

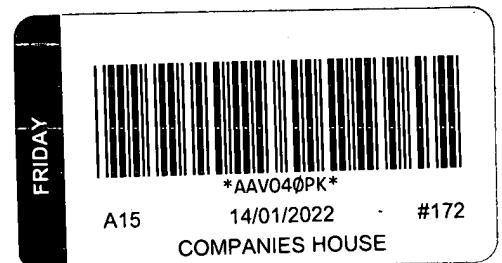
WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021

(A Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

Company Registration No: 8749821 (England and Wales)



WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
CONTENTS

	Page
Reference and Administrative Information	3
Governors' Report	5
Governance Statement	14
Statement on Regularity, Propriety and Compliance	18
Statement of Trustees' Responsibilities	19
Independent Auditor's Report	20
Independent Reporting Accountant's Assurance Report on Regularity	23
Statement of Financial Activities	25
Balance Sheet	26
Cash Flow Statement	27
Statement of Accounting Policies	28
Notes to the Financial Statements	35

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
REFERENCE AND ADMINISTRATIVE DETAILS

Members:

Miss M Boden
Mr S Slater
Mr D Stonard
Mrs K Ludlam
Mrs S Taylor

Category:

Chair (Resigned 11.05.2021)
(Resigned 11.05.2021)

w.e.f. 11.05.2021
w.e.f 11.05.2021

Trustees:

Mrs T Grieh
Mrs S Beckett
Mrs N Marley
Mrs S Mistry
Mrs D Thompson
Mrs C Roberts
Miss M Boden
Mr N Leighton
Mrs S Howells

Headteacher
Parent Governor – Acting Chair from 10.06.2021
Parent Governor
Co-opted Governor
Co-opted Governor
Co-opted Governor – w.e.f 09.07.2020
Chair (Resigned 10.06.2021)
w.e.f 03.12.2020
w.e.f 03.10.2020

Company Secretary:

Mr G Craig

Accounting Officer:

Mrs T Grieh

Chief Financial Officer:

Mrs D Southall (resigned 31.10.2020)
Mrs K Daly w.e.f 31.10.2020

Senior Leadership Team:

Headteacher
Deputy Headteacher
SENDCo
DSL
EYFS Lead
School Business Manager

Mrs T Grieh
Mrs J Griffiths
Mrs R Tranter
Mrs B Slater
Miss N Patel Resigned August 2021
Mrs K Daly w.e.f 31.10.2020

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
REFERENCE AND ADMINISTRATIVE DETAILS

Registered Office:	Greenacre Road Tipton, DY4 OAR
Company Registration Number:	8749821
Independent Auditors:	Wright & Co Chartered Accountants Registered Auditors The Squires 5 Walsall Street Wednesbury WS10 9BZ
Bankers:	Lloyds Bank 63 High Street Dudley DY1 1PY
Insurance Brokers:	RPA RPA.DFE@education.gov.uk
Solicitors:	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNORS REPORT

The Trustees present their final annual report together with the financial statements and auditor's report of the Charitable Company for the year 1st September 2020 to 31st August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

Members of the Governing Body act as the directors for the charitable activities of Wednesbury Oak Academy Trust. Three of the Governors (directors) are also Trustees of the Charitable Company for the purposes of company law.

Details of the Governors who served throughout the period are included in the Reference and Administrative Details.

The full Governing Body meets at least once a term. The work of the Governing Body is delegated to sub committees that are formerly constituted with terms of reference namely:

- Achievement and Standards Committee.
- Finance, Resources and Audit Committee.

The sub committees meet at least termly and the Chairs of these committees report back to the full Governing Body meetings.

Governors receive an analysis of the current financial position of the Academy at least six times per year. The Chair of Governors and Headteacher receive this on a monthly basis which is analysed and checked.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts of and liabilities contracted before they ceased to be a member.

Governors' Indemnities

The Academy Trust purchases indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of 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 insurance shall not extend to any claim arising from any act or omission which the Governors knew to be a breach of Trust or a breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of Trust or a breach of duty or not and provided also that any such insurance shall not extend to the costs of the unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as directors of the Academy Trust.

Principal Activities

Wednesbury Oak Academy, a non-selective Academy, provides education for pupils of different abilities between the ages of 3 and 11. Our pupils are drawn from the local area in accordance with our published admission criteria.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNORS REPORT

The Academy Trust's principal activity is specifically restricted to the following:

- To advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing an Academy offering a broad and balanced curriculum.

Method of Recruitment and Appointment of election of Governors

The Governing Body comprises three categories of governor, as set out in the Articles of Association and the Funding Agreement. The method of recruitment from 1st September 2020 to 31st August 2021 is as follows:

Community (up to 6) — Appointed by the Governing Body. The Governing Body will seek to appoint a person, who lives or works in the community served by the Academy, who is committed to the success of the Academy.

Parent (up to 2) — Nominated and elected by the parents and carers of the pupils on roll.

Staff (Up to 4) — Nominated and elected by the staff employed by the Academy. At least one representative from Teaching Staff; one representative from Support Staff.

The Principal is an ex-officio governor.

From the revised Articles of Association agreed 9th July 2020 to take effect 10th July 2020, the method of recruitment is as follows:

Community (up to 6) — Appointed by the Governing Body. The Governing Body will seek to appoint a person, who lives or works in the community served by the Academy, who is committed to the success of the Academy.

Parent (up to 2) — Nominated and elected by the parents and carers of the pupils on roll.

The Principal is an ex-officio governor.

Policies and Procedures Adopted for the Induction and Training of Governors

An updated governance review has taken place and the Governing Body are being supported by a National Leader of Governance. The NLG offers a specific tailored training session for Governors.

The Academy purchases an independent governor support service which includes an induction and training programme and the School Business Manager liaises with recent appointments to ensure that they access the most appropriate training courses. All newly appointed and elected Governors are invited to observe the working of all sub-committees before deciding which committee they could best serve.

Governors are kept up to date with their legislative obligations and good practice through the independent governor support service provided, by academy staff, by the Clerk to the Governing Body and by the NLG.

Organisational Structure

Members have the overall responsibility of the internal scrutiny and what objectives are set for the Governing Body. To enable challenge to the Headteacher and Senior Leadership Team.

The Governing Body is responsible for all major decisions impacting the Academy.

The Governing Body is responsible for setting all policies covering Personnel, Health & Safety, Curriculum and Financial aspects of the work of the Academy. The Governing Body monitors the work of the Academy. It receives regular reports from the Headteacher, Senior Leadership Team and Middle Managers which includes safeguarding, educational outcomes, budget and other data updates.

