

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013



**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**OAKFIELD SCHOOL ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2013**

Trustees	Mrs J Brudenell ⁴ Dr G Channon (appointed 19 February 2013) Ms S Cordier ^{1,4} Mr T Cutting, Chair, Chair of Environment ² Mr D Harris, Chair of Curriculum ⁴ Miss A Hart ² Mr P Hill, Headteacher ^{1,3} Mrs C Hopkins, Chair of Personnel ³ Mrs S Hynds, Chair of Finance ^{1,3} Mrs M Jessop ¹ Mr J Malley ³ Mr D McGrath (appointed 13 May 2013) ⁴ Mrs J McGuinness, Staff Governor ² Mrs C Peacock, Staff Governor (resigned 23 November 2012) Mrs P Royle, Staff Governor ⁴ Mr G Smart ^{2,3} Mr S Willmott ¹ Finance Committee ² Environment Committee ³ Personnel Committee ⁴ Curriculum Committee
Company registered number	07694044
Principal and Registered office	Oakfield Road Frome Somerset BA11 4JF
Associate Governor	Mr M Tomlinson
Senior Leadership Team	P Hill, Head Teacher M O'Shea, Assistant Head Teacher A Harding, Director of Pupil Services S Wells, Business Manager
Independent auditors	Bishop Fleming Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank 25 Cheap Street Frome Somerset BA11 1BW

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2013**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees act as the Trustees for the charitable activities of Oakfield School Academy Trust and are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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 they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £5,000,000.

Principal Activity

The principal activity is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a secondary school offering a broad and balanced curriculum.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 5th July 2011 the Trustees appointed all those Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy Trust shall have the following Governors as set out in its Articles of Association and funding agreement:

- up to 3 LA Governors who are appointed by [the Local Authority]
- up to 6 Parent Trustees who are elected by parents of registered pupils at the Academy
- up to 4 staff Trustees appointed by Board of trustees
- up to 4 Community Trustees who are appointed by Board of trustees

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

**OAKFIELD SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups (Change Team) to perform specific tasks over a limited timescale.

There are 6 committees as follows,

- Finance - meet at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget. It also incorporates the role of an audit committee.
- Curriculum Committee - meet once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessments.
- Environment Committee – meet termly to discuss and review issues relating to the property and grounds including health and safety.
- Personnel Committee – meet at least four times a year and is responsible for reviewing issues relating to all staff and pupils including contractual and their welfare.
- Pay & Personnel Committee – meets annually to monitor and review pay scales, job descriptions and performance management.
- Discipline Committee – meets as and when required.

There is a Change Team which meets termly or when required to discuss any relevant current issues.

The following decisions are reserved to the Board of Trustees, to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises of the Headteacher, Deputy Headteacher, Director of Pupil Services, SENCo and the Business Manager. The SLT implement the policies laid down by the Governors and report back to them on performance. The SLT controls the Academy at an executive level, implementing the policies laid down by the Governors and reporting back to them. The Headteacher, Academy Business Manager and Finance Committee are responsible for the authorisation of spending within agreed budgets, a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts include a Non-Staff Governor.

**OAKFIELD SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

The Headteacher is the Accounting Officer

Risk management

The Trustees have implemented a system to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health & safety child protection and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has undertaken a review of the main areas of risks which it faces. This includes all health and safety and child protection policies and procedures. In addition a review of all financial risks is undertaken on a regular basis in the form of Responsible Officer checks which are timetabled for quarterly checks each year.

Connected Organisations, including Related Party Relationships

The Academy has strong collaborative links with the 17 schools which comprise of The Frome Community Learning Partnership.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is the operation to provide free education and care for pupils of different abilities between the ages of 9 and 13. The Academy's specialism is Creative Performing Arts.

At Oakfield Academy we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Improvement Plan which is available from the Academy Clerk.

Public Benefit

The Trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance

At Key Stage 2 the year group achieved good results for the cohort. In Maths our results were much higher than the previous year with 91% of children making 2 NC levels progress and our Pupil Premium children achieving 90%.

