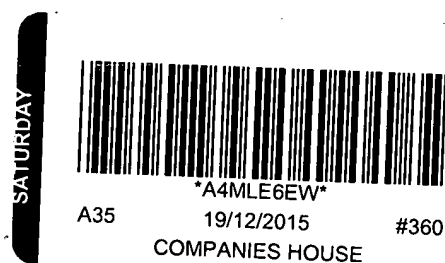


Registered number: 07694044

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015



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

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OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

Trustees	Mrs J Brudenell (resigned 23 March 2015) ⁴ Dr G Channon Ms S Cordier (resigned 11 May 2015) ^{1,4} Mr T Cutting, Chair, Chair of Environment ² Mr D Harris, Chair of Curriculum (resigned 23 May 2015) ⁴ Mr B Edwards (appointed 1 May 2015) ³ Miss A Hart ⁴ Mrs C Hopkins, Chair of Personnel ³ Mrs S Hynds, Chair of Finance ^{1,3} Mrs M Jessop ^{1,3} Mr J Malley ³ Mr D McGrath, Staff Trustee ⁴ Mrs J McGuinness, Staff Trustee ² Mrs L Peat, Staff Trustee ⁴ Mr A Kendall (appointed 11 May 2015) ¹ Mr G Smart ^{2,3} Miss E Wilkes, Headteacher ¹ Mr S Willmott (resigned 19 January 2015) ² ¹ Finance Committee ² Environment Committee ³ Personnel Committee ⁴ Curriculum Committee
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Company registered number 07694044

Principal and Registered office Oakfield Road
Frome
Somerset
BA11 4JF

Principal operating office Oakfield Road
Frome
Somerset
BA11 4JF

Senior Leadership Team E Wilkes, Head Teacher
M O'Shea, Deputy Head Teacher
A Harding, Director of Pupil Services
S Wells, Business Manager
E Thomas, Assistant Head Teacher
D McGrath, Assistant Head Teacher

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

Bankers Lloyds Bank
37 Market Place
Warminster
Wiltshire
BA12 9BD

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 9 to 13. It has a pupil capacity of 700 and had a roll of 545 in the school census on 17 June 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 5 July 2011 and opened as an Academy on 1 August 2011 and is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Oakfield Academy are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Oakfield School Academy Trust.

Details of the Trustees who served throughout 2014/2015, except as noted, are included in the Reference and Administrative Details on page 1 of the Governance Statement.

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 (Risk Protection Arrangement) purchased at the Academy Trust'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 Trust, 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 Trust. The limit of this indemnity is £5,000,000 and is explained in the 'Professional Indemnity' section of the RPA.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 5 July 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees 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 Trustees as set out in its Articles of Association and funding agreement:

- up to 3 LA Trustees 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 Governing Body.
- up to 4 Community Trustees who are appointed by the Governing Body.

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
(A COMPANY LIMITED BY GUARANTEE)**

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

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 to perform specific tasks over a limited timescale.

There are 7 committees as follows;

- Finance - meets 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 - meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessments;
- Health and Safety - meets termly to discuss and review issues relating to the property and grounds including health and safety;
- Personnel Committee – meets 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;
- The Admissions Committee - meets as and when required.

During the period of this report, a review of the Trustees' structure and audit of Trustees has taken place, the proposed new structure is to commence from September 2015.

The following decisions are reserved to the Board; 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 has 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, three Assistant Headteachers and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

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

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

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees 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.

The Headteacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

The Academy has strong collaborative links with the 17 schools which encompass The Frome Learning Partnership (FLP).

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.

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 in Section 17(5) of 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.

