

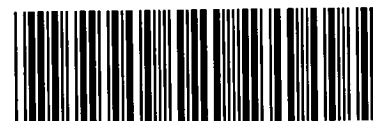


**Oxley Park Academy Trust**  
(A Company Limited by Guarantee)

**Annual Report and Financial Statements**

**Year ended 31 August 2019**

WEDNESDAY



A07 \*A8Y4WPWY\* 05/02/2020 #7  
COMPANIES HOUSE

**Company Registration Number:**  
**07660971**

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**Academy Trust Company**

<i>Members</i>	Ms T. Billingsley Mrs S. Marshall Mr A. Nash Mr K. Webb	(Appointed 19 September 2018)
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**Governors (Trustees)**

<i>Governors</i>	Mr J. Armitage Mrs R Ahsan * Mrs E. Bald * Ms T. Billingsley * Mrs C De Silva Mrs L Flin * Mr A. Hamid Miss A. Holding ^ Mrs S. Marshall Mr P. Phillips*  Mr N. Springett-McHugh ^^ Mrs S. Waby	(Appointed 16 October 2018) (Appointed 16 October 2018) (Chairperson) (Appointed 16 October 2018) (Development Governor) (Appointed 16 October 2018)    (Chair of Finance - resigned 17 May 2019) (Resigned 17 May 2019) (Executive Principal & Accounting Officer) (Resigned 30 November 2018)
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*All of the above Governors are Directors (for Companies Act purposes)*

*^ - Staff Governors*

*\* - Finance Committee members*

*Company Secretary* Mrs D De Haan

*Clerk to the Governing Body* Ms L. Edwards (MK Council)

**Principal and Registered Office** Redgrave Drive,  
Oxley Park,  
Milton Keynes,  
Buckinghamshire.  
MK4 4TA

**Company Registration Number** 07660971 (England and Wales)

**Senior Leadership Team (SLT)**

<i>Executive Principal</i>	Mr N. Springett-McHugh	
<i>Campus Principal</i>	Mrs K. Draper	
<i>Facilities Manager</i>	Mr R. Smith	
<i>Assistant Principals</i>	Mrs D. Frayne-Johnson	
	Miss K Bond	(Key Stage 2 / Head of Year 6)
	Mr S Bolton	(Foundation Stage / Key Stage 1 / Head of Year 2)
<i>Inclusion Manager</i>	Mrs J. Phillips	
<i>Senior Finance Officer</i>	Mrs A. McCorquodale	

**Independent Auditor**

Haines Watts Leicester LLP  
Hamilton Office Park  
31 High View Close  
Leicester  
LE4 9LJ

**Bankers**

Lloyds Bank PLC  
Secklow Gate West,  
Milton Keynes,  
Buckinghamshire.  
MK9 3EH

**Solicitors**

Schofield Sweeney Solicitors  
Springfield House,  
76 Wellington Street,  
Leeds.  
LS1 2AY

**Independent Accountant and  
advisor**

John Wilson FCA ATII  
Howard Wilson  
36 Crown Rise,  
Watford,  
Hertfordshire.  
WD25 0NE

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period 01 September 2018 to 31 August 2019. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

The academy trust operates an academy for the provision of primary education for children aged 4-11 serving a catchment area in Kingsmead and Oxley Park, Milton Keynes and surrounding areas in accordance with section 78 of the Education Act of 2002. It provides education for pupils of different abilities and who are mainly drawn from the defined area. It has a pupil capacity of 840 and had a roll of 640 in the school census on January 2019. The Shenley Wood campus opened in September 2017 to meet the growing need in the local area. The campus is expected to fill over a five year period.

## **Structure, Governance and Management**

### *Constitution*

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The governors of Oxley Park Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Oxley Park Academy.

Details of the governors and directors who served throughout the period, and to the date these accounts are approved are included in the Reference and Administrative Details on page 3.

### *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 an amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

### *Governors' Indemnities*

The Governors are indemnified in respect of their duties on behalf of Oxley Park Academy Trust to the extent that they are covered within the specific provisions contained within the Risk Protection Arrangement administered by Education Skills Funding Agency.

### *Method of Recruitment and Appointment or Election of Governors*

The Executive Principal, who is also the nominated Accounting Officer for the Academy Trust, shall be treated for all purposes as being an ex officio Governor.

Parent Governors must be parents of pupils at the Academy at the time when they are elected by parents of registered pupils at the Academy or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age. Any election of Parent Governors which is contested shall be held by secret ballot. The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Staff Governors are invited for nomination and if required are elected by a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the S:SExecutive Principal). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate is determined by the Governors. If a Staff Governor ceases to work at the Academy then they are deemed to have resigned and shall cease to be a governor automatically on termination of their work at the Academy.

The Members may appoint Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. In some cases, co-opted governors, who have been appointed for specific tasks or projects shall have no right to vote at meetings.

A vacancy is left on the Governing Body to accommodate the right of the Secretary of State to appoint to the Governing Body if they so choose.

### *Policies and Procedures Adopted for the Induction and Training of Governors*

A New Governor Induction Policy has been approved by the Governing Body and a Governors' area on the academy website is provided with all necessary documents. Newly appointed Governors are provided with recent minutes and other key documents prior to an induction session with the Executive Principal and Chair of Governors. Governor Induction courses as provided through Milton Keynes Council Governor services are recommended to all Governors, particularly new Governors, through the Development Governor. Another experienced Governor is allocated as a Mentor and these training opportunities are discussed.

### *Organisational Structure*

Subject to provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Academy Trust shall be managed by the Governors who may exercise all the powers of the Academy Trust. No alteration of the Articles and no such direction shall invalidate any prior act of the Governors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Governors by the Articles and a meeting of Governors at which a quorum is present may exercise all the powers exercisable by the Governors.

In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles the Governors shall have the following powers, namely to expend the funds of the Academy Trust in such manner as they shall consider most beneficial for the achievement of the Object and to invest in the name of the Academy Trust such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Object.