85% of children made 2 levels progress in English with 73% of our Pupil Premium children achieving 2 levels.

- 85% of our children achieved a Level 4 or above in Maths
- 32% of our children achieved a Level 5 or above in Maths
- 2 children achieved a Level 6
- 80% of children achieved a Level 4 or above in Reading
- 37% of children achieved a Level 5 or above in Reading

**OAKFIELD SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

- 1 child achieved a Level 6 in Writing

The Academy aims to maintain small class sizes. Most classes at KS2 and subject areas at KS3 have a teaching assistant which is a valuable addition to the classroom.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Curriculum Committee Governors, Department Heads and the Senior Leadership Team.

The Academy was inspected by OFSTED in July 2011 and was judged to be Good.

During the year, the Academy's charity fundraising activities raised £2,843.95.

The Academy has established close links with Maiden Beech Academy, Crewkerne. The two Academies are embarking on mutual staff development, with the primary aim of driving up standards.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy 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 Going concern policy.

Key Financial Performance Indicators

The level of reserves at the end of August 2013 is the main key performance indicator. In the period under review £141,525 was carried forward representing 5.9% of the GAG.

Funding is based on pupil numbers which is a key performance indicator. Pupil numbers at January 2013 were 533 compared to those in January 2012 of 531.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2013 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, and Insurance.

Financial and Risk Management Objectives and Policies

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 23 of the financial statements, represents a significant potential liability. However as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**OAKFIELD SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Academy are as follows

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 97.5% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependant on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have reviewed the future plans of the Academy and have assessed the adequacy of reserves following the closure and audit of each year's accounts.

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with the schools that comprise of the FCLP to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our Academy Improvement Plan, which is available on our website or from the Clerk to the Governors.

**OAKFIELD SCHOOL ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

We aim to maintain small class sizes with a teaching assistant in each class which will reflect in academic outcomes being improved

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Governors do not act as the Custodian Trustees of any other Charity

AUDITOR

In so far as the Trustees are aware

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

The auditors, Bishop Fleming, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting

Approved by order of the board of trustees on 3/12/13 and signed on its behalf by



Mr T Cutting, Chair
Chair of Trustees

**OAKFIELD SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Oakfield School 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 board of trustees has delegated the day-to-day responsibility to the Headteacher, 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 Oakfield School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mrs J Brudenell	6	7
Dr G Channon	4	4
Ms S Cordier	6	7
Mr T Cutting, Chair, Chair of Environment	7	7
Mr D Harns, Chair of Curriculum	4	7
Miss A Hart	3	7
Mr P Hill, Headteacher	5	7
Mrs C Hopkins, Chair of Personnel	6	7
Mrs S Hynds, Chair of Finance	7	7
Mrs M Jessop	6	7
Mr J Malley	3	7
Mr D McGrath	1	1
Mrs J McGuinness, Staff Governor	6	7
Mrs C Peacock, Staff Governor	5	7
Mrs P Royle, Staff Governor	5	7
Mr G Smart	6	7
Mr S Willmott	3	7

The senior governors appointed a new Headteacher in June 2013, to commence with the Academy from January 2014. This was a complex and challenging process but was completed effectively and successfully by the governing body.

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for ratification.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Hill	3	5
Mrs S Hynds	5	5
Mrs M Jessop	3	5
Ms S Cordier	5	5

**OAKFIELD SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oakfield School Academy Trust for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Somerset County Council as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, the RO reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The RO has delivered their schedule of work as planned and there were no material control issues arising as a result of the RO's work and

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headteacher 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 Responsible Officer,
- the work of the external auditors,
- the financial management and governance self-assessment process,
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework

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

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Approved by order of the members of the board of trustees on 3/12/13 and signed on their behalf, by



**Mr T Cutting, Chair
Trustee**



**Mr P Hill, Headteacher
Trustee**

**OAKFIELD SCHOOL ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Oakfield School Academy Trust I have considered my responsibility to notify the Academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012)

