational Operations	Total 2015	<i>Total 2014</i>
	£000	£000	£000
Recruitment and support	480	480	410
Maintenance of premises and equipment	3,528	3,528	1,923
Cleaning	484	484	363
Rent and rates	498	498	336
Heat and light	1,130	1,130	1,007
Insurance	465	465	588
Security and transport	703	703	504
Catering	1,784	1,784	1,286
Technology costs	1,546	1,546	1,186
Bank interest and charges	25	25	19
Telephones	170	170	120
Marketing & Publications	94	94	108
16-19 Bursary Payments	-	-	113
Other Costs	1,599	1,599	1,222
Wages and salaries	13,374	13,374	10,609
National insurance	626	626	509
Pension cost	2,657	2,657	1,929
	29,163	29,163	22,232

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

11. CHARITABLE ACTIVITIES - EDUCATIONAL OPERATIONS

	Total funds 2015 £000	<i>Total funds 2014 £000</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	29,003	22,475
National insurance	2,248	1,742
Pension cost	3,703	2,842
Depreciation	3,733	3,331
Pension income	88	209
Educational supplies	1,727	1,314
Examination fees	1,107	842
Staff development	165	103
External fees	1,891	1,475
Other Costs	467	439
	44,132	34,772
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	13,374	10,609
National insurance	626	509
Pension cost	2,657	1,929
Recruitment and support	480	410
Maintenance of premises and equipment	3,528	1,923
Cleaning	484	363
Rent and rates	498	336
Heat and light	1,130	1,007
Insurance	465	588
Security and transport	703	504
Catering	1,784	1,286
Technology costs	1,546	1,186
Bank interest and charges	25	19
Telephones	170	120
Marketing & Publications	94	108
16-19 Bursary Payments	-	113
Other Costs	1,599	1,222
	29,163	22,232
Total	29,163	22,232
Total Academy's educational operations	73,295	57,004

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

12. RESOURCES EXPENDED

	Staff costs	Other costs	Total	Total
	2015	2015	2015	2014
	£000	£000	£000	£000
Direct - Educational Operations	34,954	9,178	44,132	34,772
Support - Educational Operations	16,657	12,506	29,163	22,232
Charitable activities	51,611	21,684	73,295	57,004
Governance	-	96	96	124
	51,611	21,780	73,391	57,128

13. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total	Total
	2015	2015	2015	2014
	£000	£000	£000	£000
Educational Operations	44,132	29,163	73,295	57,004

14. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015	2014
	£000	£000
Depreciation of tangible fixed assets:		
- owned by the charitable group	3,733	3,331
Internal audit costs	25	33

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

15. AUDITORS' REMUNERATION

	2015 £000	2014 £000
Fees payable to the academy trust's auditor and its associates for the audit of the academy trust's annual accounts	39	42
Fees payable to the academy trust's auditor and its associates in respect of:		
The auditing of accounts of associates of the academy trust	1	1
Audit-related assurance services	25	12
All taxation advisory services not included above		1
All assurance services not included above	10	17
	<u> </u>	<u> </u>

16. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	41,577	32,378
Social security costs	2,874	2,251
Other pension costs (Note 32)	6,360	4,772
	<u>50,811</u>	<u>39,401</u>
Supply teacher costs	525	370
Staff restructuring costs	275	335
	<u>51,611</u>	<u>40,106</u>

b. Staff severance payments

There have been 30 redundancy/severance payments made during the year. The majority of these were made within the rules of the employee's contract of employment. The total amount of redundancy/severance payments made in the year that were not contractual was £108k (10 payments) and the value of contractual payments was £167k (20 payments). The following payments individually were made that were non-contractual:

£14,000	- Settlement agreement
£12,750	- Settlement agreement
£9,374	- Settlement agreement
£10,729	- Severance / compensation payment
£13,818	- Settlement agreement
£12,836	- Settlement agreement
£23,530	- Settlement agreement
£1,249	- Settlement agreement
£3,939	- Settlement agreement
£6,203	- Severance / compensation payment