The Governors may delegate to any Governor, committee, the Executive Principal or any other holder of an executive office, such of their powers or functions as they consider desirable to be exercised by them. Any such delegation may be made subject to any conditions the Governors may impose and may be revoked or altered. Where any power or function of the Governors is exercised by any committee, any Governor, Executive Principal or any other holder of an executive office, that person or committee shall report to the Governors in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the Governors immediately following the taking of the action or the making of the decision.

### *Arrangements for setting pay and remuneration of key management personnel*

The Governing Body have established a Finance & Personnel Committee. One of its tasks is to make recommendations to the Full Governing Body on the appropriate levels of remuneration for key leadership and management salaries. This is achieved initially by adopting the National Leadership pay scale rates, and from this a range is established for each post, dependent on the responsibilities of that post and other responsibilities held by the member of staff.

### *Risk Management*

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety and school trips) and in relation to the control of finance. In addition to the systems and controls already in place, the school has also implemented a Business Continuity Plan. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls which are reviewed and renewed annually.

### *Trade union facility time*

#### **Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

#### **Percentage of time spent on facility time**

Percentage of time spent on facility time	Number of employees
0%	1
1% - 50%	0
51% - 99%	0
100%	0

#### **Percentage of pay bill spent on facility time**

Total cost of facility time	£0
Total pay bill	£1,935,560
Percentage of total pay bill spent on facility time	0%

#### **Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	0
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*Related Parties and other Connected Charities and Organisations*

The Friends of Oxley Park (FOOPA) is a Charity (Charity Number 1141369) set up by the parents of the School to support educational activity in the School. Ziggy Club is a before and after school club and holiday care facility provided by the Governing Body to support working parents at the school and is self-funding with any surpluses treated as unrestricted funds within the financial statements.

**Objectives and Activities**

*Objectives and Aims*

The Academy Trust's objective ("the Object") is specifically restricted to the following: to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school of the highest calibre offering a broad and balanced core curriculum and an enriched extended curriculum both during and out of school hours. This curriculum allows our pupils to develop a range of skills whilst maintaining the fundamental elements and strengths of the National Curriculum. English and Mathematics remain as the core key skills taught and applied throughout. The Academy encourages an understanding of the meaning and significance of spiritual, moral, social and cultural appreciation and values through the experience it offers to all its pupils.

*Objectives, Strategies and Activities*

The main objectives of the Academy during the year ended 31 August 2019 are summarised below:

The Oxley journey through our school for every child is chunked into three stages based on our motto Dream, Believe, Achieve – Together! Every stage is different, every stage builds on the previous one and every stage develops our children so when they leave Oxley Park they are ready for their secondary stage of their education journey.

**Dream – Little people dream BIG!**

The start of your Oxley Park learning journey. In Nursery and Foundation, you can have the wildest of dreams and act these through play and being creative in ways you may never have before. Role play, art, construction, outdoor play and exciting spaces to explore. Dream of being a fire fighter, a nurse, a doctor, a police officer or a pop star. Dream of being a chef, writer, an artist, a scientist, a teacher, whatever your dreams, they start here at Oxley Park.

**Believe – I can and I will!**

Entering Year 1 and 2 is where you start to believe that dreams do come true! Opportunities to gain rewards, take part in clubs, try out new things all become a reality. Learning new skills, starting to write stories, using your imagination, solving problems, learning to read, learn your times tables and believing you can do something! This is where you start believing in yourself and challenging your dreams on your Oxley Park learning journey.

**Achieve – How far will you go?**

The stage of your journey through Oxley Park where Dreaming and Believing leads to Achieving! You are developing your skills, your dreams have started to come true, your belief in yourself and knowing you can do something has grown tremendously and you have started to feel success in your achievements. Achieving through becoming an Oxley Park Ambassador, Head Boy or Girl, scoring a goal, dancing in Strictly, entering a writing competition or taking the lead in a performance. Swimming a length, abseiling, knowing all your times tables and becoming a master in maths. You are growing up and as you come to the end of this journey, you and your friends have Dreamed, Believed and Achieved together!

Our learning environment is having an exciting overhaul and once complete will give each of the above areas a real identity. We strongly believe in children feeling they belong and feeling part of their school. Being part of Dream, Believe or Achieve helps makes the huge school feel much smaller for every child.

*Public Benefit*

The Governors are satisfied that the Academy has complied with its requirement for the public benefit of primary education for our pupils.

## Strategic Report

### Achievements and Performance

The Academy has now completed its seventh full year and continues to achieve the forecast numbers of students compared to the period before conversion, and has in fact grown. In the period ended 31 August 2019, there was a total of 650 (2018: 571) students in the Academy.

Following agreement by the ESFA and the Local Authority, the academy has now been expanded to a 2 site campus. The new campus at Shenley Wood was opened officially in September 2017 and will help meet the needs of the growing population in the catchment area.

### Key Performance Indicators

The 2019 key stage assessments are the fourth held under the new, more challenging national curriculum.

Key Stage 2	2019		2018		2017	
% Working at Expected Standard	OPA	National	OPA	National	OPA	National
Reading	81	73	77	75	75	71
Grammar, Punctuation & Spelling	84	78	70	78	76	77
Maths	82	78	78	78	66	75
Writing	88	79	70	75	80	76
	2019		2018		2017	
% Working at Greater Depth	OPA	National	OPA	National	OPA	National
Reading	36	27	23	28	16	25
Grammar, Punctuation & Spelling	46	36	22	34	38	31
Maths	22	20	20	24	28	23
Writing	34	27	8	20	24	18

2018 data outcomes saw an overwhelming improvement in all core areas of achievement from Foundation Stage to Key Stage 2 on previous year. This was one element of impact clearly witnessed from the transformational changes which have taken place since a new leadership team took over from January 2018. A wide range of strategies and initiatives were implemented over a short space of time and it is now clear that these are impacting across the academy. The quality of teaching and learning, assessment, behaviour management, curriculum development and sustainable staffing structures to support two sites have all improved and are having a positive impact. This can be seen daily through observations, pupil voice, books, stakeholder feedback and the general ethos of the academy.