I confirm that I and the Academy board of trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2012)

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date



Mr P Hill, Headteacher
Accounting Officer

Date 3-12-2013

**OAKFIELD SCHOOL ACADEMY TRUST
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**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013**

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

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

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

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by



**Mr T Cutting,
Chair of Trustees**

Date 3/12/13

**OAKFIELD SCHOOL ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKFIELD SCHOOL ACADEMY TRUST

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the Academy's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**OAKFIELD SCHOOL ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKFIELD SCHOOL ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Joseph Scarfe FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date 17/12/13

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO OAKFIELD
SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 15 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Oakfield School Academy Trust during the year 1 August 2011 to 31 August 2013 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 Oakfield School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Oakfield School Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Oakfield School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF OAKFIELD SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER
AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of Oakfield School Academy Trust's funding agreement with the Secretary of State for Education dated 1 August 2011, and the Academies Financial Handbook extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 August 2011 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO OAKFIELD
SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 August 2011 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Joseph Scarfe FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date 17/12/13

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2013

		Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds						
Transfers on conversion	2	-	-	-	-	4,074,622
Other voluntary income	2	17,202	99,562	198,762	315,526	219,876
Activities for generating funds	3	14,200	-	-	14,200	18,257
Investment income	4	634	-	-	634	464
Incoming resources from charitable activities	5	-	2,552,724	-	2,552,724	2,943,828
TOTAL INCOMING RESOURCES		32,036	2,652,286	198,762	2,883,084	7,257,047
RESOURCES EXPENDED						
Charitable activities		1,420	2,684,655	86,367	2,772,442	2,899,219
Governance costs	7	-	9,420	-	9,420	21,053
TOTAL RESOURCES EXPENDED	10	1,420	2,694,075	86,367	2,781,862	2,920,272
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		30,616	(41,789)	112,395	101,222	4,336,775
Transfers between Funds	18	-	(19,000)	19,000	-	-
NET INCOME FOR THE YEAR		30,616	(60,789)	131,395	101,222	4,336,775
Actuarial gains and losses on defined benefit pension schemes		-	(44,000)	-	(44,000)	(146,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		30,616	(104,789)	131,395	57,222	4,190,775
Total funds at 1 September 2012		124,160	(732,002)	4,798,617	4,190,775	-
TOTAL FUNDS AT 31 AUGUST 2013		154,776	(836,791)	4,930,012	4,247,997	4,190,775

All of the Academy's activities derive from continuing operations in the current financial period

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

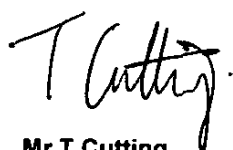
The notes on pages 20 to 37 form part of these financial statements

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER 07694044

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	15		4,930,012		4,652,867
CURRENT ASSETS					
Debtors	16	198,969		141,854	
Cash at bank		366,442		380,947	
		<u>565,411</u>		<u>522,801</u>	
CREDITORS: amounts falling due within one year	17	<u>(234,426)</u>		<u>(96,893)</u>	
NET CURRENT ASSETS			<u>330,985</u>		<u>425,908</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,260,997</u>		<u>5,078,775</u>
Defined benefit pension scheme liability	23		<u>(1,013,000)</u>		<u>(888,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>4,247,997</u></u>		<u><u>4,190,775</u></u>
FUNDS OF THE ACADEMY					
Restricted funds					
General funds	18	176,209		155,998	
Fixed asset funds	18	4,930,012		4,798,617	
		<u>5,106,221</u>		<u>4,954,615</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(1,013,000)</u>		<u>(888,000)</u>	
Total restricted funds			<u>4,093,221</u>		<u>4,066,615</u>
Unrestricted funds	18		<u>154,776</u>		<u>124,160</u>
TOTAL FUNDS			<u><u>4,247,997</u></u>		<u><u>4,190,775</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on ³¹12/13 and are signed on their behalf, by