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

16. STAFF (continued)

c. Staff numbers

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

	2015 No.	2014 No.
Teachers	767	550
Administration and support	686	508
	<u>1,453</u>	<u>1,058</u>

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	10	9
In the band £70,001 - £80,000	8	7
In the band £80,001 - £90,000	7	6
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	0
In the band £120,001 - £130,000	2	2
In the band £130,001 - £140,000	2	2
In the band £190,001 - £200,000	0	1
In the band £200,001 - £210,000	1	0
	<u>1</u>	<u>0</u>

During the year ended 31 August 2015 thirty five (2014: 27) of the above staff participated in a pension scheme. Thirty three (2014: 24) were in the Teachers' Pension Scheme and two (2014: 3) were in the Local Government Pension Scheme. Employers pension contributions for the TPS amounted to £367k (2014: £281k) and for the LGPS £21k (2014: £32k).

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

17. CENTRAL SERVICES

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

- Payroll
- HR
- Finance
- Governance
- Capital Project Monitoring
- IT services

The academy trust charges for these services on the following basis:

As a percentage of GAG income: 5% for Secondary academies and 2.5% for the Primary Academies.

The actual amounts charged during the year were as follows:

	2015 £000
Outwood Academy Adwick	303
Outwood Academy Brumby	175
Outwood Academy Portland	328
Outwood Academy Ripon	143
Outwood Academy Valley	381
Outwood Grange Academy	520
Outwood Primary Ledger Lane	25
Outwood Primary Kirkhamgate	15
Outwood Primary Lofthouse Gate	36
Outwood Academy Acklam	265
Outwood Academy City	250
Outwood Academy Foxhills	164
Outwood Academy Newbold	165
Outwood Academy Bydales	114
Outwood Academy Shafton	140
	<hr/>
Total	3,024 <hr/>

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

18. DIRECTORS' REMUNERATION AND EXPENSES

The highest paid Director received remuneration of £201 thousand (2014 - £198 thousand).

The Chief Executive only receives remuneration in respect of services he provides undertaking the role of Chief Executive, and not in respect of his services as a Director. Other Directors did not receive any payments, other than expenses, from the academy trust in respect of their role as Directors. The value of Directors' remuneration fell within the following bands:

	2015	2014
	£000	£000
Sir Michael Wilkins, Chief Executive	200-205	195-200

During the year, no Directors received any benefits in kind (2014 - £NIL).

During the year ended 31 August 2015, travel expenses totalling £136 (2014 - £2,260) were reimbursed to 1 Directors (2014 - 1).

19. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was included within the cost of the RPA insurance costs and cannot be split out. (2014 - £8,353). The cost of this insurance is included in the total insurance cost.

20. OTHER FINANCE INCOME

	2015	2014
	£000	£000
Expected return on pension scheme assets	1,207	875
Interest on pension scheme liabilities	(1,295)	(1,084)
	(88)	(209)

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. TANGIBLE FIXED ASSETS

Group	Freehold property £000	Long-term leasehold property £000	Fixtures & fittings & vehicles £000	Computer equipment & software £000	Assets under con- struction £000	Total £000
Cost						
At 1 September 2014	22,403	69,612	5,352	5,361	5,349	108,077
Additions	24	152	1,173	991	3,399	5,739
Disposals	-	(1)	(30)	(812)	-	(843)
Transferred on Conversion	-	11,844	290	195	-	12,329
Transfer between classes	-	464	(243)	12	(233)	-
At 31 August 2015	22,427	82,071	6,542	5,747	8,515	125,302
Depreciation						
At 1 September 2014	393	2,960	914	2,554	-	6,821
Charge for the year	399	1,546	607	1,181	-	3,733
On disposals	-	-	(11)	(736)	-	(747)
At 31 August 2015	792	4,506	1,510	2,999	-	9,807
Net book value						
At 31 August 2015	21,635	77,565	5,032	2,748	8,515	115,495
At 31 August 2014	22,010	66,652	4,438	2,807	5,349	101,256

Included in land and buildings is freehold land at valuation of £2.713m (2014 - £2.713m), which is not depreciated.