These positive improvements build on the findings of the June 2018 Ofsted who noted the changes which took place since the January but went on to explain they needed time to embed and show impact. We are now witnessing the impact of these positive changes.

An independent Governance review also took place in response to our Ofsted. This report highlighted a range of many strengths and areas we have already or plan to make improvements in.

### Going Concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### Financial Review

The majority of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 31 August 2019, total expenditure of £3,645,305 (2018: £3,272,025) was more than covered by recurrent grant funding from the DfE together with other incoming resources and reserves brought forward. The net movement (after transfers) for the period (excluding restricted fixed asset funds and the pension deficit) was surplus £69,876 (2018: surplus £37,316).



#### *Reserves Policy*

This year £162,380 reserved funds were used to resurface and upgrade the artificial pitches on our Oxley campus. This funding was provided by the original developers of the school site. The pitches will require ongoing maintenance and fully upgrading in around 15 years. We will continue to save towards this over the coming years.

The governors continue to fully support the new vision of 2018 which continues to see a total re modernisation of the original campus. It is also enabling the Shenley campus to be fully resourced and both campuses to be at a standard that can be regularly maintained. Reserves have been and will continue to be used to complete this major project whilst retaining an amount of £200,000 in the event of unforeseen circumstances.

Major investments to date have included re-purposing rooms back to use for art, music and cooking. Classrooms modernised to provide bright and airy learning spaces and new shared learning areas created. IT provision continues to be invested in to enhance the resource with the creation of STEM (Science, technology, engineering and maths) centres on each site. Our work in enhancing our curriculum and providing wider experiences, resources and opportunities have also benefited from investment.

Looking ahead, planned investment in modernisation of the toilets on our original site and development of all Early Years outdoor areas are key priorities for the academy.

#### *Investment Policy*

The Academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Academy aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

#### *Principal Risks and Uncertainties*

The main risk to the Academy for the immediate future is how it responds to the continued economic uncertainty and the affect that this may have on funding from the government, which is the Academy's principal source of funding.

#### *Fundraising*

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Governors.

#### *Plans for Future Periods*

From September 2017 Oxley Park Academy has been a four form entry school with nursery provision, spread over 2 campuses. Although this will generate additional income as a direct result of the increase in the pupil roll over the longer term, in the short term, there will be added pressure over the cost base of the Academy, under such time that the Academy is at full capacity.

The current projection is that the Academy will run with balanced budgets over the next two year period, without the need for support for the revenue budget. The Academy is using reserves to enable projects and the enhanced School Development Plan for the new vision to be implemented.

#### *Auditor*

Insofar as the Governors are aware:

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

It is the intention of the Governing Body to re-appoint the auditors Haines Watts Leicester LLP for the financial year ending 31 August 2020.

The Governors Report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 10 December 2019 and signed on the board's behalf by:



**Ms T Billingsley**  
**Chairperson**

### *Scope of Responsibility*

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

The Governing Body has delegated the day-to-day responsibility to the Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Oxley Park Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in

### *Governance*

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors Responsibilities. The Governing Body has formally met three times during the period.

Attendance during the year at meetings of the Governing Body was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs R Ahsan	1	3
Mr J. Armitage	2	3
Mrs E. Bald	3	3
Ms T. Billingsley	1	3
Mrs C De Silva	1	3
Mrs L Flin	3	3
Mr A. Hamid	1	3
Miss A. Holding	2	3
Mrs S. Marshall	3	3
Mr P. Phillips	1	2
Mr N. Springett-McHugh	2	3
Mrs S. Waby	0	1

Although there have been changes to individuals on the Governing Body, we have a full complement of Governors and a community committed to working with us which supports high quality recruitment and governance.

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to oversee the financial systems and processes of the Academy as per the terms of reference plus take on the responsibilities and duties applicable to an Audit Committee.

Attendance at meetings in the year was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs R Ahsan	3	5
Mrs E. Bald	2	2
Ms T. Billingsley	3	5
Mrs L Flin	4	5
Mr A. Hamid	3	5
Mr P. Phillips	3	4
Mr N. Springett-McHugh	5	5

#### *Review of Value for Money*

As Accounting Officer, the Executive Principal is responsible 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- **Financial Governance and Oversight**

The Academy has a skilled and highly experienced finance committee who receive monthly management accounts and ask relevant and challenging questions as evidenced in the meeting minutes. The Academy also continues to have its financial procedures reviewed termly by a Responsible Officer who checks systems/ accounting practices and reports to the Governing Body.

- **Better Purchasing**

Examples of steps taken to ensure value for money when purchasing include:

1. Exploring alternative purchasing options both online and direct through suppliers to ensure best value.
2. Utilising Purchasing Frameworks for larger value and bulk purchasing throughout the school.
3. Considering best value for the nursery and school equipment, in terms of durability and value for money.

- **Generation**

Examples include:

1. Maximisation of Extra-Curricular Income

Further development of the Academy extracurricular programme including breakfast and after school wraparound care and holiday provision for the pupils.

2. Maximisation of Non-Education School Income

Letting of school hall, outdoor areas and classrooms for a range of community and local activities.

#### *The Purpose of the System of Internal Control*

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oxley Park Academy Trust for the period 01 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

#### *Capacity to Handle Risk*

The Governing Body 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 Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

#### *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 Governing Body;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Campbell Wilson of Howard Wilson as Independent Accountant and advisor to the Academy Trust. The role takes on all the responsibilities previously contained within the Reporting Officer remit and in addition includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the Independent Accountant reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The Academy Trust confirms that this function has been fully delivered in line with the ESFA's requirements.

*Review of Effectiveness*

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

- the work of the Independent Accountant advisor
- the work of the external auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Governing Body on 10 December 2019 and signed on its behalf by:



**Ms T Billingsley**  
**Chairperson**



**Mr N. Springett-McHugh**  
**Accounting Officer**

**Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Oxley Park Academy Trust School I have considered my responsibility to notify the Academy Trust Governing Body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust governing body are able to identify any material irregular or improper use of all 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 2018.