The external auditor provides reports to the Governing Body with respect to internal controls assurance. The Governing Body approves the Statutory Accounts. The levels of authorisation of budget spend as detailed in the Terms of Reference are reviewed by the Governing Body annually at the start of the new Academic year.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNORS REPORT

The day-to-day management of the Academy is delegated by the Governing Body to the Headteacher who is supported by the Senior Leadership Team which comprises Deputy Headteacher, SENCO/DSL and School Business Manager.

The initial School Development Plan (SDP) is drawn up by the Headteacher working with the School Improvement Advisor and Senior Leadership Team. The final plan is then approved by the full Governing Body. The full Governing Body reviews school development as part of its regular work.

As a primary Academy, a high percentage of the Academy's expenditure relates to staffing. The Staffing Structure is determined by the Governing Body working with the Headteacher.

The SDP and the staffing structure then influence the Academy budget. The Headteacher is the Accounting Officer and responsible for the day-to-day management of the Academy. The School Business Manager is the designated Chief Finance Officer.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body set the pay of the Academy's key staff in line with the Academy's Pay Policy, agreed annually by the Governing Body. They receive details of staff Performance Management outcomes and agree all pay increments that staff are to receive on an annual basis at the Pay Committee.

Related Parties and other Connected Charities and Organisations

All Governors sign a 'Declaration of Interest' at the start of each academic year stating that they have no related party interests either direct or indirect. Should they do so then they are declared at this point.

'Declaration of Interest' is a standing item on each committee agenda. Should there be an interest expressed, then that Governor is not involved in any decision making which relates to their stated interest. The interest is noted in the minutes. Signed Declarations of Interest are available from the School Business Manager.

Connected Organisations, including Related Party Relationships/transactions

There are no related parties which either control or significantly influence the decisions and operations of Wednesbury Oak Academy. There are no sponsors.

The Academy works with many school/ Academy networks within the Sandwell Local Authority (School to School clusters) to further the principal activities of the Academy. The Academy works with Sandwell Local Authority for School Improvement, having a service level agreement for their School Improvement Advisor. The Company Secretary is an NLG and paid to support the Academy in this role.

Risk Management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the operational areas of the site and facilities and of teaching and the finances. The Governors have implemented an internal scrutiny process which assesses the risk that the Academy faces, especially in the operational areas which includes teaching, health and safety and finance. The Governors have introduced systems, including an internal scrutiny report, risk register, operational procedures and internal financial records. This includes an Antifraud, Corruption and Bribery policy in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNORS REPORT

Objectives and Activities

Objects and Aims

The principal objective and activity of the Charitable Company is the operation of Wednesbury Oak Academy to provide education and care for pupils of different abilities between the age of 3 and 11.

In accordance with the Articles of Association the Charitable Company has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things:

- that the Academy has a curriculum satisfying the requirements of Section 78 of EA 2002 (balanced and broadly based curriculum);
- that it provides education for pupils of different abilities; and
- that it provides education for pupils who are wholly or mainly drawn from the area in which the Academy is situated.

The Aims of the Academy during the academic year ended 31st August 2021 are summarised below:

- Put the needs of our children above all else.
- Develop confidence so that children are able to take control of their own learning and support children in developing self-esteem, by ensuring each child knows that they are unique.
- Develop a safe, stimulating and creative environment, where a child's only limit is their own self-belief.
- Educate the whole child and develop global citizens, who are able to contribute effectively to their own and the wider community.
- Create a place where parents can join in the learning journey, with their children.
- Listen and value the point of view of each individual, share ideas and create our own futures.
- Ensure that children enjoy learning and use their imagination while learning.
- Create a place where talents are nurtured and developed, children are happy and have a desire to succeed.
- Develop extra-curricular activities and promote a healthy lifestyle providing a range of sporting activities.
- Support children in taking responsibility for their own behaviour, utilising positive and descriptive praise.

Our Values

Our values taken from our key drivers are : HEART

H – Happy and confident

E – Encourage a love of language

A – Aspire to reach your potential

R – Resilient and independent

T – Tolerance and respect

This will be achieved through a close working partnership between ourselves, pupils, parents, wider community and the Local Education Authority.

All Governors, teachers, ancillary staff, support staff and parents who work in the school, are committed to the following values to ensure that the children of Wednesbury Oak Academy:

- Develop a good level of basic skills in all areas of the curriculum.
- Develop into independent learners who are aware of their role in society.
- Understand the impact that their actions have on the local environment and beyond.
- Have an increased awareness of our locality, its historical importance and potential for the future.
- Are given the skills to develop into well rounded, active members of the community.

WEDNESBURY OAK ACADEMY TRUST

(Company limited by guarantee)

31st August 2021

GOVERNORS REPORT

- Have greater ownership of a rich and relevant curriculum.
- Become fully functioning independent learners and develop high level skills in thinking and reasoning, problem solving, English and Maths.

Children at Wednesbury Oak Academy will also have a deep understanding of:

- themselves and their place in the world.
- what it means to be a good citizen.
- green issues in their locality.

Objectives, Strategies and Activities

In addition to improving the levels of attainment and progress across the core subjects, for all children, the Academy's Self Evaluation identified specific Academy Development focuses for this year which included:

- The further refinement of our assessment practices.
- The further development of the English and Maths curriculum.
- The further development of Spelling, Grammar and Punctuation and applied skills, in English and across other curriculum areas throughout the Academy.
- The further development of the wider curriculum.
- To continue to develop our very good practices in personalised, formative assessment, through whole Academy self-evaluation and target setting.
- To provide focused support for pupils' mental health following COVID-19 lockdown.
- To provide focused provision for gaps in learning from missing education during lockdown.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the education of children in the Tipton area.

Strategic Report

Achievements and Performance

Following the cancellation of the 2020/21 national curriculum assessments, the DfE laid regulations to remove the requirement to report the outcomes of key stages 1 and 2 tests or teacher assessments in this year's Annual Reports. These regulations also removed the requirement to include comparative information about the attainment of pupils of the same age in the school, or nationally, for this year's Annual Reports. These regulations came into force on 9th July 2020.

The only assessment which took place in 2020/21 was the postponed summer 2020 Y1 phonics check. This took place in December 2020 when the children were in Year 2. At this point, 71% passed the check. For the last full academic year (2018/19), the pass rate was 61% for Wednesbury Oak Academy, 82% nationally. Despite significant disruption to the pupils' education this result shows a 10% increase.

Internal data based on Teacher Assessment in Year 6 shows that despite the disruption to the pupils' education they made exceptional progress from low starting points and reading assessments remained above the 2019 national figure.