Outwood Academy Ripon purchased freehold a Caretakers house that sits within the grounds of the academy for £146k in 2014. The house was purchased due to safeguarding issues and negotiations are still ongoing with North Yorkshire CC to demolish the house.

Included within the amounts transferred on conversion is £12m relating to donated assets from North Lincolnshire CC to Outwood Academy Foxhills, £123k from Middlesbrough CC to Outwood Academy Bydales and £163k from Barnsley MBC to Outwood Academy Shafon.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

21. TANGIBLE FIXED ASSETS (continued)

Academy Trust	Freehold property £000	Long-term leasehold property £000	Fixtures & fittings & vehicles £000	Computer equipment & software £000	Assets under con- struction £000	Total £000
Cost						
At 1 September 2014	22,403	69,612	5,352	5,356	5,349	108,072
Additions	24	152	1,173	992	3,399	5,740
Disposals	-	(1)	(30)	(812)	-	(843)
Transferred on Conversion	-	11,844	290	195	-	12,329
Transfer between classes	-	464	(243)	12	(233)	-
At 31 August 2015	22,427	82,071	6,542	5,743	8,515	125,298
Depreciation						
At 1 September 2014	393	2,960	914	2,553	-	6,820
Charge for the year	399	1,546	607	1,180	-	3,732
On disposals	-	-	(11)	(736)	-	(747)
At 31 August 2015	792	4,506	1,510	2,997	-	9,805
Net book value						
At 31 August 2015	21,635	77,565	5,032	2,746	8,515	115,493
At 31 August 2014	22,010	66,652	4,438	2,803	5,349	101,252

Included in land and buildings is freehold land at valuation of £2.713m (2014 - £2.713m) which is not depreciated.

22. STOCKS

	Group		Academy Trust	
	2015 £000	2014 £000	2015 £000	2014 £000
Finished goods and goods for resale	14	10	14	10

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

23. DEBTORS

	<u>Group</u>		<u>Academy Trust</u>	
	2015	2014	2015	2014
	£000	£000	£000	£000
Trade debtors	142	119	138	140
Amounts owed by group undertakings	1	-	1	-
Other debtors	1,314	1,078	1,314	1,068
Prepayments and accrued income	2,109	1,421	2,109	1,373
	<u>3,566</u>	<u>2,618</u>	<u>3,562</u>	<u>2,581</u>

24. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Academy Trust</u>	
	2015	2014	2015	2014
	£000	£000	£000	£000
Trade creditors	1,984	1,420	1,983	1,381
Other taxation and social security	912	706	912	706
EFA creditor: Abatement of GAG	583	323	583	323
Other creditors	1,260	830	1,163	725
Accruals and deferred income	2,243	1,770	2,078	1,653
	<u>6,982</u>	<u>5,049</u>	<u>6,719</u>	<u>4,788</u>

	<u>Group</u>	<u>Academy trust</u>
	£000	£000
Deferred income		
Deferred income at 1 September 2014	138	35
Resources deferred during the year	185	46
Amounts released from previous years	(138)	(35)
Deferred income at 31 August 2015	<u>185</u>	<u>46</u>

At the balance sheet date the academy trust was holding funds received in advance for lettings of £7k and Schools Sports Grant (SGO) of £29k.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

25. STATEMENT OF FUNDS

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Unrestricted funds						
General Funds - all funds	5,325	2,457	(1,216)	-	-	6,566
Restricted funds						
General Annual Grant (GAG)	10,343	62,365	(59,763)	(3,750)	-	9,195
Start up Grant	-	640	(640)	-	-	-
Other DfE/EFA Grants	-	5,099	(5,099)	-	-	-
Other Grants	-	952	(952)	-	-	-
Other Income	-	1,354	(1,354)	-	-	-
Pension reserve	(10,343)	(4,509)	(634)	-	(266)	(15,752)
	-	65,901	(68,442)	(3,750)	(266)	(6,557)
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	93,527	12,467	(3,733)	-	-	102,261
DfE/EFA Capital Grants	2,894	1,614	-	-	-	4,508
Capital expenditure from GAG	4,977	-	-	3,750	-	8,727
	101,398	14,081	(3,733)	3,750	-	115,496
Total restricted funds	101,398	79,982	(72,175)	-	(266)	108,939
Total of funds	106,723	82,439	(73,391)	-	(266)	115,505