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 governing body and ESFA.



**Mr N. Springett-McHugh**  
**Accounting Officer**

## **Statement of Governors Responsibilities**

The Governors (who act as trustees of Oxley Park Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 10 December 2019 and signed on its behalf by:



**Ms T Billingsley**  
**Chairperson**

## **Independent Auditors Report on the Financial Statements to the Members of Oxley Park Academy Trust**

### **Opinion**

We have audited the financial statements of Oxley Park Academy Trust (the 'Academy') for the year ended 31 August 2019, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

### **Basis of Opinion**

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

### **Conclusions relating to Going Concern**

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

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

### **Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)**

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

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

We have nothing to report in this regard.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

## **Independent Auditors Report on the Financial Statements to the Members of Oxley Park Academy Trust**

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Governors' Report.

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

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

### **Responsibilities of Governors**

As explained more fully in the Statement of Governors' Responsibilities [set out on page 14], the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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




**Independent Auditors Report on the Financial Statements to the Members of Oxley Park Academy Trust**

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

**Use of our report**

This report is made solely to the Academy's Governors, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Governors, as a body, for our audit work, for this report, or for the opinions we have formed.

..........[Signature]

**Richard Buckby FCA (Senior Statutory Auditor)**  
**For and on behalf of Haines Watts Leicester LLP, Statutory Auditor**

Hamilton Office Park  
31 High View Close  
Leicester  
LE4 9LJ

Date: 12/12/2019

## **Independent Reporting Accountant's Assurance Report on Regularity to Oxley Park Academy Trust and the Education & Skills Funding Agency**

In accordance with the terms of our engagement letter dated 20 October 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Oxley Park Academy Trust during the period 01 September 2018 to 31 August 2019 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 Oxley Park Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Oxley Park Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Oxley Park Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### ***Respective responsibilities of Governing Body's accounting officer and the reporting accountant***

The accounting officer is responsible, under the requirements of Oxley Park Academy Trust's funding agreement with the Secretary of State for Education dated 30 June 2011 and the Academies Financial Handbook extant from 01 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 September 2018 to 31 August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Independent Reporting Accountant's Assurance Report on Regularity to Oxley Park Academy Trust and the Education & Skills Funding Agency**

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the Academy Trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the Academy Trust are within the Academy Trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the Academy Trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the Academy Trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of Governors, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of Governors and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the Academy Trust's charitable objects.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 01 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Richard Buckby FCA**

**For and on behalf of Haines Watts Leicester LLP, Chartered Accountants**

Hamilton Office Park  
31 High View Close  
Leicester  
LE4 9LJ

Date: 12/12/2019

**Statement of Financial Activities for the year ended 31 August 2019**  
**(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**


	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Other Funds £	Restricted Fixed Asset Funds £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>							
Donations and capital grants	2	1,268	568	4,500	31,896	38,232	12,689
Charitable activities							
Funding for the academy trust's educational operations	3	46,348	2,829,986	122,151	-	2,998,485	2,633,832
Other trading activities	4	292,275	-	14,016	-	306,291	282,826
Investments	5	4,734	-	-	-	4,734	3,121
<b>Total</b>		<b>344,625</b>	<b>2,830,554</b>	<b>140,667</b>	<b>31,896</b>	<b>3,347,742</b>	<b>2,932,468</b>
<b>Expenditure on:</b>							
Charitable activities:							
Academy trust educational operations	7	244,374	2,873,118	282,532	245,281	3,645,305	3,272,025
<b>Total</b>	6	<b>244,374</b>	<b>2,873,118</b>	<b>282,532</b>	<b>245,281</b>	<b>3,645,305</b>	<b>3,272,025</b>
<b>Net income/(expenditure)</b>		<b>100,251</b>	<b>(42,564)</b>	<b>(141,865)</b>	<b>(213,385)</b>	<b>(297,563)</b>	<b>(339,557)</b>
Transfers between funds	14	-	(44,431)	(20,515)	64,946	-	-
<b>Net income/(expenditure) after</b>		<b>100,251</b>	<b>(86,995)</b>	<b>(162,380)</b>	<b>(148,439)</b>	<b>(297,563)</b>	<b>(339,557)</b>
<b>Other recognised gains / (losses):</b>							
Actuarial (losses)/gains on defined benefit pension schemes	14, 21	-	(459,000)	-	-	(459,000)	507,000
<b>Net movement in funds</b>		<b>100,251</b>	<b>(545,995)</b>	<b>(162,380)</b>	<b>(148,439)</b>	<b>(756,563)</b>	<b>167,443</b>
<b>Reconciliation of funds</b>							
Total funds brought forward	14	175,107	(1,106,971)	191,220	11,565,176	10,824,532	10,657,089
<b>Total funds carried forward</b>	14	<b>275,358</b>	<b>(1,652,966)</b>	<b>28,840</b>	<b>11,416,737</b>	<b>10,067,969</b>	<b>10,824,532</b>

All of the academy trust's activities derive from continuing operations during the above two financial periods.