Year 6 17% SEN		
Reading	Sept at standard 42%	End of year at standard 74%
Writing	Sept at standard 18%	End of year at standard 67%
Maths	Sept at standard 37%	End of year at standard 68%
Year 6 Pupil Premium 50%	Comparison	
Reading	Sept at standard 43%	End of year at standard 72%
Writing	Sept at standard 21%	End of year at standard 65%
Maths	Sept at standard 43%	End of year at standard 65%

Response to COVID-19

- **Working through well sequenced, purposeful learning journeys.** For example, our Read into Writing scheme was adapted to focus on missed objectives and consolidate the basics. In maths, we continued to use Power Maths as our spine of learning and Ready -to -progress documents to support addressing the gaps in learning.
- **Focus on consolidation of basic skills.** The core skills enabled successful learning and required increased curriculum time across all year groups. These included: handwriting, spelling of high frequency words, basic sentence punctuation, times tables recall, basic addition & subtraction fluency, reading skills relevant to age, letter and number formation, fine motor skills and speaking and listening.
- **Additional lesson time on core teaching.** Reading, writing and maths teaching required increased teaching time in order to cover missed learning – particularly in the autumn term. We aimed to keep a broad and balanced curriculum; some subject areas were reduced and the adapted curriculum continued throughout the spring term..
- **Particular focus on early reading and phonics.** This was always a focus in the school and continued to be so in order to develop children's reading ability and vocabulary.
 - Continued Phonics support from English Hub.
 - Extra Phonics sessions 4 times a week in reception.
- **Assessment of learning and of basic skills to identify major gaps.** Teachers worked to identify gaps in learning and adapt teaching accordingly.
- **Time spent on mental health, wellbeing and social skills development.** This was at the core of all catch up work as many children had not been in formal school setting for a number of months.
- **For some children, additional support and focus on basic core skills.** Supported by additional staffing utilising catch up premium – dependent on need as identified through ongoing assessment.
- **For some children, additional time to practice basic skills.** This again was dependent on the needs of children in order to re-establish good progress in the essentials (phonics and reading, increasing vocabulary, writing and mathematics) and there was flexibility on timetables to allow this.
- **Spring 2 Maths planning.** Recap units from Power Maths utilising the Ready to Progress documents.
- **Reading prioritised.** Reading was our primary focus across school for the first four weeks. 1:1 readers were prioritised by all staff across school.
- **Writing.** We continued with our Read Into Writing scheme with staff adapting and adding to the planning where gaps were identified.
- In key year groups, (Year 1, 2,6) there were additional staff so that there were three teaching groups, lowering the pupil: teacher ratio. In Year 4 and 5 the catch-up premium was also used to employ two Level 3 LSPs. A catch-up teacher was employed to work across Year 3 and 4 to enable additional small group interventions.
- New to Nursery and Reception pupils received a video of their new environment prior to September start. All pupils received photo pack and guide to their new classrooms and staff in the year group.
- During national lockdown pupils' received welfare calls weekly from a member of their year group team.
- Vulnerable children had doorstep visits twice weekly. Some families were provided with an out of hours phone number for continued support.
- Families were supported with free school meal deliveries where required.
- As a school we chose to use Tapestry as a platform for on line learning. Pre recorded lessons were used to enable all children to participate as some families had less flexibility than others. Engagement was high across all years and where a child was not engaging school staff would make extra calls to try further engagement.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNORS REPORT

Key Performance Financial Indicators

Admissions

The Academy has a pupil capacity of 420 plus a 26 place nursery (morning only). The number of children on roll at the October 2020 census was 406 plus 22 nursery children.

Attendance

As an Academy, we are committed to doing all that we can to maximise attendance. Whilst attendance was hugely disrupted by the pandemic and lock down, our attendance for 2020/21 was 96% (excluding X codes) which is broadly in line with national (96.32%) and above the LA (95%).

Staffing Ratio

The main costs incurred by the Academy are staffing costs. In line with other schools/academies in the Primary sector staffing costs are:

Total staffing costs per pupil	£4,424
--------------------------------	--------

This calculation is based on 406 pupils, plus 22 nursery pupils at 0.5 FTE.

Total staffing costs as a proportion of grant income (excluding capital grants) is 78.2%.

The Academy greatly benefits from having a committed and talented teaching and support staff. The Academy continues to place value on the investment in and mentoring of staff.

Going Concern

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

Financial Review

The main sources of income for the Academy are grants from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Education and Skills Funding Agency during the year ended 31st August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for the fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31st August 2021, total expenditure of £2,302,592 was covered by recurrent grant funding from the Education and Skills Funding Agency together with other incoming resources. The excess of income over expenditure (excluding movements on pension reserve) for the year was £673,115. The majority of this surplus, £671,382, relates to movements on the fixed asset reserve.

At 31st August 2021 the net book value of fixed assets was £3,180,579 and movements in tangible fixed assets are shown in note 11 of the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNORS REPORT

COVID-19 has caused a delay to the completion of capital works, for which grant funding has been received, which has resulted in the Academy holding higher levels of fixed asset funds than planned as at 31st August 2021. COVID-19 has not had a significant impact on the Academy's reserve policy.

We anticipated that the 2020/21 academic year would be dominated by the ongoing impacts of COVID-19 on direct teaching and learning, keeping our students and staff safe, making sure our most vulnerable students were properly safeguarded and starting to "catch-up" for lost learning.

During the year, there was a second and then a third national lockdown (from 5th November 2020 to 22nd December 2020 and 6th January 2021 to 8th March 2021) and long stretches where classroom teaching was disrupted due to individual students, groups of students and teaching staff isolating. The Academy was able to manage the financial pressures during the year and the operational surplus was £1,732.

The Academy has received £32,640 COVID-19 Catch Up Premium Funding, which has been spent in full on the salary of an additional teacher to reduce class sizes and improve pupil progress. The Academy also received £28,115 in additional COVID-19 related FSM funding from the Local Authority, which has been spent in full on FSM vouchers.

Financial and Risk Management Objectives and Policies

The Headteacher is responsible for preparing and maintaining the Risk Register to enable a Risk Management strategy (Financial Risk Register). The risk register includes financial risks to the Academy. The register and strategy are regularly reviewed in light of any new information and formally presented to the Full Governing Board annually.

Principal Risks and Uncertainties

The principal financial risk facing the Academy is that funding is dependent upon pupil intake. Pupil numbers remain stable and Governors do not consider falling numbers to be a high risk, despite the Academy's 2018 'Requires Improvement' Ofsted status. Pupil projected numbers are brought to the attention of the Chair of Governors when budget setting and any changes reflected as necessary. The Academy's future funding is also dependent upon Government Policy for Education. The impact, on Wednesbury Oak Academy, of current review of School's Funding, will be assessed accordingly.

A further risk, is that the Local Government Pension Scheme, a defined benefit system, is currently in deficit. The on-going contributions required, determined following a recent actuarial valuation, are considered to be manageable and within the Academy's budget.