Mr T Cutting
Chair of Trustees



Mr P Hill
Accounting Officer

The notes on pages 20 to 37 form part of these financial statements

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	20	17,814	341,877
Returns on investments and servicing of finance	21	634	464
Capital expenditure and financial investment	21	(32,953)	(15,013)
Cash transferred on conversion to an academy trust		-	53,619
(DECREASE)/INCREASE IN CASH IN THE YEAR		<u>(14,505)</u>	<u>380,947</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2013**

	2013 £	2012 £
(Decrease)/Increase in cash in the year	<u>(14,505)</u>	<u>380,947</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>(14,505)</u>	<u>380,947</u>
Net funds at 1 September 2012	<u>380,947</u>	-
NET FUNDS AT 31 AUGUST 2013	<u><u>366,442</u></u>	<u><u>380,947</u></u>

The notes on pages 20 to 37 form part of these financial statements

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 FUND ACCOUNTING

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

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

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

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

1.3 INCOMING RESOURCES

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

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

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare the financial statements on the going concern basis for the year.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property and improvements	-	2% Straight Line
Plant and machinery	-	15% Straight Line
Fixtures and fittings	-	15% Straight Line
Computer equipment	-	20% Straight Line

1.7 OPERATING LEASES

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

**OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

1. ACCOUNTING POLICIES (continued)

1.8 TAXATION

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

1.9 PENSIONS

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

2. VOLUNTARY INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
Transfers from Local Authority on conversion	-	-	-	4,074,622
Donations	17,202	86,601	103,803	60,507
Government grants	-	211,723	211,723	159,369
Subtotal	17,202	298,324	315,526	219,876
Voluntary income	17,202	298,324	315,526	4,294,498

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
Lettings	14,200	-	14,200	18,257

4. INVESTMENT INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
Bank interest	634	-	634	464

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
DfE/EFA grants				
General Annual Grant	-	2,280,805	2,280,805	2,687,457
Start up Grants	-	-	-	25,000
Pupil Premium	-	123,388	123,388	57,989
	-	2,404,193	2,404,193	2,770,446
Other government grants				
SEN funding	-	117,222	117,222	173,382
Other mainstream grants	-	11,900	11,900	-
	-	129,122	129,122	173,382
Other funding				
Other	-	19,409	19,409	-
	-	19,409	19,409	-
	-	2,552,724	2,552,724	2,943,828

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
Education	1,420	2,771,022	2,772,442	2,899,219

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

7. GOVERNANCE COSTS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
Auditors' remuneration	-	5,650	5,650	5,500
Auditors' non audit costs	-	2,000	2,000	5,150
Conversion support costs	-	-	-	8,578
Governor training fees	-	1,770	1,770	200
Clerk to governors costs	-	-	-	1,625
	-	9,420	9,420	21,053

8. DIRECT COSTS

	2013 £	Total 13 months to 31 August 2012 £
Pension finance costs	25,000	36,000
Educational supplies	161,759	82,560
Staff development	9,422	5,240
Supply teachers	55,411	44,424
Wages and salaries	1,430,482	1,555,823
National insurance	97,574	110,906
Pension cost	236,360	255,718
	2,016,008	2,090,671

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

9. SUPPORT COSTS

	2013 £	Total 13 months to 31 August 2012 £
Pension finance costs	5,000	-
Recruitment and other staff costs	4,326	1,333
Maintenance of premises and equipment	71,395	90,103
Cleaning	7,854	7,732
Rent and rates	18,882	19,419
Heat and light	36,659	33,645
Insurance	36,112	49,594
Security and transport	22,795	18,116
Catering	38,165	39,434
Technology costs	374	7,014
Office overheads	33,735	30,474
Professional fees	67,353	54,830
Bank interest and charges	104	234
Wages and salaries	274,390	310,057
National insurance	11,630	12,243
Pension cost	41,293	45,402
Depreciation	86,367	88,918
	756,434	808,548

10. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2013 £	Premises 2013 £	Other costs 2013 £	Total 2013 £	Total 13 months to 31 August 2012 £
Education	1,764,416	-	251,592	2,016,008	2,090,671
Support costs	327,313	99,507	329,614	756,434	808,548
CHARITABLE ACTIVITIES	2,091,729	99,507	581,206	2,772,442	2,899,219
GOVERNANCE	-	-	9,420	9,420	21,053
	2,091,729	99,507	590,626	2,781,862	2,920,272

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

11. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging

	2013 £	13 months to 31 August 2012 £
Depreciation of tangible fixed assets - owned by the charity	86,367	88,918
Auditors' remuneration	5,650	5,500
Auditors' remuneration - non-audit	2,000	5,150
	<u> </u>	<u> </u>

12. STAFF COSTS

Staff costs were as follows

	2013 £	13 months to 31 August 2012 £
Wages and salaries	1,704,872	1,867,505
Social security costs	109,204	123,149
Other pension costs 23)	277,653	301,120
	<u> </u>	<u> </u>
	2,091,729	2,291,774
Supply teacher costs	55,411	44,424
	<u> </u>	<u> </u>
	2,147,140	2,336,198

The average number of persons (including the senior management team) employed by the Academy during the year expressed as full time equivalents was as follows

	2013 No.	2012 No
Teachers	27	27
Teaching support	24	23
Administration and support	13	14
Management	4	4
	<u> </u>	<u> </u>
	68	68

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

	2013 No.	2012 No
In the band £70,001 - £80,000	1	1
	<u> </u>	<u> </u>

Annual employer's contributions of £10,008 (2012 £9,214) are payable to the Teachers' Pension Scheme (TPS) in respect of the above employee

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 4 Trustees (2012 4) in respect of defined benefit pension schemes

The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration during the year was as follows: P Hill £80,000 - £85,000 (2012 £75,000 - £80,000), D McGrath £40,000 - £45,000 (2012 £NIL), P Royle £45,000 - £50,000 (2012 £40,000 - £45,000), C Peacock £NIL (2012 £5,000 - £10,000), J McGuinness £15,000 - £20,000 (2012 £15,000 - £20,000). Employer's contributions to defined benefit pension schemes totalling £23,279 (2012 £19,433) were paid on behalf of the above Trustees during the year.

During the year ended 31 August 2013, expenses totalling £350 (2012 £NIL) were reimbursed to 1 Trustee (2012 NIL).

The prior period was the 13 months to 31 August 2012.

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

The cost of this insurance is included in the total insurance cost.

15. TANGIBLE FIXED ASSETS

	Leasehold property and improvements £	Plant and equipment £	Computer equipment £	Total £
COST				
At 1 September 2012	4,659,173	45,110	37,502	4,741,785
Additions	342,440	6,884	14,188	363,512
At 31 August 2013	5,001,613	51,994	51,690	5,105,297
DEPRECIATION				
At 1 September 2012	73,463	7,330	8,125	88,918
Charge for the year	70,511	7,395	8,461	86,367
At 31 August 2013	143,974	14,725	16,586	175,285
NET BOOK VALUE				
At 31 August 2013	4,857,639	37,269	35,104	4,930,012
At 31 August 2012	4,585,710	37,780	29,377	4,652,867

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

16. DEBTORS

	2013 £	2012 £
Trade debtors	540	2,589
VAT recoverable	96,536	16,827
Prepayments and accrued income	101,893	122,438
	<u>198,969</u>	<u>141,854</u>

17. CREDITORS.
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade creditors	-	22,799
Pension contributions payable	28,965	28,734
Social security and other taxes	32,503	34,205
Other creditors	4,215	-
Accruals and deferred income	168,743	11,155
	<u>234,426</u>	<u>96,893</u>

DEFERRED INCOME

Resources deferred during the year	<u>19,797</u>
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18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	<u>124,160</u>	<u>32,036</u>	<u>(1,420)</u>	<u>-</u>	<u>-</u>	<u>154,776</u>