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

General Annual Grant (GAG) must be used for the normal running costs of the academies. The EFA agreed an exemption to the 12% GAG carry forward for Outwood Grange Academy and Outwood Academy Adwick in order to fund planned capital investment by the Trust over the next three to five years up to and including the academic year 2014/15.

As referred to in note 2, Outwood Grange Academy and Outwood Academy Adwick have an agreement to carry forward all surpluses until 2014/15 for specific capital works. During the year capital expenditure has been expended, primarily on the new arts block at Outwood Grange Academy and so a transfer from restricted funds to restricted fixed asset funds has been made.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

25. STATEMENT OF FUNDS (continued)

The figures above refer to the consolidated balance sheet including the reserves of Outwood Grange Services Limited, which amount to £3k.

Under the funding agreement with the Secretary of State, academy trust subject to a limit on the amount of GAG that they could carry forward at 31 August 2015 - see Note 2.

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £000
Outwood Grange Academy	3,410
Outwood Academy Adwick	2,848
Outwood Academy Brumby	387
Outwood Academy Portland	2,593
Outwood Academy Valley	2,080
Outwood Academy Ripon	199
Outwood Academy Ledger Lane	250
Outwood Academy Kirkhamgate	269
Outwood Grange Academies Trust	2,048
Outwood Academy Acklam	649
Outwood Academy City	379
Outwood Primary Academy Lofthouse Gate	139
Outwood Academy Foxhills	(555)
Outwood Academy Newbold	(218)
Outwood Academy Bydales	728
Outwood Academy Shafton	555
Total before fixed asset fund and pension reserve	<u>15,761</u>
Restricted fixed asset fund	115,496
Pension reserve	(15,752)
Total	<u><u>115,505</u></u>

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academy	Amount of deficit £
Outwood Academy Foxhills	(555)
Outwood Academy Newbold	(218)

The academy trust is taking the following action to return the academies to surplus:

Outwood Academy Foxhills and Outwood Academy Newbold are both new academies into the trust this year. Staffing restructures have taken place and some redundancy payments have been made in both academies. All costs are being closely looked at, including ongoing reviews of staffing levels in order to

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

25. STATEMENT OF FUNDS (continued)

return both academies back to a surplus position. In the meantime both academies are being supported by group.

Analysis of academies by cost

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding dep- reciation £000	Total £000
Outwood Academy Adwick	3,731	926	452	900	6,009
Outwood Academy Brumby	2,339	601	269	468	3,677
Outwood Academy Portland	4,231	744	414	1,181	6,570
Outwood Academy Ripon	1,835	524	164	476	2,999
Outwood Academy Valley	5,292	845	694	1,519	8,350
Outwood Grange Academy	6,312	1,826	473	1,206	9,817
Outwood Primary Academies	2,261	428	198	660	3,547
Outwood Academy Acklam	3,278	764	405	1,138	5,585
Outwood Academy City	3,094	999	376	919	5,388
Outwood Academy Foxhills	2,186	472	274	616	3,548
Outwood Academy Newbold	2,585	542	262	652	4,041
Outwood Academy Bydales	1,470	210	163	502	2,345
Outwood Academy Shafton	1,777	389	107	1,005	3,278
Outwood Grange Academies Trust	1,624	1,073	6	816	3,519
Outwood Grange Services Ltd	268	156	33	321	778
	<u>42,283</u>	<u>10,499</u>	<u>4,290</u>	<u>12,379</u>	<u>69,451</u>