Capital and Revenue Reserves Policy

The Governors 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 Academy is holding net current assets at 31st August 2021 of £1,164,824.

Unspent DFE/ ESFA capital grants at the year-end were £575,510. Conditions improvement fund allocation has been accrued for in the financial year but expenditure against this grant is not due until the next financial year, this amount currently stands at £400,688. Also, in the financial year capital projects approved were unable to be completed due to the COVID-19 Pandemic, resulting in a further £174,822 of unspent CIF funds within net current assets.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNORS REPORT

Funding from the ESFA is restricted and thus revenue reserves are maintained in separate restricted and unrestricted balances. However, in day-to-day terms, both are considered in aggregate in managing the overall financial position of the Academy. The Governors aim to maintain these reserves at a minimum level of 5% of GAG funding in order to protect the academy from any rapid decline in funding or adverse unforeseen event. Revenue reserves at the year-end stood at £589,310 (32%), which is £496,272 above the 5% agreed level.

The ICT provision in the Academy is a key part of our students' learning. The Governors have agreed to set aside funds to maintain the ICT equipment based on a detailed analysis of the age and condition of ICT equipment which is currently being completed. Based on the results of the analysis, an amount will be agreed to set aside from revenue reserves, and going forward, in-year allocations will be built into future budgets to ensure that the Academy's ICT estate is maintained.

The Governors have also considered the adequacy of reserves in the light of the impact of COVID-19 on the Academy and feel that it would be prudent not to make any major investments from revenue reserves until costs such as supply and agency have settled down.

Investment Policy

The Academy has no investments.

Fundraising

The Academy has a separate financial operating system for fundraising and donations, both for fundraising on behalf of others (i.e. Charities etc.) and for the Academy itself. The Academy does not have any connection with commercial participators / professional fundraisers.

Plans for Future Periods

Governors are committed to support and challenge the Academy in order to improve the attainment and progress of pupils that is expected by the National Curriculum.

The impact of COVID-19 will be around for some time. The Governors focus is on ensuring that the Academy remains open in a COVID-19 secure manner and that catch-up premium funding and the DFE devices are used effectively.

Funds held as Custodian Trustee on behalf of others

There are no funds held as Custodian Trustee on behalf of others.

Auditors

In so far as the Governors are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Governors report, incorporating a strategic report, was approved by the Governors on 7th December, 2021 and signed on their behalf by:

Mrs S Beckett
Chair of Governors
7th December, 2021



WEDNESBURY OAK ACADEMY TRUST
 (Company limited by guarantee)
 31st August 2021
GOVERNANCE STATEMENT

As Governors, we acknowledge we have overall responsibility for ensuring that Wednesbury Oak 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.

As Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Governing Body has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform to 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 Wednesbury Oak Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

The Members are responsible for the internal scrutiny overview within the Academy and to ensure that Trustees are holding the Headteacher and SLT to account.

Governance

The information on governance included here supplements that described in the Governors' Report and in the statement of Governors' responsibilities. The Full Governing Body has formally met Seven times during the period with three being extraordinary meetings. The Finance, Resources and Audit Committee met three and the Achievement and Standards Committee met three. This was due to the COVID-19 pandemic taking priority but support was still offered and if needed Chairs Action on urgent items would have been sought.

Attendance during the period at meetings of the Governing Body as follows:

		FGB 09.09.2020 EO 03.12.2020 12.01.2021 31.03.2021 EO 05.05.2021 EO 25.05.2021 14.07.2021	F, R & A 11.11.2020 03.03.2021 06.07.2021	A & S 03.12.2020 16.03.2021 30.06.2021	AGM 12.01.2021	Pay 05.11.2020	Total meetings attended 2020/21
S Howells	Appointed 03.12.2020	4 out of 5			1 out of 1		5 out of 6
T Grieh		7 out of 7	3 out of 3	3 out of 3	1 out of 1		14 out of 14
N Leighton	Appointed 03.12.2020	5 out of 5		2 out of 2	1 out of 1		8 out of 8
S Mistry		5 out of 7	3 out of 3		1 out of 1		9 out of 11
M Boden	Resigned 10.06.2021	5 out of 6	2 out of 2		1 out of 1	1 out of 1	9 out of 10
D Thompson		6 out of 7		3 out of 3	1 out of 1	1 out of 1	11 out of 12
N Marley		4 out of 7		3 out of 3	1 out of 1		8 out of 11
S Beckett	Acting Chair from 10.06.2021	7 out of 7		3 out of 3	1 out of 1	1 out of 1	12 out of 12
C Roberts		7 out of 7	3 out of 3		1 out of 1		11 out of 11

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNANCE STATEMENT

Members

D Stonard					1 out of 1		1 out of 1
S Slater	Resigned 11.03.2021				0 out of 1		0 out of 1
M Boden	Resigned 11.03.2021				1 out of 1		1 out of 1
Mrs K Ludlam	Appointed 11.03.2021						
Mrs S Taylor	Appointed 11.03.2021						

The Finance, Resources and Audit Committee is a sub-committee of the main Governing Body. This committee is split between Finance and Resources and a separate Audit committee. The purpose of the Finance and Resources remit is to assist the decision making for 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 and monitoring. The remit of the Audit committee is to ensure internal scrutiny is adhered to.

The Governors conduct a self-evaluation annually. The results of which are presented at the Autumn Full Governing Body meeting. This includes reviewing the skill set of Board members, effectiveness of meetings and identifies any training needs. Reflection time is set aside at the end of each meeting.

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 Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Continuing to employ cover staff to avoid the use of staff supplied by supply agencies at a very high cost.
- Having a robust method to gather quotes for resources and proposed building works to seek best value.
- Regularly reviewing the costs of Service Level Providers, changing suppliers as necessary to enhance best value.
- Reviewing benchmarking data on an annual basis with the Governing Body and following any agreed recommendations.
- Monitoring the Academy's Senior Leadership Team and staffing structure against similar school settings within the local area.
- Ensure staff to pupil ratio is in line with national recommendations.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNANCE STATEMENT

The Purpose of the System of Internal Scrutiny

The system of internal scrutiny 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 scrutiny is based on an on-going 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 scrutiny has been in place in Wednesbury Oak Academy for the period 1st September 2020 to 31st August 2021 and up to the date of the approval of the annual report and financial statements. These processes are set by the Members of the Academy and regularly reviewed by the Governing Body. To deliver internal scrutiny in the way most appropriate for Wednesbury Oak Academy the option chosen was to use a non-employed trustee. The persons used are both able to carry out the programme of internal scrutiny work and are suitably qualified and/or experienced.