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

18. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	142,379	2,280,805	(2,281,659)	-	-	141,525
SEN funding	-	117,222	(117,222)	-	-	-
Donations	-	86,601	(86,601)	-	-	-
Pupil premium	-	123,388	(92,532)	-	-	30,856
Devolved formula capital	13,619	12,961	(3,752)	(19,000)	-	3,828
Other mainstream grants	-	11,900	(11,900)	-	-	-
Other restricted funds	-	19,409	(19,409)	-	-	-
Pension reserve	(888,000)	-	(81,000)	-	(44,000)	(1,013,000)
	<u>(732,002)</u>	<u>2,652,286</u>	<u>(2,694,075)</u>	<u>(19,000)</u>	<u>(44,000)</u>	<u>(836,791)</u>

RESTRICTED FIXED ASSET FUNDS

Fixed asset funds brought forward	4,652,867	-	(84,461)	-	-	4,568,406
Fixed assets purchased from GAG and other restricted funds	-	-	(961)	19,000	-	18,039
DfE/EFA Capital grants	145,750	198,762	(945)	-	-	343,567
	<u>4,798,617</u>	<u>198,762</u>	<u>(86,367)</u>	<u>19,000</u>	<u>-</u>	<u>4,930,012</u>
Total restricted funds	<u>4,066,615</u>	<u>2,851,048</u>	<u>(2,780,442)</u>	<u>-</u>	<u>(44,000)</u>	<u>4,093,221</u>
Total of funds	<u>4,190,775</u>	<u>2,883,084</u>	<u>(2,781,862)</u>	<u>-</u>	<u>(44,000)</u>	<u>4,247,997</u>

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

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the EFA during the period in order to fund the continuing activities of the school

SEN funding is received to cater for pupils who require special education needs

Donations include £76,707 of parental contributions to educational trips

Pupil Premium funding is received to cater for disadvantaged pupils

Devolved formula capital is funding received from the EFA to cover the cost of maintenance and purchase of the Academy's assets

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18. STATEMENT OF FUNDS (continued)

Other mainstream grants include PE teacher grants of £7,600 and other grants to cover the cost of compliance with statutory requirements during the year, such as completion of the WGA

The pension reserve represents the Local Government Pension Scheme deficit

FIXED ASSET FUNDS

Capital grants from the EFA represent the capital funding for new electrical re-wiring and window replacement projects for the building

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	124,160	32,036	(1,420)	-	-	154,776
Restricted funds	(732,002)	2,652,286	(2,694,075)	(19,000)	(44,000)	(836,791)
Restricted fixed asset funds	4,798,617	198,762	(86,367)	19,000	-	4,930,012
	<u>4,190,775</u>	<u>2,883,084</u>	<u>(2,781,862)</u>	<u>-</u>	<u>(44,000)</u>	<u>4,247,997</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 13 months to 31 August 2012 £
Tangible fixed assets	-	-	4,930,012	4,930,012	4,652,867
Current assets	154,776	364,533	46,102	565,411	522,801
Creditors due within one year	-	(188,324)	(46,102)	(234,426)	(96,893)
Provisions for liabilities and charges	-	(1,013,000)	-	(1,013,000)	(888,000)
	<u>154,776</u>	<u>(836,791)</u>	<u>4,930,012</u>	<u>4,247,997</u>	<u>4,190,775</u>

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20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Net incoming resources before revaluations	101,222	4,336,775
Returns on investments and servicing of finance	(634)	(464)
Net assets transferred on conversion	-	(4,074,622)
Depreciation of tangible fixed assets	86,367	88,918
Capital grants from DfE	(198,762)	(159,369)
Increase in debtors	(57,115)	(25,254)
Increase in creditors	5,736	96,893
Defined benefit pension scheme adjustments	81,000	79,000
NET CASH INFLOW FROM OPERATIONS	17,814	341,877

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

	2013 £	2012 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	634	464
	2013 £	2012 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(231,715)	(57,782)
Capital grants from DfE	198,762	42,769
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(32,953)	(15,013)

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand	380,947	(14,505)	-	366,442
NET FUNDS	380,947	(14,505)	-	366,442