SUMMARY OF FUNDS

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
General funds	5,325	2,457	(1,216)	-	-	6,566
Restricted funds	-	65,901	(68,442)	(3,750)	(266)	(6,557)
Restricted fixed asset funds	101,398	14,081	(3,733)	3,750	-	115,496
	<u>106,723</u>	<u>82,439</u>	<u>(73,391)</u>	<u>-</u>	<u>(266)</u>	<u>115,505</u>

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

26. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Tangible fixed assets	-	-	115,496	115,496	101,255
Current assets	-	22,743	-	22,743	20,858
Creditors due within one year	6,566	(13,548)	-	(6,982)	(5,047)
Provisions for liabilities and charges	-	(15,752)	-	(15,752)	(10,343)
	<u>6,566</u>	<u>(6,557)</u>	<u>115,496</u>	<u>115,505</u>	<u>106,723</u>

27. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £000	2014 £000
Net incoming resources before revaluations	9,048	38,176
Returns on investments and servicing of finance	(140)	(121)
Assets donated - surplus & fixed assets	(13,286)	(38,009)
Pension deficit transferred on conversion	4,509	1,936
Depreciation of tangible fixed assets	3,733	3,331
Capital grants from DfE	(1,614)	(621)
(Increase)/decrease in stocks	(4)	5
Increase in debtors	(947)	(32)
Increase in creditors	1,933	759
FRS 17 adjustments	634	553
Net cash inflow from operations	<u>3,866</u>	<u>5,977</u>

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

	2015 £000	2014 £000
Returns on investments and servicing of finance		
Interest received	<u>140</u>	<u>121</u>

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

28. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £000	2014 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(5,739)	(7,181)
Sale of tangible fixed assets	95	-
Capital grants from DfE	1,614	621
Net cash outflow capital expenditure	<u>(4,030)</u>	<u>(6,560)</u>

29. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £000	Cash flow £000	Other non-cash changes £000	31 August 2015 £000
Cash at bank and in hand:	18,231	933	-	19,164
Net funds	<u>18,231</u>	<u>933</u>	<u>-</u>	<u>19,164</u>

30. CONSOLIDATION OF SUBSIDIARY UNDERTAKINGS

	2015 £000	2014 £000
Debtors	-	72
Creditors	(261)	(295)
Cash	261	222
Fixed Assets	2	4
Total	<u>2</u>	<u>3</u>

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

31. CAPITAL COMMITMENTS

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

	Trust		Academy trust	
	2015	2014	2015	2014
	£000	£000	£000	£000
Contracted for but not provided in these financial statements	822	1,553	822	1,553

Outwood Grange Academy has now completed the building of a new Arts Block and installation of a new Biomass Boiler. Some payments are still outstanding as at the end of August 2015 of approximately £257k. Outwood Academy Adwick is in the process of building an extension to the PE block and as at the end of August 2015 payments of approximately £565k are outstanding.

32. PENSION COMMITMENTS

The 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 the West Yorkshire Pension Fund (WYPF) (Outwood Grange Academy, Outwood Primary Academy Ledger Lane, Outwood Primary Academy Kirkhamgate and Outwood Primary Academy Lofthouse Gate), the South Yorkshire Pension Fund (SYPF) (Outwood Academy Adwick, Outwood Academy City and Outwood Academy Shafton), the North Yorkshire Pension Fund (NYPF) (Outwood Academy Ripon), the Nottinghamshire Pension Fund (NPF) (Outwood Academy Portland and Valley), the East Riding Pension Fund (ERPF) (Outwood Academy Brumby and Outwood Academy Foxhills), the Derbyshire Pension Fund (DPF) (Outwood Academy Newbold) and the Teesside Pension Fund (TPF) (Outwood Academy Acklam and Outwood Academy Bydales). 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 March 2013.

Contributions amounting to £790,841 were payable to the scheme at 31 August 2015 (2014 - £590,634) 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

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

32. PENSION COMMITMENTS (continued)

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%

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 £3,703k (2014: £2,842k).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 2015 was £2,779k, of which employer's contributions totalled £2,105k and employees' contributions totalled £674k. The agreed average contribution rates for future years are 17.15% for employers, ranging from 12.5% to 29.1% and 6.5% for employees, ranging from 5.5% up to 12.5% depending on pay bands.