Capacity to Handle Risk

The Governing Body 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 Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1st September 2020 to 31st August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

The Academy'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 set and agreed;
- monthly financial reports which are reviewed by the Headteacher and Chair of Governors;
- monthly financial reports are reviewed and agreed at least 6 times per year by the Governing Body;
- regular reviews by the Finance, Resources and Audit 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 of capital investment) guideline;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Members measured the need for a specific internal scrutiny function and have set details of this within the Internal Scrutiny checklist. Governors have appointed Wright & Co, the Charitable Company's as the external auditor.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The auditor has reported to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
GOVERNANCE STATEMENT

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 external auditor.
- Internal scrutiny checklist.
- The financial management and governance self-assessment process.
- The work of the Academy's SLT who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the members of the Board of Governors on 7th December, 2021 and signed on its behalf by:

Signed



Mrs S Beckett
Chair of Governors
7th December, 2021

Signed



Mrs T Grieh
Accounting Officer
7th December, 2021

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

31st August 2021

STATEMENT ON REGULARITY, PROPRIETY, AND COMPLIANCE

As Accounting Officer at Wednesbury Oak Academy, I have considered my responsibility to notify the Academy Trust Governing Body and Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

The internal scrutiny outcome has been taken into consideration and any actions identified from areas reviewed will be focused on during the academic year 2020/2021.

I confirm that I and the Academy Trust Governing Body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

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 the ESFA.

Signed



Mrs T Grieh
Accounting Officer
7th December, 2021

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2021
STATEMENT OF TRUSTEES RESPONSIBILITIES

The Governors (who act as Trustees for charitable activities of Wednesbury Oak Academy and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction issued by the Education & Skills Funding Agency.

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Academy and of its incoming resources and application of resources, including the income and expenditure of the Academy for the year. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and 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 Academy will continue in operation;
- appoint internal scrutiny relevant personnel to complete.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy 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 Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the Academy'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 Governors on 7th December 2021 and signed on its behalf by:

Signed



Mrs S Beckett
Chair of Governors
7th December, 2021

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

31st August 2021

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEDNESBURY OAK
ACADEMY TRUST

We have audited the financial statements of Wednesbury Oak Academy Trust ("the 'Trust'") for the year ended 31st August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs at 31st August 2021 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

31st August 2021

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEDNESBURY OAK
ACADEMY TRUST

whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report including the incorporated strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report including the incorporated strategic report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are directors 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

31st August 2021

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEDNESBURY OAK
ACADEMY TRUST

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the company'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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Mike Atkinson (Senior Statutory Auditor)
for and on behalf of Wright and Co Partnership Limited
Chartered Accountants and Statutory Auditor
The Squires
5 Walsall Street
Wednesbury
WS10 9BZ

Date: 16th December 2021

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

31st August 2021

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEDNESBURY OAK ACADEMY
TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wednesbury Oak Academy Trust during the period 1st September 2020 to 31st August 2021 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 Wednesbury Oak Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Wednesbury Oak Academy Trust and the ESFA those matters we are required to state to it 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 Wednesbury Oak Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Wednesbury Oak Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Wednesbury Oak Academy Trust's funding agreement with the Secretary of State for Education dated 25th May 2012 and the Academy Trust Handbook, extant from 1st September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2020 to 31st August 2021 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

31st August 2021

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WEDNESBURY OAK ACADEMY
TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

The work undertaken to raw to our conclusion includes:

- planning our assurance procedures including identifying key risks;
- carrying out sample testing on controls;
- carrying out substantive testing including analytical review; and
- concluded on procedures carried out.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2020 to 31st August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- The Trust has incurred £3,700.00 of expenditure during the year ended 31st August 2021 (2019/20: £3,700.00) with DT Attendance Consultancy Ltd, a company in which Dawn Thompson (a trustee of the Trust) has a majority interest. We cannot confirm that this transaction was at cost as no supporting information has been provided.

Reporting Accountant
Wright and Co Partnership Limited
The Squires
5 Walsall Street
Wednesbury
WS10 9BZ

Date: 16th December 2021

Wednesbury Oak Academy Trust

Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020/21 £	Total 2019/20 £
Income and endowments from:						
Donations and capital grants	2	0	0	593,018	593,018	443,111
Transfer from local authority on conversion		0	0	0	0	0
Charitable activities:						
Funding for the academy trust's educational operations	3	0	2,359,950	0	2,359,950	2,295,607
Other Trading Activities	4	22,534	0	0	22,534	26,395
Investments	5	204	0	0	204	1,972
Total		22,738	2,359,950	593,018	2,975,707	2,767,085
Expenditure on:						
Raising funds		0	0	0	0	0
Charitable activities:						
Academy trust educational operations	7	11,865	2,166,888	123,838	2,302,592	2,314,743
Other		0	0	0	0	
Total	6	11,865	2,166,888	123,838	2,302,592	2,314,743
Net income (expenditure)		10,873	193,062	469,179	673,115	452,342
Transfers between funds		0	(202,203)	202,203	0	0
Net income/(expenditure) for the year		10,873	(9,141)	671,382	673,115	452,342
Other recognised gains / (losses)						
Actuarial (losses) / gains on defined benefit pension schemes	24	0	(474,000)	0	(474,000)	(295,000)
Net movement in funds		10,873	(483,141)	671,382	199,115	157,342
Reconciliation of funds						
Total funds brought forward - restated		509,553	(1,793,975)	3,084,710	1,800,288	1,642,946
Funds carried forward		520,426	(2,277,116)	3,756,092	1,999,403	1,800,288

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

See Note 26 for details of restatement.

Wednesbury Oak Academy Trust

BALANCE SHEET at 31 August 2021

Company Number 8749821

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		3,180,579		2,659,544
Current assets					
Stock		0		0	
Debtors	12	493,207		447,366	
Cash at bank and in hand		<u>851,473</u>		<u>770,348</u>	
		1,344,679		1,217,714	
Liabilities					
Creditors: Amounts falling due within one year	13	<u>(179,856)</u>		<u>(169,970)</u>	
Net current assets			<u>1,164,824</u>		<u>1,047,744</u>
Total assets less current liabilities			4,345,403		3,707,288
Creditors: amounts falling due after more than one year	14				
Net assets excluding pension liability			4,345,403		3,707,288
Defined benefit pension scheme liability	24		<u>(2,346,000)</u>		<u>(1,907,000)</u>
Total Assets			<u>1,999,403</u>		<u>1,800,288</u>
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund - Prior year restated	15		3,756,092		3,084,710
. Restricted income fund - Prior year restated	15		68,884		113,025
. Pension reserve	24		<u>(2,346,000)</u>		<u>(1,907,000)</u>
Total restricted funds			<u>1,478,977</u>		<u>1,290,735</u>
Unrestricted income funds	15		<u>520,426</u>		<u>509,553</u>
Total funds			<u>1,999,403</u>		<u>1,800,288</u>

See Note 26 for details of restatement.