**Balance sheet as at 31 August 2019**

	Notes	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	11		11,416,737		11,565,176
<b>Current assets</b>					
Debtors	12	126,206		127,575	
Cash at bank and in hand		680,476		662,852	
		<u>806,682</u>		<u>790,427</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	13	(152,450)		(206,071)	
<b>Net current assets</b>			<u>654,232</u>		<u>584,356</u>
<b>Net assets excluding pension liability</b>			<u>12,070,969</u>		<u>12,149,532</u>
Defined benefit pension scheme liability	21		(2,003,000)		(1,325,000)
<b>Total net assets</b>			<u>10,067,969</u>		<u>10,824,532</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	14				
Fixed asset fund		11,416,737		11,565,176	
Restricted income fund		350,034		218,029	
Other restricted fund		28,840		191,220	
Pension reserve		(2,003,000)		(1,325,000)	
<b>Total restricted funds</b>			<u>9,792,611</u>		<u>10,649,425</u>
<b>Unrestricted income funds</b>	14		<u>275,358</u>		<u>175,107</u>
<b>Total funds</b>			<u>10,067,969</u>		<u>10,824,532</u>

The financial statements on pages 20 to 40 were approved by the governors and authorised for issue on 10 December 2019 and are signed on their behalf by:



**Ms T Billingsley**  
**Chairperson**

**Company Registration Number: 07660971**

**Cash Flow Statement for the year ended 31 August 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	17	77,836	78,275
<b>Cash flows from investing activities</b>	18	(60,212)	(141,617)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>17,624</u>	<u>(63,342)</u>
<b>Cash and cash equivalents at 01 September 2018</b>		662,852	726,194
<b>Cash and cash equivalents at 31 August 2019</b>	19	<u>680,476</u>	<u>662,852</u>

## **Notes to the Financial Statements for the Year Ended 31 August 2019**

### **1 Statement of accounting policies**

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

#### **Company information**

Oxley Park Academy Trust is a company limited by guarantee incorporated in England and Wales and as such has no share capital and has exempt charity status. The registered office is Redgrave Drive, Oxley Park, Milton Keynes, Buckinghamshire.

#### **Basis of Preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by EFSA, the Charities Act 2011 and the Companies Act 2006.

Oxley Park Academy Trust meets the definition of a public benefit entity under FRS 102.

#### **Going Concern**

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

#### **Income**

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

##### **Grants**

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

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

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

##### **Sponsorship income**

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

##### **Donations**

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

##### **Investment income**

Investment income is accounted for on an accrued basis.

##### **Other income**

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

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1 Statement of accounting policies

#### **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

#### **Donated fixed assets (excluding Transfers on conversion/into the academy trust)**

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

#### **Expenditure**

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

#### **Expenditure of Raising Funds**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

#### **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

#### **Tangible Fixed Assets**

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where the tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Freehold Buildings	50 years
Leasehold Land and Buildings	50 - 125 years
Plant and Machinery	4 - 10 years
Furniture and Equipment	4 years
Computer Equipment	3 years
Motor Vehicles	4 years



## **Notes to the Financial Statements for the Year Ended 31 August 2019**

### **1 Statement of accounting policies**

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

#### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### **Provisions**

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### **Leased Assets**

Rentals under operating leases are charged on straight line basis over the lease term.

#### **Financial Instruments**

The academy trust only holds basic financial information as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### **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 part 11, chapter 3 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.

#### **Pension Benefits**

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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 21, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1 Statement of accounting policies

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

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

#### **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 governors.

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

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

Restricted other funds comprise all other restricted funds received with restrictions imposed by the funder/donor (non-Education and Skills Funding Agency or Department for Education).

#### **Critical accounting estimates and areas of judgement**

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

##### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

<b>2 Donations and capital grants</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Capital grants	-	31,896	31,896	10,275
Other donations	958	4,500	5,458	1,094
Other income	310	568	878	1,320
	<u>1,268</u>	<u>36,964</u>	<u>38,232</u>	<u>12,689</u>

The income from donations and capital grants was £38,232 (2018: £12,689) of which £1,268 was unrestricted (2018: £1,744), £568 was restricted GAG (2018: £670), £4,500 was restricted other (2018: £nil) and £31,896 was restricted fixed assets (2018: £10,275).

<b>3 Funding for the Academy Trust's educational operations</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	2,416,234	2,416,234	1,953,571
Other DfE / ESFA grants	-	207,491	207,491	189,518
	<u>-</u>	<u>2,623,725</u>	<u>2,623,725</u>	<u>2,143,089</u>
<b>Other Government Grants</b>				
Local authority grants	-	226,871	226,871	356,655
Other Grants	-	21,000	21,000	21,000
	<u>-</u>	<u>247,871</u>	<u>247,871</u>	<u>377,655</u>
Other income from the academy trust's educational	46,348	80,541	126,889	113,088
	<u>46,348</u>	<u>2,952,137</u>	<u>2,998,485</u>	<u>2,633,832</u>

The income from funding for the academy trust's educational operations was £2,998,485 (2018: £2,633,832) of which £46,348 was unrestricted (2018: £104,536), £2,829,986 was restricted GAG (2018: £2,427,536), £122,151 was restricted other (2018: £101,760) and £nil was restricted fixed assets (2018: £nil).

<b>4 Other trading activities</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Hire of Facilities	44,000	-	44,000	36,522
Income from ancillary trading activities	248,275	14,016	262,291	246,304
	<u>292,275</u>	<u>14,016</u>	<u>306,291</u>	<u>282,826</u>

The income from other trading activities was £306,291 (2018: £282,826) of which £292,275 was unrestricted (2018: £274,955), £nil was restricted GAG (2018: £nil), £14,016 was restricted other (2018: £7,871) and £nil was restricted fixed assets (2018: £nil).

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

5 Investment income	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Short term deposits	4,734	-	4,734	3,121

The income from investment income was £4,734 (2018: £3,121) of which £4,734 was unrestricted (2018: £3,121), £nil was restricted GAG (2018: £nil), £nil was restricted other (2018: £nil) and £nil was restricted fixed assets (2018: £nil).

6 Expenditure	Staff Costs £	Non Pay Expenditure		Total 2019 £	Total 2018 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	1,414,780	245,281	214,312	1,874,373	1,707,930
Allocated support costs	1,138,849	223,668	408,415	1,770,932	1,564,095
	<u>2,553,629</u>	<u>468,949</u>	<u>622,727</u>	<u>3,645,305</u>	<u>3,272,025</u>

The analysis from expenditure was £3,645,305 (2018: £3,272,025) of which £2,553,629 was staff costs (2018: £2,386,222), £468,949 premises costs (2018: £303,475), and £622,727 other expenditure (2018: £582,328).