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.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

32. PENSION COMMITMENTS (continued)

The Trust'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 £000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000
Equities	7.10	16,270	7.00	11,764
Bonds	2.90	2,222	3.00	1,517
Property	6.20	1,984	6.10	1,177
Cash	1.50	663	1.50	593
Other	5.30	770	5.10	425
Other Bonds	3.20	969	3.20	916
Total market value of assets		22,878		16,392
Present value of scheme liabilities		(38,630)		(26,735)
Deficit in the scheme		(15,752)		(10,343)

The amounts recognised in the Balance Sheet are as follows:

	2015 £000	2014 £000
Present value of funded obligations	(38,630)	(26,735)
Fair value of scheme assets	22,878	16,392
Net liability	(15,752)	(10,343)

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

	2015 £000	2014 £000
Current service cost	(2,625)	(1,822)
Interest on obligation	(1,295)	(1,084)
Expected return on scheme assets	1,207	875
Past service cost	(26)	-
Gains on curtailments and settlements	-	(36)
Contributions by employer	2,105	1,514
Total	(634)	(553)

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

32. PENSION COMMITMENTS (continued)

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

	2015 £000	2014 £000
Opening defined benefit obligation	26,735	19,852
Current service cost	2,625	1,822
Interest cost	1,295	1,084
Contributions by scheme participants	674	524
Actuarial (Gains)/losses	(662)	464
Past service costs	26	-
Losses on curtailments	-	36
Benefits paid	(209)	(310)
Balance acquired on conversion	8,147	3,263
Administration expenses	(1)	-
	<u>38,630</u>	<u>26,735</u>
Closing defined benefit obligation	<u>38,630</u>	<u>26,735</u>

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

	2015 £000	2014 £000
Opening fair value of scheme assets	16,392	11,916
Expected return on assets	1,207	875
Actuarial gains and (losses)	(928)	546
Contributions by employer	2,105	1,514
Contributions by employees	674	524
Benefits paid	(209)	(310)
Balance Acquired on Conversion	3,638	1,327
Administration expenses	(1)	-
	<u>22,878</u>	<u>16,392</u>
Closing fair value of scheme assets	<u>22,878</u>	<u>16,392</u>

The cumulative amount of actuarial gains and losses recognised in the Consolidated Statement of Total Recognised Gains and Losses was £NIL (2014 - £NIL).

The Trust expects to contribute £NIL to its defined benefit pension scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	3.85 %	3.80 %
Rate of increase in salaries	3.81 %	3.90 %
Rate of increase for pensions in payment / inflation	2.27 %	2.30 %
Inflation assumption (CPI)	2.27 %	2.30 %
Commutation of pensions to lump sums	50.00 %	50.00 %
Commutation of pensions to lump sums post 2008	- %	- %

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

32. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.87	22.47
Females	25.53	25.24
Retiring in 20 years		
Males	24.49	24.69
Females	27.37	27.67

The five year history of experience adjustments is as follows:

Defined benefit pension schemes

	2015	2014	2013	2012	2011
	£000	£000	£000	£000	£000
Defined benefit obligation	(38,630)	(26,735)	(19,852)	(14,458)	(6,118)
Scheme assets	22,878	16,392	11,916	8,146	4,878
Deficit	(15,752)	(10,343)	(7,936)	(6,312)	(1,240)
Experience adjustments on scheme liabilities	(31)	553	-	-	(399)
Experience adjustments on scheme assets	(928)	546	684	127	(175)

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

33. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2015	2014	2015	2014
Trust	£000	£000	£000	£000
Expiry date:				
Within 1 year	-	-	124	83
Between 2 and 5 years	-	-	254	124
After more than 5 years	3,822	1,469	2	-
Total	3,822	1,469	380	207