The financial statements on pages 25 to 55 were approved by the trustees, and authorised for issue on 7th December 2021 and are signed on their behalf by



Sarah Beckett
Trustee

Wednesbury Oak Academy Trust

Statement of Cash Flows for the year ended 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	132,776	(303,898)
Cash flows from investing activities	20	(51,652)	353,954
Cash flows from financing activities		0	0
Change in cash and cash equivalents in the reporting period		<u>81,124</u>	<u>50,056</u>
 Cash and cash equivalents at 1 September 2020		 770,348	 720,292
Cash and cash equivalents at the 31 August 2021		<u>851,473</u>	<u>770,348</u>

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021

1. Accounting Policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the *Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)* (Charities SORP (FRS102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 company to continue as a going concern. The continuing global pandemic may have further, and unforeseen implications for the trust. Trustees will continue to monitor the situation, taking account of all advice from ESFA, Government etc, acting accordingly to secure the future of the Trust. On the basis of actions already undertaken by the Trust and using current information on future funding the trustees in making an assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Income

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

• Grants

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant.

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

• Donations

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

• Other income

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

• Donated goods, facilities and services

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

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

• Freehold buildings	1%
• Windows, doors and exterior fixtures	4%
• Dance Studio	4%
• EYFS Building	2%
• Muga	20%
• Boiler and Heating	4%
• Fixtures, fittings and equipment	20%
• ICT equipment	25%
• Motor Vehicles	10%

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

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

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

Liabilities

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

Provisions

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

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

Leased Assets

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

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in **note 12**. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in **notes 13 and 14**. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1. Statement of Accounting Policies (continued)

Pensions Benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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

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

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

Notes to the Financial Statements for the year ended 31 August 2020 (continued)

1. Statement of Accounting Policies (continued)

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in **note 24**, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

There are no critical areas of judgement that affect the Financial Statements.

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021

2 Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Total 2019/20 £
ESFA IT Donations	0	20,500	20,500	0
Capital Grants	0	572,518	572,518	443,111
	<u>0</u>	<u>593,018</u>	<u>593,018</u>	<u>443,111</u>
2019/20 Total	<u>0</u>	<u>443,111</u>	<u>443,111</u>	

3 Funding for Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Total 2019/20 £
DfE / ESFA revenue grants				
General Annual Grant (GAG)	0	1,860,769	1,860,769	1,811,716
PE Grant	0	19,480	19,480	19,490
Pupil Premium	0	201,190	201,190	203,580
Other DfE / ESFA grants Rates	0	6,605	6,605	6,545
Other DfE / ESFA grants UIFSM	0	58,021	58,021	58,777
Other DfE / ESFA grants Covid Catch up	0	32,640	32,640	0
	<u>0</u>	<u>2,178,705</u>	<u>2,178,705</u>	<u>2,100,108</u>
Other Government grants				
Local Authority Grants - High Cost SEN	0	59,898	59,898	43,883
Local Authority Grants - Early Years Funding	0	93,233	93,233	142,816
Local Authority Grants - FSM Funding (Covid)	0	28,115	28,115	8,800
	<u>0</u>	<u>181,246</u>	<u>181,246</u>	<u>195,499</u>
	<u>0</u>	<u>2,359,950</u>	<u>2,359,950</u>	<u>2,295,607</u>
2019/20 Total	<u>0</u>	<u>2,295,607</u>	<u>2,295,607</u>	

The Academy has received £32,640 COVID 19 Catch Up Premium Funding, which has been spent in full on the salary of an additional teacher to reduce class sizes and improve pupil progress.

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

4 Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Total 2019/20 £
	0	0	0	1,745
Hire of Facilities	9,478	0	9,478	255
Catering Income	13,057	0	13,057	24,395
Other Sales				
	<u>22,534</u>	<u>0</u>	<u>22,534</u>	<u>26,395</u>
	<u>26,395</u>	<u>0</u>	<u>26,395</u>	
2019/20Total				

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2020/21 £	Total 2019/20 £
Short Term Deposits	204	0	204	1,972
	<u>204</u>	<u>0</u>	<u>204</u>	<u>1,972</u>
	<u>1,972</u>	<u>0</u>	<u>1,972</u>	
2019/20Total				

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

6 Expenditure

	Staff Costs £	Non Pay Expenditure Premises £	Other £	Total 2020/21 £	Total 2019/20 £
Costs of generating voluntary income	0	0	0	0	0
Costs of activities for generating funds	0	0	0	0	0
Academy's educational operations					
• Direct Costs	1,549,670	0	66,002	1,615,673	1,489,583
• Allocated Support Costs	295,117	203,639	188,163	686,919	825,159
	<u>1,844,788</u>	<u>203,639</u>	<u>254,165</u>	<u>2,302,592</u>	<u>2,314,743</u>
2019/20 Total	<u>1,878,946</u>	<u>192,790</u>	<u>243,006</u>	<u>2,314,742</u>	

Net Income/(expenditure) for the period includes:

	2020/21 £	2019/20 £
Operating leases - plant and machinery	0	960
- other leases	0	0
Depreciation	122,088	81,672
(Gain)/loss on disposal of fixed assets	1,750	0
Amortisation of intangible fixed assets (included within Charitable Activities – Academy trust educational operations)	0	0
Fees payable to auditor for:		
- audit	6,000	5,500
- other services	2,500	2,000
	<u>8,500</u>	<u>7,500</u>

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

7 Charitable Activities - Academies Educational Operations

	Restricted Funds £	Unrestricted Funds £	Restricted Fixed Asset Funds £	Total 2020/21 £	Total 2019/20 £
Direct costs					
Teaching and educational support costs	1,549,670	0	0	1,549,670	1,427,605
Depreciation	0	0	0	0	
Technology costs	9,684	0	0	9,684	10,825
Educational supplies	45,979	4,220	0	50,199	56,672
Staff development	6,119	0	0	6,119	5,307
Educational consultancy	0	0	0	0	0
Other direct costs	0	0	0	0	0
	<u>1,611,452</u>	<u>4,220</u>	<u>0</u>	<u>1,615,673</u>	<u>1,500,410</u>
Allocated support costs					
Support staff costs	295,117	0	0	295,117	451,341
Depreciation	0	0	122,088	122,088	81,672
Technology costs	0	0	0	0	0
Recruitment and support	2,708	0	0	2,708	1,810
Maintenance of premises	36,497	0	0	36,497	50,498
Water rates	1,148	0	0	1,148	2,925
Energy costs	26,152	0	0	26,152	24,636
Maintenance of equipment	0	0	0	0	0
Cleaning	2,792	0	0	2,792	4,072
Operating lease (photocopier)	3,367	0	0	3,367	7,788
Rent and rates	6,605	0	0	6,605	6,545
Insurance	8,356	0	0	8,356	11,618
Supply teacher insurance	0	0	0	0	0
Security and transport	5,240	0	0	5,240	9,333
Catering	83,559	0	0	83,559	79,541
Bank interest and charges	0	0	0	0	0
Other support costs	78,654	7,645	0	86,299	77,561
Governance costs	5,240	0	0	5,240	4,994
Fixed Assets Disposals	0	0	1,750	1,750	0
	<u>555,436</u>	<u>7,645</u>	<u>123,838</u>	<u>686,919</u>	<u>814,334</u>
	<u>2,166,888</u>	<u>11,865</u>	<u>123,838</u>	<u>2,302,592</u>	<u>2,314,743</u>
2019/20 Total	<u>2,233,071</u>	<u>0</u>	<u>81,672</u>	<u>2,314,743</u>	