Net income/(expenditure) for the period includes:	2019 £	2018 £
Depreciation:		
- owned assets	245,281	201,891
Operating leases:		
- other	3,416	7,653
Fees payable to auditor for:		
- audit	<u>5,600</u>	<u>5,900</u>

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

**7 Charitable activities**

	Total 2019 £	Total 2018 £
<b>Direct costs - educational operations</b>	<b>1,874,373</b>	<b>1,707,930</b>
<b>Support costs - educational operations</b>	<b>1,770,932</b>	<b>1,564,095</b>
	<b><u>3,645,305</u></b>	<b><u>3,272,025</u></b>
 <b>Direct costs - educational operations</b>		
Teaching and educational support staff costs	1,414,780	1,285,332
Depreciation	245,281	201,891
Technology costs	28,992	28,085
Educational supplies	133,270	130,866
Staff development	8,817	13,129
Educational consultancy	43,233	48,627
	<b><u>1,874,373</u></b>	<b><u>1,707,930</u></b>
 <b>Support costs - educational operations</b>		
	Total 2019 £	Total 2018 £
Support staff costs	1,138,849	1,100,890
Other staff costs	3,603	3,375
Premises costs	336,317	178,084
Other support costs	243,747	235,316
Local Government Pension Scheme finance costs	34,000	40,000
Governance costs	14,416	6,430
	<b><u>1,770,932</u></b>	<b><u>1,564,095</u></b>
	<b><u>3,645,305</u></b>	<b><u>3,272,025</u></b>

The expenditure from charitable activities was £3,645,305 (2018: £3,272,025) of which £244,374 was unrestricted (2018: £252,354), £2,873,118 was restricted GAG (2018: £2,736,036), £282,532 was restricted other (2018: £81,744) and £245,281 was restricted fixed assets (2018: £201,891).

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

**8 Staff**

**a. Staff costs**

	2019	2018
Staff costs during the period were:	£	£
Wages and salaries	1,935,560	1,794,277
Social security costs	116,142	116,342
Pension costs	501,856	472,541
	<u>2,553,558</u>	<u>2,383,160</u>
Agency staff costs	-	2,792
	<u>2,553,558</u>	<u>2,385,952</u>

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

There were no non-statutory/non-contractual severance payments during the year (2018 : nil).

**c. Staff numbers**

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

	2019	2018
	No.	No.
Teachers	34	30
Administration and support	59	56
Management	7	7
	<u>100</u>	<u>93</u>

**d. Higher paid staff**

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

	2019	2018
	No.	No.
£60,001 - £70,000	-	1
£90,001 - £100,000	1	-

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2019, employer's pension contributions for these staff amounted to £15,560 (2018: £9,973). No employees participated in the Local Government Pension Scheme, pension contributions amounted to £0 (2018: £0).

**e. Key management personnel**

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management for their services to the Academy Trust was £490,795 (2018: £373,626).

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 9 Related Party Transactions - Trustees' Remuneration & Expenses

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

N. Springett-McHugh	Principal and trustee	
Remuneration		£90,000 - £95,000 (2018: £60,000 - £65,000)
Employer's pension contributions		£15,000 - £20,000 (2018: £5,000 - £10,000)
C. Higgins	Principal and trustee	
Remuneration		nil (2018: £55,000 - £60,000)
Employer's pension contributions		nil (2018: £5,000 - £10,000)
E. Latham	Staff Governor	
Remuneration		nil (2018: £5,000 - £10,000)
Employer's pension contributions		nil (2018: £0 - £5,000)
A. Holding	Staff Governor	
Remuneration		£40,000 - £45,000 (2018: nil)
Employer's pension contributions		£5,000 - £10,000 (2018: nil)

None of the governors received any travel and subsistence expenses from the Academy Trust during the year.

Other related party transactions involving the trustees are set out in note 22.

### 10 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has entered in to the Risk Protection Arrangement administered by the ESFA which protects governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

### 11 Tangible fixed assets

	Freehold Land and Buildings £	Leasehold Land and Buildings £	Plant and Machinery £	Furniture, Computer and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
At 01 September 2018	4,609,848	7,307,200	231,324	440,693	21,145	12,610,210
Additions	-	-	-	96,842	-	96,842
At 31 August 2019	4,609,848	7,307,200	231,324	537,535	21,145	12,707,052
<b>Depreciation</b>						
At 01 September 2018	556,241	55,030	214,596	209,094	10,073	1,045,034
Charged in year	77,633	55,030	6,326	101,005	5,287	245,281
At 31 August 2019	633,874	110,060	220,922	310,099	15,360	1,290,315
<b>Net Book Values</b>						
At 31 August 2019	3,975,974	7,197,140	10,402	227,436	5,785	11,416,737
At 31 August 2018	4,053,607	7,252,170	16,728	231,599	11,072	11,565,176

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

**11 Tangible fixed assets (continued)**

The freehold land and buildings were valued using the depreciated replacement cost method as at 31 August 2012 by Drivers Jonas Deloitte.

The Academy Trust's transactions relating to land and buildings included:

- the granting of a right of use/customary occupation of land and buildings subject to the completion of a development agreement for the Shenley Wood campus. The term of the lease will be 125 years.

**12 Debtors**

	2019	2018
	£	£
VAT recoverable	55,321	52,954
Other debtors	36,059	19,300
Prepayments and accrued income	34,129	51,439
	<u>125,509</u>	<u>123,693</u>
<b>Amounts falling due after one year:</b>		
Prepayments and accrued income	697	3,882
	<u>697</u>	<u>3,882</u>
<b>Total Debtors</b>	<u>126,206</u>	<u>127,575</u>

**13 Creditors: amounts falling due within one year**

	2019	2018
	£	£
Other taxation and social security	37,625	34,803
Accruals and deferred income	114,825	171,268
	<u>152,450</u>	<u>206,071</u>
<b>Deferred income</b>		
	2019	2018
	£	£
Deferred income at 01 September 2018	124,821	123,981
Released from previous years	(124,821)	(123,981)
Resources deferred in the year	72,695	124,821
Deferred income at 31 August 2019	<u>72,695</u>	<u>124,821</u>

At the balance sheet date the academy trust was holding funds received in advance for lettings and enrichment clubs booked for the autumn term 2019 and Universal Infant Free School Meals funding for 2018/19 term.