STRATEGIC REPORT

Achievements and Performance

The key educational results for the school during 2014-15 are as follows:

End of Year 6 progress

- L4+ = 78.5%, L5+ = 15%
- 2 levels of progress attained -
- Maths 91%
- Reading 87%
- Writing 98%
- 3 levels of progress attained -
- Maths 23%
- Reading 30%
- Writing 35%

Progress from the start of Year 5 to the end of Year 8

- Reading 16.32
- Writing 14.99
- Maths 17.58
- Science 19.83

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

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

Further information is available on the Academy website

During the year, the Academy's charity fundraising activities raised £5,720.81.

The Academy is a member of the Family of Schools for Somerset Challenge and a member of the Somerset Association of Middle Schools.

The Academy was inspected by Ofsted in April 2014 and was judged to require improvement. The four areas of guidance within the Ofsted report have been implemented and monitored throughout the school.

Numerous external visits from various organisations, including HMI, Academy Improvement Partner and groups of Headteachers have taken place, with the primary aim of driving up standards.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In period under review, £244,146 was carried forward representing 11.5% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2015 were 575, an increase of 22 over 2014. It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2015 this was 79%, compared to 74% in 2014.

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 Statement of Accounting Policies.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the 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 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2015, the Academy received total income of £2,865,049 and incurred total expenditure of £2,903,609. The excess of expenditure over income for the year was £38,560.

At 31 August 2015 the net book value of fixed assets was £5,053,447 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

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, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

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

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

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 of the audit of each year's accounts.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

Investment Policy

Due to the nature and timing of receipt 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.

PRINCIPAL RISKS AND UNCERTAINTIES

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.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

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 Governing Body 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 Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

The Board of Trustees has reviewed the major 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 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 96.4% of the Academy's incoming resources were 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.

Safeguarding and child protection - the Trustees 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.

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

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

Staffing - the success of the Academy is reliant upon 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.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

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 FLP 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 Trustees.

The Academy follows the principles of quality first class teaching.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITORS

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 LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 1 December 2015, and signed on the board's behalf by:



Mr T Cutting
Chair of Trustees

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

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Statement of Trustees' Responsibilities. The Board of Trustees has formally met 10 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	5	7
Dr G Channon	8	10
Ms S Cordier	3	8
Mr T Cutting, Chair, Chair of Environment	10	10
Mr D Harris, Chair of Curriculum	8	8
Mr B Edwards	2	2
Miss A Hart	8	10
Mrs C Hopkins, Chair of Personnel	9	10
Mrs S Hynds, Chair of Finance	10	10
Mrs M Jessop	4	10
Mr J Malley	3	10
Mr D McGrath, Staff Trustee	9	10
Mrs J McGuinness, Staff Trustee	8	10
Mrs L Peat, Staff Trustee	9	10
Mr A Kendall	2	2
Mr G Smart	8	10
Miss E Wilkes, Headteacher	10	10
Mr S Willmott	2	7

Governance reviews:

Following the Ofsted inspection of April 2014 Trustees felt that they should improve the effectiveness of the governance to be in line with and support the measures being put in place to improve the school, and started a review of the structures and procedures of the board.

In September 2014 they undertook a visioning exercise that was both collaborative with and inclusive of the academy's stakeholders. In October 2014 they held a session with Anne Adams of Somerset Governor Services to look at the structure of the board and decided to replace some governing committees with link Trustees. The Self Evaluation tool that Anne sent was applied with an outcome of too many 'red' and 'amber' boxes. In December 2014 a skills audit was implemented and was presented to FGB on 27 January 2015. The board concluded that the skill levels were good within all the required areas. The restructuring process continued with link roles defined and assigned by the end of the year. A Trustees Handbook was drafted that would include information about the governing structure and descriptions of the collective and individual roles. Trustees continue to work with the appropriate staff member to write the descriptions for their assigned role and extended, or began gaining, a deeper knowledge of their respective link areas.