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

8 Staff

a. Staff Costs

Staff costs during the period were:

	2020/21	2019/20
	£	£
Wages and salaries	1,266,752	1,426,345
Social security costs	206,833	104,340
Operating costs of defined benefit pension schemes	338,157	344,062
Additional Pension Contribution	0	0
Statutory Maternity Pay	0	(14,913)
	<u>1,811,742</u>	<u>1,859,834</u>
Supply staff costs	33,046	17,424
Staff restructuring costs	0	1,688
	<u>1,844,788</u>	<u>1,878,946</u>

b. Staff numbers

The average number of persons employed by the academy trust during the period was as follows:

	2020/21	Restated 2019/20
	No.	No.
Charitable Activities		
Teachers	21	21
Administration and support	56	53
Management	3	3
	<u>80</u>	<u>77</u>

d. Higher paid staff

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

	2020/21	2019/20
	No.	No.
£70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for services to the academy trust was £365,312 (2020: £354,972).

See Note 26 for details of restatement.

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

Principal: Mrs Grieh Remuneration £70,001 - £75,000 (2020 £65,001 - £70,000)
Employer's Pension Contributions paid £15,001 - £20,000 (2020 £15,001 - £20,000)
Staff Trustee: Mrs Griffiths Remuneration £55,001 - £60,000 (2020 £55,001 - £60,000)
Employer's Pension Contributions paid £10,001 - £15,000 (2020 £10,001 - £15,000)

During the period ended 31 August 2021, no travel and subsistence expenses were reimbursed to trustees (2020 £Nil).

Other related party transactions involving the Trustees are set out in **note 25**

10 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 £10,000,000 on any one claim and the cost for the period ended 31 August 2021 was £150(2020 £147).

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

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

11 Tangible Fixed Assets

	Freehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost					
At 1 September 2020	2,904,925	175,935	111,317	0	3,192,177
Additions	622,209	0	22,665	0	644,874
Transfer on conversion	0	0	0	0	0
Disposals	0	0	(1,750)	0	(1,750)
At 31 August 2021	3,527,134	175,935	132,232	0	3,835,301
Depreciation					
At 1 September 2020	295,513	143,155	93,965	0	532,633
Charged in year	96,453	11,542	14,531	0	122,526
Disposals	0	0	(438)	0	(438)
At 31 August 2021	391,966	154,697	108,058	0	654,721
Net book values					
At 31 August 2021	3,135,168	21,238	24,174	0	3,180,579
At 31 August 2020	2,609,412	32,780	17,352	0	2,659,544

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

12 Debtors

	2020/21	2019/20
	£	£
Trade debtors	0	0
Other debtors	432,520	411,124
VAT recoverable	13,957	5,522
Prepayments and accrued income	46,730	30,720
	<u>493,207</u>	<u>447,366</u>

13 Creditors: amounts falling due within one year

	2020/21	2019/20
	£	£
Trade creditors	92,666	111,697
PAYE & NIC creditor	29,552	19,537
Other taxation and social security	0	0
Pension scheme creditors	0	0
Other creditors	57,638	38,736
	<u>179,856</u>	<u>169,970</u>

Deferred income

	2020/21	2019/20
	£	£
Deferred income at 1 September 2020	38,736	42,046
Released from previous years	(38,736)	(42,046)
Resources deferred in the year	57,638	38,736
Deferred Income at 31 August 2021	<u>57,638</u>	<u>38,736</u>
	<u>237,493</u>	<u>208,706</u>

14 Creditors: amounts falling due in greater than one year

	2020/21	2019/20
	£	£
Other Creditors	0	0
	<u>0</u>	<u>0</u>

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

15 Funds

	Balance at 1 September 2020 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2021 £
Restricted general funds					
ESFA Grant Funding	102,859	2,146,065	(1,977,836)	(202,203)	68,884
Other Government grants	0	153,131	(153,131)	0	(0)
Other grants	10,166	0	(10,166)	0	0
COVID 19 Catch up Funding	0	32,640	(32,640)	0	0
Other COVID 19 Funding	0	28,115	(28,115)	0	0
Pension reserve	(1,907,000)	0	35,000	(474,000)	(2,346,000)
	(1,793,975)	2,359,950	(2,166,888)	(676,203)	(2,277,116)
Restricted fixed asset funds					
Transfer on Conversion	2,258,649	0	(22,586)	0	2,236,063
Unspent DfE/ESFA capital grants	425,163	572,518	0	(422,171)	575,510
Capital expenditure from GAG and other grants	400,898	0	(94,815)	624,374	930,457
Disposal of Assets	0	0	0	0	0
Donations	0	20,500	(6,437)	0	14,063
	3,084,710	593,018	(123,838)	202,203	3,756,092
Total restricted funds	1,290,735	2,952,968	(2,290,727)	(474,000)	1,478,977
Total unrestricted funds	509,553	22,738	(11,865)	0	520,426
Total Funds	1,800,288	2,975,707	(2,302,592)	(474,000)	1,999,403

The academy trust is not subject to GAG carried forward limits

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

15 Funds (continued)

	Balance at 1 September 2019 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2020 £
Restricted general funds - Restated					
ESFA Grant Funding	186,537	2,251,724	(2,262,221)	(73,181)	102,859
Other Government grants	0	43,883	(43,883)	0	0
Other grants	0	10,166	0	0	10,166
Pension reserve	(1,699,000)	0	87,000	(295,000)	(1,907,000)
	(1,512,463)	2,305,773	(2,219,104)	(368,181)	(1,793,975)
Restricted fixed asset funds - Restated					
Transfer on Conversion	2,136,306	0	(22,586)	0	2,113,720
DfE/ESFA capital grants	0	443,111	0	(17,948)	425,163
Capital expenditure from GAG	513,784	0	(59,086)	91,129	545,827
Disposal of Assets	0	0	0	0	0
	2,650,090	443,111	(81,672)	73,181	3,084,710
Total restricted funds	1,137,627	2,748,884	(2,300,775)	(295,000)	1,290,735
Total unrestricted funds	505,319	18,201	(13,967)	0	509,553
Total Funds	1,642,946	2,767,085	(2,314,743)	(295,000)	1,800,288

See Note 26 for details of restatement.