**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

14 Funds	Balance at 01 September 2018 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	218,029	2,416,234	(2,239,798)	(44,431)	350,034
Pupil Premium	-	73,893	(73,893)	-	-
ESFA Sports Grant	-	21,040	(21,040)	-	-
Universal Infant Free School Meals	-	92,426	(92,426)	-	-
Other DfE / ESFA grants	-	20,132	(20,132)	-	-
Local Authority Grants	-	125,720	(125,720)	-	-
Pension reserve	(1,325,000)	-	(219,000)	(459,000)	(2,003,000)
Other restricted general funds	-	81,110	(81,110)	-	-
	<u>(1,106,971)</u>	<u>2,830,554</u>	<u>(2,873,118)</u>	<u>(503,431)</u>	<u>(1,652,966)</u>
<b>Restricted other funds</b>					
Nursery Funding	-	136,168	(113,303)	(22,865)	-
Other Funding	-	4,500	(6,850)	2,350	-
Resurfacing Grant	191,220	-	(162,380)	-	28,840
	<u>191,220</u>	<u>140,667</u>	<u>(282,532)</u>	<u>(20,515)</u>	<u>28,840</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	4,053,607	-	(77,633)	-	3,975,974
DfE/ESFA capital grants	7,020	31,896	(8,479)	-	30,437
Local Authority funded	7,287,729	-	(125,977)	-	7,161,752
Capital expenditure from GAG	216,820	-	(33,192)	64,946	248,574
	<u>11,565,176</u>	<u>31,896</u>	<u>(245,281)</u>	<u>64,946</u>	<u>11,416,737</u>
<b>Total restricted funds</b>	<u>10,649,425</u>	<u>3,003,117</u>	<u>(3,400,931)</u>	<u>(459,000)</u>	<u>9,792,611</u>
<b>Total unrestricted funds</b>	<u>175,107</u>	<u>344,625</u>	<u>(244,374)</u>	<u>-</u>	<u>275,358</u>
<b>Total funds</b>	<u>10,824,532</u>	<u>3,347,742</u>	<u>(3,645,305)</u>	<u>(459,000)</u>	<u>10,067,969</u>

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

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

	Balance at 01 September 2017 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	252,877	1,953,571	(2,031,401)	42,982	218,029
Pupil Premium	-	70,021	(70,021)	-	-
ESFA Sports Grant	-	20,790	(20,790)	-	-
Universal Infant Free School Meals	-	98,107	(98,107)	-	-
Other DfE / ESFA grants	-	600	(600)	-	-
Local Authority Grants	-	275,895	(275,895)	-	-
Pension reserve	(1,602,000)	-	(230,000)	507,000	(1,325,000)
Other restricted general funds	-	9,224	(9,224)	-	-
	<u>(1,349,123)</u>	<u>2,428,208</u>	<u>(2,736,038)</u>	<u>549,982</u>	<u>(1,106,971)</u>
<b>Restricted other funds</b>					
Nursery Funding	4,170	109,630	(81,743)	(32,057)	-
Resurfacing Grant	90,000	-	-	101,220	191,220
	<u>94,170</u>	<u>109,630</u>	<u>(81,743)</u>	<u>69,163</u>	<u>191,220</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	4,131,240	-	(77,633)	-	4,053,607
DfE/ESFA capital grants	13,050	10,275	(6,030)	(10,275)	7,020
Local Authority funded	7,385,501	-	(97,772)	-	7,287,729
Capital expenditure from GAG	173,974	-	(12,172)	55,018	216,820
Private sector capital sponsorship	8,284	-	(8,284)	-	-
	<u>11,712,049</u>	<u>10,275</u>	<u>(201,891)</u>	<u>44,743</u>	<u>11,565,176</u>
<b>Total restricted funds</b>	<u>10,457,096</u>	<u>2,548,113</u>	<u>(3,019,672)</u>	<u>663,888</u>	<u>10,649,425</u>
<b>Total unrestricted funds</b>	<u>199,993</u>	<u>384,356</u>	<u>(252,354)</u>	<u>(156,888)</u>	<u>175,107</u>
<b>Total funds</b>	<u>10,657,089</u>	<u>2,932,469</u>	<u>(3,272,026)</u>	<u>507,000</u>	<u>10,824,532</u>

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

*Restricted general funds*

This fund represents grants received from ESFA/DfE and other Government Bodies for the academy's operational activities and development.

*General Annual Grant (GAG)*

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

*Restricted other funds*

These funds represent grants received from other organisations for the academy's operational activities and development.

*Restricted fixed asset funds*

These grants relate to the funding received from the DfE, ESFA and private sponsors to carry out works of a capital nature.

*Unrestricted funds*

Included within these funds and balances that the Governors have earmarked for particular purposes.

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

**15 Analysis of net assets between funds**

	Unrestricted Funds £	Restricted general Funds £	Restricted other Funds £	Restricted fixed asset Funds £	Total Funds £
Fund balances at 31 August 2019 are					
Tangible fixed assets	-	-	-	11,416,737	11,416,737
Current assets	278,180	499,662	28,840	-	806,682
Current liabilities	(2,822)	(149,628)	-	-	(152,450)
Pension scheme liability	-	(2,003,000)	-	-	(2,003,000)
	<u>275,358</u>	<u>(1,652,966)</u>	<u>28,840</u>	<u>11,416,737</u>	<u>10,067,969</u>