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

	Land and buildings		Other	
	2015	2014	2015	2014
Academy trust	£000	£000	£000	£000
Expiry date:				
Within 1 year	-	-	124	83
Between 2 and 5 years	-	-	254	124
After more than 5 years	3,822	1,469	2	-
Total	3,822	1,469	380	207

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

34. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust'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 director has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

	2015
	£000
Recharge of support costs - Outwood Grange Services Ltd	153
Gift Aid Donation - Outwood Grange Services Ltd to OGAT	12
Recharge of staff time from OGAT to Humber UTC	72
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35. POST BALANCE SHEET EVENTS

On 1st September 2015, Outwood Academy Ormesby (formerly Ormesby School) joined Outwood Grange Academies Trust. It is anticipated that Carlton Community College will convert on 1 December 2015.

36. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding
Outwood Grange Services Ltd	England	100

Outwood Grange Services Limited made a net deficit for the year of £1k, after a gift aid donation of £11.6k to Outwood Grange Academies Trust. Outwood Grange Services Limited had capital and reserves at the end of the year of £3k.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

37. CONVERSION TO AN ACADEMY TRUST

On 1 September 2014 Outwood Academy Foxhills (formerly Invenio Academy) converted to academy status under the Academies Act 2010 and all of the operations and assets and liabilities were transferred to Outwood Grange Academies Trust (OGAT). Invenio Academy transferred to OGAT for £nil consideration. Invenio land and buildings transferred to OGAT under a long lease of 125 years with a peppercorn rent of £nil.

On 1 January 2015 Outwood Academy Newbold (formerly Newbold Community School) converted to academy status under the Academies Act 2010 and all of the operations and assets and liabilities were transferred to Outwood Grange Academies Trust (OGAT) from Derbyshire CC for £nil consideration. Outwood Academy Newbold transferred under a long lease of 125 years with a peppercorn rent of £nil. Newbold is a PFI school and so no land and buildings values have been transferred.

On 1 February 2015 Outwood Academy Bydales (formerly Bydales School) converted to academy status under the Academies Act 2010 and all of the operations and assets and liabilities were transferred to Outwood Grange Academies Trust (OGAT) from Redcar & Cleveland Borough Council for £nil consideration. Outwood Academy Bydales transferred under freehold. Bydales is a PFI school and so no land and buildings values have been transferred.

On 1 March 2015 Outwood Academy Shafton (formerly Shafton ALC) converted to academy status under the Academies Act 2010 and all of the operations and assets and liabilities were transferred to Outwood Grange Academies Trust (OGAT) from Barnsley MBC for £nil consideration. Outwood Academy Shafton transferred under a long lease of 125 years with a peppercorn rent of £nil. Shafton is a PFI school and so no land and buildings values have been transferred.

The above transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

OUTWOOD GRANGE ACADEMIES TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

37. CONVERSION TO AN ACADEMY TRUST (continued)

Assets Transferred on Conversion

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Outwood Academy				
Foxhills				
Freehold land & buildings	-	-	11,844	11,844
Other fixed assets	-	-	199	199
Deficit on LA funds	(255)	-	138	(117)
LGPS pension deficit	-	(1,300)	-	(1,300)
Outwood Academy				
Bydales				
Leasehold land & buildings	-	-	-	-
Other fixed assets	-	-	123	123
Surplus on LA Funds	618	-	-	618
LGPS pension deficit	-	(516)	-	(516)
Outwood Academy				
Newbold				
Leasehold land & buildings	-	-	-	-
Other fixed assets	-	-	-	-
Surplus on LA Funds	142	-	-	142
LGPS pension deficit	-	(954)	-	(954)
Outwood Academy				
Shafton				
Freehold land & buildings	-	-	-	-
Other fixed assets	-	-	163	163
Surplus on LA Funds	197	-	-	197
LGPS pension deficit	-	(1,739)	-	(1,739)
Total	702	(4,509)	12,467	8,660

38. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £177k and disbursed £163k from the fund. An amount of £14 is included in other creditors relating to undistributed funds that is repayable to EFA.