GOVERNANCE STATEMENT (continued)

The Academy Improvement Partner reviewed governance within her annual assessment and in her report presented to the FGB on 15 July 2015 she made the following observations:

- Planning and reporting to Trustees more robust
- Leaders at all levels more involved in improvements
- Trustees' roles are more clearly defined
- Relevant training was provided by Governor Support Services
- Focused governor visits took place - the teaching and progress of more able students

Her recommendation was:

- To ensure the FGB track the progress of the school in terms of pupil progress and use this information to measure the impact and effectiveness of actions.

The next self-evaluation will be carried out at the beginning of the next school year.

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. And to make appropriate comments and recommendation on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for ratification.

The committee will compose a minimum of three Trustees chosen by the Governing Body, in addition to the Chair and/or Vice-Chair of Trustees plus the Business Manager. At the first meeting of the academic year, one member will be nominated as Chair to be responsible for drawing up agendas, chairing the meetings, ensuring that minutes are taken and, following agreement, presented to the main Governing Body at the next meeting. The committee will meet at least three times spread evenly across the year.

1. Consider the academy's indicative funding from the DfES, and to assess its implications for the academy, in consultation with the Headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the governing body.
2. Consider and recommend acceptance/non-acceptance of the academy's budget at the start of the year taking into consideration priorities and allocation of funds prior to recommending them to the full governing body.
3. Contribute to the academy's improvement plan
4. Review and discuss income and expenditure to date with the appropriate portion of the budget for the year. This information will be documented on a report compiled monthly
5. The Finance Committee will report at least once per term to the full governing body highlighting key points and make any necessary recommendations together with a suitable course of action
6. The committee will delegate to the Business Manager authority for virements which do not exceed £3,000. All virements carried out by the Business Manager must be reported at the next Finance Committee meeting
7. Monitor and review procedures for ensuring the effective implementation and operation of financial procedures on a regular basis as detailed in the Finance Handbook
8. Prepare the financial statement to form part of the annual report of the governing body to parents and for filing in accordance with Companies Act and Charity Commission requirements
9. Receive auditor's reports and recommend to the full governing body action as appropriate in response to audit findings
10. Recommend to the full governing body the appointment or reappointment of the auditors of the academy
11. The committee will consider and report to the Full Governing Body, financial issues to be addressed in:
 - the Academy Improvement Plan
 - the Charging Policy for lettings
 - and on such matters as are referred to it by other committees.

During the year Mr Andrew Kendall joined the Finance committee.

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

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs S Hynds, Chair of Finance	5	6
Mr A Kendall	1	1
Mrs M Jessop	4	6
Ms S Cordier	3	4
Mr T Cutting	1	6
Mr G Smart	5	6
Mrs E Wilkes	6	6

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year.

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 Oakfield School Academy Trust for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance 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.

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

GOVERNANCE STATEMENT (continued)

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 Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchasing systems
- Testing of control account/bank reconciliations

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 schedule of work has been completed as planned with no significant control issues to be addressed.

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

Approved by order of the members of the Board of Trustees on 1 December and signed on its behalf, by:



Mr T Cutting, Chair
Chair of Trustees



Miss E Wilkes
Accounting Officer

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

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.

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.

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



Miss E Wilkes, Headteacher
Accounting Officer

Date: 1.12.15



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

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

The Trustees (who act as Trustees 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 (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

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



**Mr T Cutting,
Chair of Trustees**

Date: 1.12.15

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

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 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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

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 Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

16/12/15

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

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

In accordance with the terms of our engagement letter dated 27 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Oakfield School Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Oakfield School Academy Trust and 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 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 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 ACCOUNTANT

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 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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 ACCOUNTANTS' 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 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Joseph Scaife FCA DChA (Reporting Accountant)

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

Date:

16/12/15

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 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	1,988	20,122	-	22,110	115,548
Activities for generating funds	3	35,153	-	-	35,153	30,795
Investment income	4	760	-	-	760	696
Incoming resources from charitable activities	5	28,093	2,541,685	237,248	2,807,026	2,729,778
TOTAL INCOMING RESOURCES		65,994	2,561,807	237,248	2,865,049	2,876,817
RESOURCES EXPENDED						
Charitable activities		32,565	2,709,869	148,008	2,890,442	2,784,262
Governance costs	7	-	13,167	-	13,167	8,022
TOTAL RESOURCES EXPENDED	6	32,565	2,723,036	148,008	2,903,609	2,792,284
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		33,429	(161,229)	89,240	(38,560)	84,533
Transfers between Funds	18	-	(42,572)	42,572	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		33,429	(203,801)	131,812	(38,560)	84,533
Actuarial gains and losses on defined benefit pension schemes		-	(19,000)	-	(19,000)	29,000
NET MOVEMENT IN FUNDS FOR THE YEAR		33,429	(222,801)	131,812	(57,560)	113,533
Total funds at 1 September		187,149	(715,715)	4,890,096	4,361,530	4,247,997
TOTAL FUNDS AT 31 AUGUST		220,578	(938,516)	5,021,908	4,303,970	4,361,530

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 21 to 39 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		5,053,447		4,880,925
CURRENT ASSETS					
Debtors	15	95,377		142,023	
Cash at bank		818,985		596,239	
		<u>914,362</u>		<u>738,262</u>	
CREDITORS: amounts falling due within one year	16	<u>(446,271)</u>		<u>(174,657)</u>	
NET CURRENT ASSETS			468,091		563,605
TOTAL ASSETS LESS CURRENT LIABILITIES			5,521,538		5,444,530
CREDITORS: amounts falling due after more than one year	17		<u>(29,568)</u>		<u>-</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			5,491,970		5,444,530
Defined benefit pension scheme liability	23		<u>(1,188,000)</u>		<u>(1,083,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>4,303,970</u>		<u>4,361,530</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	18	249,484		367,285	
Fixed asset funds	18	5,021,908		4,890,096	
		<u>5,271,392</u>		<u>5,257,381</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(1,188,000)</u>		<u>(1,083,000)</u>	
Total restricted funds			4,083,392		4,174,381
Unrestricted funds	18		220,578		187,149
TOTAL FUNDS			<u>4,303,970</u>		<u>4,361,530</u>

The financial statements were approved by the Trustees, and authorised for issue, on 1 December and are signed on their behalf, by:



Mr T Cutting
Chair of Trustees



Miss E Wilkes
Accounting Officer

The notes on pages 21 to 39 form part of these financial statements.

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

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

	Note	2015 £	2014 £
Net cash flow from operating activities	20	(5,078)	349,446
Returns on investments and servicing of finance	21	760	696
Capital expenditure and financial investment	21	227,064	(120,345)
INCREASE IN CASH IN THE YEAR		222,746	229,797

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

	2015 £	2014 £
Increase in cash in the year	222,746	229,797
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	222,746	229,797
EFA Salix loan issued within the year	(31,539)	-
MOVEMENT IN NET FUNDS IN THE YEAR	191,207	229,797
Net funds at 1 September 2014	596,239	366,442
NET FUNDS AT 31 AUGUST 2015	787,446	596,239

The notes on pages 21 to 39 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 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, the Academies Accounts Direction 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 funders where the asset acquired or created is held for a specific purpose.

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

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

1.3 INCOMING RESOURCES

All incoming resources are included in the 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.

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

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

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

Charitable activities are costs incurred in the Academy'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:

Long term leasehold land	-	over the life of the lease
Long term leasehold buildings 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 2015**

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.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	1,988	20,122	22,110	115,548