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

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23. PENSION COMMITMENTS

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

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

Contributions amounting to £28,965 were payable to the scheme at 31 August 2013 (2012 28,734) and are included within creditors

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament 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 under arrangements governed by the above Act

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

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts First, a standard contribution rate (SCR) was determined This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions The total contribution rate payable is the sum of the SCR and the supplementary contribution rate

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004 The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth was assumed to be 1.5% The assumed gross rate of return was 6.5% From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution

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23. PENSION COMMITMENTS (continued)

rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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

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

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £108,000, of which employer's contributions totalled £80,000 and employees' contributions totalled £28,000. The agreed contribution rates for future years are 15.1% for employers and 5.5 - 7.5% for employees.

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

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23. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows

	2013 £	2012 £
Present value of funded obligations	(1,534,000)	(1,256,000)
Fair value of scheme assets	521,000	368,000
Net liability	<u>(1,013,000)</u>	<u>(888,000)</u>

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

	2013 £	2012 £
Current service cost	(131,000)	(124,000)
Interest on obligation	(52,000)	(55,000)
Expected return on scheme assets	22,000	19,000
Total	<u>(161,000)</u>	<u>(160,000)</u>
Actual return on scheme assets	<u>59,000</u>	<u>24,000</u>

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

	2013 £	2012 £
Opening defined benefit obligation	1,256,000	-
Current service cost	131,000	124,000
Interest cost	52,000	55,000
Contributions by scheme participants	28,000	31,000
Actuarial losses	81,000	152,000
Benefits paid	(14,000)	(1,000)
Liability transferred on conversion	-	895,000
Closing defined benefit obligation	<u>1,534,000</u>	<u>1,256,000</u>

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23. PENSION COMMITMENTS (continued)

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

	2013	2012
	£	£
Opening fair value of scheme assets	368,000	-
Expected return on assets	22,000	19,000
Actuarial gains	37,000	6,000
Contributions by employer	80,000	81,000
Contributions by employees	28,000	31,000
Benefits paid	(14,000)	(1,000)
Asset transferred on conversion	-	232,000
	521,000	368,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £190,000 (2012 £146,000)

The Academy expects to contribute £73,000 to its Defined benefit pension scheme in 2014

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

	2013	2012
Equities	73.00 %	70 00 %
Gilts	6.00 %	6 00 %
Other bonds	11.00 %	13 00 %
Cash	2.00 %	1 00 %
Property	8.00 %	10 00 %

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

	2013	2012
Discount rate for scheme liabilities	4.70 %	3 90 %
Rate of increase in salaries	5.10 %	4 10 %
Rate of increase for pensions in payment / inflation	2.90 %	1 90 %
CPI increases	2.90 %	1 90 %
RPI increases	3.70 %	2 70 %

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

	2013	2012
Retiring today		
Males	20.1 years	20 0 years
Females	24.1 years	24 0 years
Retiring in 20 years		
Males	22.1 years	22 0 years
Females	26.0 years	25 9 years

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23 PENSION COMMITMENTS (continued)

Experience adjustment for the current period are as follows

Defined benefit pension schemes

	2013 £	2012 £
Defined benefit obligation	(1,534,000)	(1,256,000)
Scheme assets	521,000	368,000
Deficit	(1,013,000)	(888,000)
Experience adjustments on scheme liabilities	(81,000)	(152,000)
Experience adjustments on scheme assets	37,000	6,000

24. OPERATING LEASE COMMITMENTS

At 31 August 2013 the Academy had annual commitments under non-cancellable operating leases as follows

	2013 £	2012 £
EXPIRY DATE:		
Within 1 year	3,538	-
Between 2 and 5 years	421	4,717

25. RELATED PARTY TRANSACTIONS

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

During the year the Academy paid £200 for educational workshops. These were supplied by a registered charity, Frome Festival Ltd, of which D Harris, a Trustee of the Academy is also a Trustee.

26. CONTROLLING PARTY

The Academy is under the joint control of the trustees. There is no ultimate controlling party.