	Unrestricted Funds £	Restricted general Funds £	Restricted other Funds £	Restricted fixed asset Funds £	Total Funds £
Fund balances at 31 August 2018 are					
Tangible fixed assets	-	-	-	11,565,176	11,565,176
Current assets	175,107	424,100	191,220	-	790,427
Debtors	-	127,575	-	-	127,575
Cash at bank and in hand	175,107	296,525	191,220	-	662,852
Current liabilities	-	(206,071)	-	-	(206,071)
Pension scheme liability	-	(1,325,000)	-	-	(1,325,000)
	<u>175,107</u>	<u>(1,106,971)</u>	<u>191,220</u>	<u>11,565,176</u>	<u>10,824,532</u>

**16 Commitments under operating leases**

**Operating leases**

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Other		
Expiring within one year	2,494	3,724
Expiring within one to two years inclusive	-	2,494
	<u>2,494</u>	<u>6,218</u>

**17 Reconciliation of net income to net cash inflow from operating activities**

	2019 £	2018 £
Net outgoings	(297,563)	(339,557)
Adjusted for:		
Depreciation (note 11)	245,281	201,891
Capital grants from DfE and other capital income	(31,896)	(10,275)
Interest receivable (note 5)	(4,734)	(3,121)
Defined benefit pension scheme cost less contributions payable (note 21)	(133,000)	(124,000)
Defined benefit pension scheme finance income (note 21)	352,000	354,000
(Increase)/decrease in debtors	1,369	14,627
Increase/(decrease) in creditors	(53,621)	(15,290)
<b>Net inflow from operating activities</b>	<u>77,836</u>	<u>78,275</u>

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

<b>18 Cash flows from investing activities</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments (note 5)	4,734	3,121
Purchase of tangible fixed assets	(96,842)	(155,013)
Capital grants from DfE / ESFA	31,896	10,275
<b>Net cash outflow from cash flows from investing activities</b>	<b>(60,212)</b>	<b>(141,617)</b>

<b>19 Analysis of cash and cash equivalents</b>	<b>At 01 September 2018</b>	<b>Cash flows</b>	<b>At 31 August 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash in hand and at bank	662,852	17,624	680,476

**20 Members liability**

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

**21 Pension and similar obligations**

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

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

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

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pensions Scheme (TPS) is a statutory, contributory, defined benefit scheme governed by the Teachers' Pensions 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.

## **Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

### **Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £182,528 (2018: £156,356).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

### **Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £173,000 (2018: £162,000), of which employer's contributions totalled £133,000 (2018: £124,000) and employees' contributions totalled £40,000 (2018: £38,000). The agreed contribution rates for future years are 20 per cent for employers and 5.5 per cent to 7.5 per cent for employees.

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

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

<b>Principal Actuarial Assumptions</b>	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
Rate of increase in salaries	3.65%	3.80%
Rate of increase for pensions in payment / inflation	2.15%	2.30%
Discount rate for scheme liabilities	1.90%	2.70%
Commutation of pensions to lump sums	50.00%	50.00%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
<i>Retiring today</i>		
Males	22.9	24.0
Females	24.8	26.1
<i>Retiring in 20 years</i>		
Males	24.6	26.3
Females	26.7	28.5

<b>Sensitivity analysis</b>	<b>2019 £</b>	<b>2018 £</b>
Discount rate +0.1%	3,362,000	2,435,000
Discount rate -0.1%	3,615,000	2,617,000
Mortality assumption - 1 year increase	3,603,000	2,605,000
Mortality assumption - 1 year decrease	3,373,000	2,446,000
CPI rate +0.1%	3,599,000	2,536,000
CPI rate -0.1%	3,377,000	2,513,000

The academy trust's share of the assets in the scheme were:

	<b>2019 £</b>	<b>2018 £</b>
Gilts	174,000	141,000
Equities	797,000	629,000
Other bonds	211,000	147,000
Property	101,000	88,000
Cash and other liquid assets	48,000	72,000
Alternative assets	10,000	10,000
Hedge Funds	75,000	56,000
Absolute Return Portfolio	67,000	56,000
<b>Total market value of assets</b>	<b>1,483,000</b>	<b>1,199,000</b>

The actual return on scheme assets was £112,000 (2018: £37,000).

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

<b>Amounts recognised in the statement of financial activities</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Current service cost	266,000	313,000
Net interest on the defined liability / (asset)	34,000	40,000
Past service cost	51,000	-
Administration expenses	1,000	1,000
<b>Total loss / (profit)</b>	<b>352,000</b>	<b>354,000</b>
<b>Changes in the present value of defined benefit obligations were as follows:</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>At 01 September</b>	<b>2,524,000</b>	<b>2,626,000</b>
Current service cost	266,000	313,000
Interest cost	69,000	68,000
Contributions by Scheme participants and other employers	40,000	38,000
Total actuarial (gain)/loss	536,000	(498,000)
Estimated benefits paid net of transfers in	-	(23,000)
Past Service cost	51,000	-
<b>At 31 August</b>	<b>3,486,000</b>	<b>2,524,000</b>
<b>Changes in the fair value of academy's share of scheme assets:</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>At 01 September</b>	<b>1,199,000</b>	<b>1,024,000</b>
Interest on assets	35,000	28,000
Total actuarial gain/(loss)	77,000	9,000
Administration expenses	(1,000)	(1,000)
Employer contributions	133,000	124,000
Contributions by Scheme participants and other employers	40,000	38,000
Estimated benefits paid net of transfers in	-	(23,000)
<b>At 31 August</b>	<b>1,483,000</b>	<b>1,199,000</b>

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

**22 Related party transactions**

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

The following related party transaction took place in the period of account:

During the period, Mrs J Phillips was paid £28,501 (2018: £30,619) in respect of their employment by Oxley Park Academy Trust. Mrs J Phillips is the spouse of Mr P Phillips, a governor of the academy school trust. Mr P Phillips resigned from the Governing Body from 17 May 2019.)

During the period to 31 August 2019, the academy trust received funds in the form of grants and donations from organisations that are connected to the academy trust, either through common Trustees (see page 3) and/or through charitable objects to support the functions of the academy trust. The amounts received were:

	2019	2018
Friends of Oxley Park Academy (Charity Number: 1141369)	5,240	500

There was no balance outstanding at the period end.