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	10,609	-	10,609	12,607
Consultancy and reimbursements	20,103	-	20,103	18,188
Extra curricular activities	4,441	-	4,441	-
	<u>35,153</u>	<u>-</u>	<u>35,153</u>	<u>30,795</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	760	-	760	696
	<u>760</u>	<u>-</u>	<u>760</u>	<u>696</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	237,289	237,289	80,810
General Annual Grant	-	2,122,408	2,122,408	2,350,533
Other DfE/EFA grants	-	243,298	243,298	231,123
	<u>-</u>	<u>2,602,995</u>	<u>2,602,995</u>	<u>2,662,466</u>
Other government grants				
High Needs Funding	-	149,382	149,382	47,136
Other Government Grants	-	8,984	8,984	7,500
	<u>-</u>	<u>158,366</u>	<u>158,366</u>	<u>54,636</u>
Other funding				
Sales to students	13,538	-	13,538	12,420
Give It A Go grant	-	15,277	15,277	-
School trip income	14,555	-	14,555	-
Other	-	2,295	2,295	256
	<u>28,093</u>	<u>17,572</u>	<u>45,665</u>	<u>12,676</u>
	<u>28,093</u>	<u>2,778,933</u>	<u>2,807,026</u>	<u>2,729,778</u>

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other	2015	2014
	£	2015	2015	£	£
		£	£		
Direct costs	1,863,089	116,469	164,652	2,144,210	2,072,340
Support costs	400,303	149,970	195,959	746,232	711,922
CHARITABLE ACTIVITIES	2,263,392	266,439	360,611	2,890,442	2,784,262
GOVERNANCE	1,576	-	11,591	13,167	8,022
	2,264,968	266,439	372,202	2,903,609	2,792,284

7. GOVERNANCE COSTS

	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	6,750	5,900
Auditors' non audit costs	1,665	2,000
Internal assurance costs	983	-
Other governance costs	2,193	122
Clerk to Trustees costs	1,576	-
	13,167	8,022

8. DIRECT COSTS

	Total 2015 £	Total 2014 £
Pension finance costs	13,950	35,000
Educational supplies	146,543	168,569
Staff development	11,081	7,565
Supply teachers	39,560	39,320
Wages and salaries	1,480,696	1,383,865
National insurance	102,706	97,312
Pension cost	240,127	216,130
Depreciation	109,547	124,579
	2,144,210	2,072,340

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

9. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Pension finance costs	17,050	7,000
Other costs	397	-
Recruitment and support	3,317	1,085
Maintenance of premises and equipment	65,034	77,840
Cleaning	6,691	7,990
Rent and rates	22,948	17,691
Energy costs	27,503	37,707
Insurance	25,855	22,618
Security and transport	26,161	25,345
Catering	38,168	34,253
Technology costs	698	723
Office overheads	34,716	34,845
Professional fees	77,327	56,608
Bank interest and charges	64	158
Wages and salaries	302,816	297,204
National insurance	12,738	11,797
Pension cost	84,749	79,058
	<u>746,232</u>	<u>711,922</u>

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	109,547	124,579
Auditors' remuneration	6,750	5,900
Auditors' remuneration - non-audit	1,665	2,000
Operating lease rentals:		
- plant and machinery	4,953	3,959
	<u>123,915</u>	<u>136,438</u>

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,785,088	1,681,069
Social security costs	115,444	109,109
Pension costs (Note 23)	324,876	295,188
	<u>2,225,408</u>	<u>2,085,366</u>
Supply teacher costs	39,560	39,320
	<u>2,264,968</u>	<u>2,124,686</u>

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	37	28
Teaching support	25	23
Administration and support	16	14
Management	5	5
	<u>83</u>	<u>70</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	1	0
In the band £70,001 - £80,000	1	1

Annual employer's contributions of £17,450 (2014: £16,678) are payable to the Teachers' Pension Scheme (TPS) in respect of the above employees.

OAKFIELD SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: E Wilkes remuneration £65,000 - £70,000 (2014: £40,000 - £45,000 for the period 1 January 2014 to 31 August 2014), employers pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000 for the period 1 January 2014 to 31 August 2015), D McGrath remuneration £40,000 - £45,000 (2014: £35,000 - £40,000), employers pension contributions £5,000 - £10,000 (2014: £nil - £5,000), J McGuinness remuneration £15,000 - £20,000 (2014: £15,000 - £20,000), employers pension contributions £nil - £5,000 (2014: £nil - £5,000), L Peat remuneration £40,000 - £45,000 (2014: £20,000 - £25,000 for the period 7 February 2014 to 31 August 2014), employers pension contributions £nil - £5,000 (2014: £nil - £5,000 for the period 7 February 2014 to 31 August 2014).

During the year retirement benefits were accruing to 4 Trustees (2014: 5) in respect of defined benefit pension schemes.

During the period ended 31 August 2015, travel and subsistence expenses totalling £596 (2014: £nil) were reimbursed to 2 trustees (2014: no trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was included in the total insurance cost.

14. TANGIBLE FIXED ASSETS

	Leasehold property and improvements £	Plant and equipment £	Computer equipment £	Total £
COST				
At 1 September 2014	5,060,190	61,174	59,425	5,180,789
Additions	273,839	2,652	12,500	288,991
At 31 August 2015	5,334,029	63,826	71,925	5,469,780
DEPRECIATION				
At 1 September 2014	249,517	22,868	27,479	299,864
Charge for the year	92,510	9,574	14,385	116,469
At 31 August 2015	342,027	32,442	41,864	416,333
NET BOOK VALUE				
At 31 August 2015	4,992,002	31,384	30,061	5,053,447
At 31 August 2014	4,810,673	38,306	31,946	4,880,925

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14. TANGIBLE FIXED ASSETS (continued)

Included in the cost of leasehold property and improvements is £1,180,841 in respect of long term leasehold land. The leasehold interest in this land is being depreciated over the 125 year life of the lease.

15. DEBTORS

	2015 £	2014 £
Trade debtors	540	6,550
VAT recoverable	44,742	39,777
Prepayments and accrued income	50,095	95,696
	<u>95,377</u>	<u>142,023</u>

**16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Other loans	1,971	-
Trade creditors	187,417	76,719
Other taxation and social security	34,940	31,962
Pension contributions payable	36,852	32,478
Other creditors	6,922	102
Accruals and deferred income	178,169	33,396
	<u>446,271</u>	<u>174,657</u>

Included in accruals and deferred income above is:

DEFERRED INCOME

Deferred income at 1 September 2014	8,282
Amounts released from previous years	(8,282)
Deferred income at 31 August 2015	<u>-</u>

At the balance sheet date no funds received in advance were being held by the academy.

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FOR THE YEAR ENDED 31 AUGUST 2015

17. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £	2014 £
Other loans	29,568	-

Included within the above are amounts falling due as follows:

	2015 £	2014 £
BETWEEN TWO AND FIVE YEARS		
Other loans	15,768	-

OVER FIVE YEARS

Other loans	13,800	-
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Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	13,800	-

Included within other creditors due after more than one year is a loan from Salix Limited under the Schools Energy Efficiency Loans Programme. At the year end £31,539 (2014: £Nil) remains outstanding. The loan is unsecured and interest free. It is repayable by instalments with 8 years remaining at the year end.

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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	187,149	65,994	(32,565)	-	-	220,578
RESTRICTED FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	367,285	2,122,408	(2,202,975)	(42,572)	-	244,146
High needs	-	149,382	(149,382)	-	-	-
Pupil premium	-	209,751	(209,751)	-	-	-
Other DfE/EFA grants	-	33,547	(28,209)	-	-	5,338
Other government grants	-	8,984	(8,984)	-	-	-
Other restricted funds	-	37,735	(37,735)	-	-	-
Pension reserve	(1,083,000)	-	(86,000)	-	(19,000)	(1,188,000)
	<u>(715,715)</u>	<u>2,561,807</u>	<u>(2,723,036)</u>	<u>(42,572)</u>	<u>(19,000)</u>	<u>(938,516)</u>
RESTRICTED FIXED ASSET FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed asset funds brought forward	4,451,860	-	(78,728)	-	-	4,373,132
Fixed assets purchased from GAG and other restricted funds	34,055	-	(23,959)	49,494	-	59,590
DfE/EFA Capital grants	404,181	237,248	(13,782)	(6,922)	-	620,725
Salix Loan	-	-	(31,539)	-	-	(31,539)
	<u>4,890,096</u>	<u>237,248</u>	<u>(148,008)</u>	<u>42,572</u>	<u>-</u>	<u>5,021,908</u>
Total restricted funds	<u>4,174,381</u>	<u>2,799,055</u>	<u>(2,871,044)</u>	<u>-</u>	<u>(19,000)</u>	<u>4,083,392</u>
Total of funds	<u>4,361,530</u>	<u>2,865,049</u>	<u>(2,903,609)</u>	<u>-</u>	<u>(19,000)</u>	<u>4,303,970</u>

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

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

18. STATEMENT OF FUNDS (continued)

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.

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

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.

Other DfE/EFA grants include PE/Sports Grants of £9,380, Summer School Grants of £6,500, Year 7 Catchup Grants of £7,500 and £10,167 of rates relief funding. PE/Sports Grants are used for the furtherance of physical education in the Academy. Summer School Grants are provided to support the cost of running educational sessions during the summer break. Year 7 Catchup Grants are provided to support the cost enhancing learning within Year 7 at the Academy. The rates relief grant is used to cover the cost of the academies annual rates bill.

Other government grants includes school crossing patrol grant income received from the local authority. The grant has been used to implement safety procedures for pupils, both at the start and the end of the school day.

Other restricted funds includes parental contributions for educational visits and other restricted donations made to the academy. The funds had been spent in full for the purpose for which they had been received at the year end.

FIXED ASSET FUNDS

Fixed assets brought forward represent tangible fixed assets donated to the School from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG represent capital expenditure from GAG funding.

DfE/EFA Capital grants relate to funds received for direct capital expenditure on fixed asset projects.

Salix loan represents an approved EFA loan for the purposes of a capital expenditure project.

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 2015.

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SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	187,149	65,994	(32,565)	-	-	220,578
Restricted funds	(715,715)	2,561,807	(2,723,036)	(42,572)	(19,000)	(938,516)
Restricted fixed asset funds	4,890,096	237,248	(148,008)	42,572	-	5,021,908
	<u>4,361,530</u>	<u>2,865,049</u>	<u>(2,903,609)</u>	<u>-</u>	<u>(19,000)</u>	<u>4,303,970</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	5,053,447	5,053,447	4,880,925
Current assets	220,578	408,055	285,729	914,362	738,262
Creditors due within one year	-	(158,571)	(287,700)	(446,271)	(174,657)
Creditors due in more than one year	-	-	(29,568)	(29,568)	-
Pension scheme liability	-	(1,188,000)	-	(1,188,000)	(1,083,000)
	<u>220,578</u>	<u>(938,516)</u>	<u>5,021,908</u>	<u>4,303,970</u>	<u>4,361,530</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	(38,560)	84,533
Returns on investments and servicing of finance	(760)	(696)
Depreciation of tangible fixed assets	116,469	124,579
Capital grants from DfE	(237,248)	(39,474)
Decrease in debtors	46,646	68,813
Increase in creditors	22,375	12,691
Defined benefit pension scheme adjustments	86,000	99,000
NET CASH (OUTFLOW)/INFLOW FROM OPERATIONS	<u>(5,078)</u>	<u>349,446</u>

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

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>760</u>	<u>696</u>

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

	2015 £	2014 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(10,184)	(159,819)
Capital grants from DfE	237,248	39,474
NET CASH INFLOW/(OUTFLOW) FROM CAPITAL EXPENDITURE	227,064	(120,345)

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	596,239	222,746	-	818,985
DEBT:				
Debts due within one year	-	-	(1,971)	(1,971)
Debts falling due after more than one year	-	-	(29,568)	(29,568)
NET FUNDS	596,239	222,746	(31,539)	787,446

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.

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 2012 and of the LGPS 31 March 2013.

Contributions amounting to £36,852 were payable to the scheme at 31 August 2015 (2014: £32,478) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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23. PENSION COMMITMENTS (continued)

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%));
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS in the period amounted to £175,362 (2014: £157,539).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £124,000, of which employer's contributions totalled £94,000 and employees' contributions totalled £30,000. The agreed contribution rates for future years are 18.1% 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 Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.00	555,000	6.70	459,000
Gilts	3.00	53,000	3.00	42,000
Other bonds	3.00	82,000	3.60	76,000
Cash	3.00	14,000	2.90	13,000
Property	3.00	80,000	5.90	64,000
Total market value of assets		<u>784,000</u>		<u>654,000</u>
Present value of scheme liabilities		<u>(1,972,000)</u>		<u>(1,737,000)</u>
Deficit in the scheme		<u><u>(1,188,000)</u></u>		<u><u>(1,083,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,972,000)	(1,737,000)
Fair value of scheme assets	<u>784,000</u>	<u>654,000</u>
Net liability	<u><u>(1,188,000)</u></u>	<u><u>(1,083,000)</u></u>

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

	2015 £	2014 £
Current service cost	(149,000)	(136,000)
Interest on obligation	(73,000)	(75,000)
Expected return on scheme assets	<u>42,000</u>	<u>33,000</u>
Total	<u><u>(180,000)</u></u>	<u><u>(178,000)</u></u>
Actual return on scheme assets	<u><u>22,000</u></u>	<u><u>67,000</u></u>

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23. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	1,737,000	1,534,000
Current service cost	149,000	136,000
Interest cost	73,000	75,000
Contributions by scheme participants	30,000	28,000
Actuarial (gains)/losses	(1,000)	(24,000)
Benefits paid	(16,000)	(12,000)
	<u>1,972,000</u>	<u>1,737,000</u>
Closing defined benefit obligation	<u>1,972,000</u>	<u>1,737,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	654,000	521,000
Expected return on assets	42,000	33,000
Actuarial gains/(losses)	(20,000)	5,000
Contributions by employer	94,000	79,000
Contributions by employees	30,000	28,000
Benefits paid	(16,000)	(12,000)
	<u>784,000</u>	<u>654,000</u>
	<u>784,000</u>	<u>654,000</u>

The cumulative amount of actuarial losses recognised in the Statement of total recognised losses was £180,000 (2014: £161,000).

The Academy expects to contribute £93,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	71.00 %	70.00 %
Gilts	7.00 %	6.00 %
Other bonds	10.00 %	12.00 %
Cash	2.00 %	2.00 %
Property	10.00 %	10.00 %

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	3.00 %	5.90 %
Rate of increase in salaries	4.50 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %

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23. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	23.7 years	23.6 years
Females	26.1 years	26.0 years
Retiring in 20 years		
Males	26.0 years	25.8 years
Females	28.4 years	28.3 years

Experience adjustment for the current period are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(1,972,000)	(1,737,000)	(1,534,000)	(1,256,000)
Scheme assets	784,000	654,000	521,000	368,000
Deficit	(1,188,000)	(1,083,000)	(1,013,000)	(888,000)
Experience adjustments on scheme liabilities	1,000	24,000	(81,000)	(152,000)
Experience adjustments on scheme assets	(20,000)	5,000	37,000	6,000

24. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
EXPIRY DATE:		
Within 1 year	421	-
Between 2 and 5 years	4,532	4,953

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.

T Malley, wife of J Malley, a Trustee, is employed as an Administrative Assistant. T Malley's appointment was made in open competition and J Malley was not involved in the decision making process. T Malley is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with a Trustee

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25. RELATED PARTY TRANSACTIONS (continued)

26. CONTROLLING PARTY

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