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
In-tangible fixed assets	0	0	0	0
Tangible fixed assets	0	0	3,180,579	3,180,579
Current assets	520,426	248,743	575,510	1,344,679
Current liabilities	0	(179,856)	0	(179,856)
Pension scheme liability	0	(2,346,000)	0	(2,346,000)
Total net assets	520,426	(2,277,116)	3,756,092	1,999,403

Restated comparative information in respect of the preceding period is as follows:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
In-tangible fixed assets	0	0	0	0
Tangible fixed assets	0	0	2,659,544	2,659,544
Current assets	509,553	282,995	425,166	1,217,714
Current liabilities	0	(169,970)	0	(169,970)
Non-current liabilities	0	0	0	0
Pension scheme liability	0	(1,907,000)	0	(1,907,000)
Total net assets	509,553	(1,793,975)	3,084,710	1,800,288

See Note 26 for details of restatement.

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

17 Capital commitments

	2020/21 £000	2019/20 £000
Contracted for, but not provided in the financial statements	<u>659</u>	<u>532</u>

18 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020/21 £000	2019/20 £000
Amounts due within one year	337	1538
Amounts due between one and five years	0	337
Amounts due after five years	0	0
	<u>337</u>	<u>1875</u>

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

19 Reconciliation of net income/(expenditure to net cash flow from operating activities	2020/21	2019/20
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	673,115	452,342
Adjusted for:		
Amortisation	0	0
Depreciation (note 11)	122,088	81,672
Capital grants from DfE and other capital income	(572,518)	(443,111)
ESFA Donated Assets	(20,500)	0
Disposal of Donated Assets	1,750	0
Transfer on conversion	0	0
Interest receivable (note 5)	(204)	(1,972)
Defined benefit pension scheme obligation inherited	0	0
Defined benefit pension scheme cost less contribs payable (note 22)	207,000	(6,000)
Defined benefit pension scheme finance income (note 23)	(242,000)	(81,000)
(Increase)/decrease in stocks	0	0
(Increase)/decrease in debtors	(45,841)	(340,614)
Increase/(decrease) in creditors	9,886	34,785
Net cash provided by / (used in) Operating Activities	132,776	(303,898)
	2020/21	2019/20
	£	£
20 Cash Flows from Investing Activities		
Dividends, interest and rents from investments	204	1,972
Proceeds from sale of tangible fixed assets	0	0
Purchase of intangible fixed assets	0	0
Purchase of tangible fixed assets	(624,374)	(91,129)
Capital grants from DfE Group	572,518	443,111
Capital funding received from sponsors and others	0	0
Net cash provided by / (used in) investing activities	(51,652)	353,954
	2020/21	2019/20
	£	£
21 Analysis of cash and cash equivalents		
Cash in hand and at bank	851,473	770,348
Notice deposits (less than 3 months)	0	0
Total cash and cash equivalents	851,473	770,348

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

22 Analysis of Changes in Net Debt

	At 1 September 2020 £	Cash flows £	Acquisition/ disposal of subsidiaries £	New finance leases £	Other non-cash changes £	At 31 August 2021 £
Cash	770,348	81,124	0	0	0	851,473
Cash Equivalents	0	0	0	0	0	0
Overdraft facility (repayable on demand)	0	0	0	0	0	0
Loans falling due within one year	0	0	0	0	0	0
Loans falling after more than one year	0	0	0	0	0	0
Finance lease obligations	0	0	0	0	0	0
Total	770,348	81,124	0	0	0	851,473

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

23 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.

24 Pension and similar obligations

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

The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £Nil (2020: £Nil) were payable to the schemes at 31 August 2021 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 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to TPS in the period amounted to £260,070 (2020: £260,427).

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

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

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2021 was £113,088 (2020: £148,570), of which employer's contributions totalled £87,333 (2020: £78,853) and employees' contributions totalled £25,755 (2020: £25,150). The agreed contribution rates for future years are 17.5 per cent for employers from April 2020 and a range of between 5.5 per cent and 12.5 per cent, based on earnings, for employees.

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

Employer contributions include additional contributions of £Nil (2020: £163,408) as agreed with the West Midlands Local Government Pension Scheme. This is part of a twenty three year arrangement to erradicate the deficit on the overall pension scheme by 2036. The additional contributions will increase as follows:

April 2020	£48,000	April 2021	£49,000	April 2022	£51,000
------------	---------	------------	---------	------------	---------

Principal Actuarial Assumptions

	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.85%	3.25%
Rate of increase for pensions in payment/inflation	2.85%	2.25%
Discount rate for scheme liabilities	1.70%	1.65%
Inflation assumption (CPI)		
Commutation of pensions to lump sums		

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%	0%	-0.1%
	£	£	£
Adjustment to discount rate			
Present value of total obligation	3893	4007	4124
Projected service cost	281	291	303
	+ 0.1%	0%	-0.1%
	£	£	£
Adjustment to long term salary increase			
Present value of total obligation	4022	4007	3992
Projected service cost	292	291	291
	+ 1 Year	None	- 1 Year
	£	£	£
Adjustment to mortality age rating assumption			
Present value of total obligation	4177	4007	3844
Projected service cost	304	291	279

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	22	21.9
Females	24.2	24.1
<i>Retiring in 20 years</i>		
Males	23.9	23.8
Females	26.1	26

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (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 2021	Fair Value at 31 August 2021 £	Expected return at 31 August 2020	Fair Value at 31 August 2020 £
Equities	61.00%	1,012,000	56.00%	743,000
Government bonds	8.00%	137,000	11.00%	143,000
Other bonds	6.00%	102,000	4.00%	51,000
Property	7.00%	117,000	8.00%	100,000
Cash liquidity	4.00%	61,000	7.00%	88,000
Other	14.00%	232,000	15.00%	197,000
Total market value of assets		1,661,000		1,322,000
Present value of scheme liabilities				
- Funded		(4,007,000)		(3,229,000)
Surplus/(deficit) in the scheme		(2,346,000)		(1,907,000)

The actual return on scheme assets was £,000 (2020: £)

Amounts recognised in the statement of financial activities

	2021 £	2020 £
Current service cost (net of employee contributions)	243,000	160,000
Past service cost	0	0
Total operating charge	243,000	160,000

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	23,000	16,000
Interest on pension liabilities	(53,000)	(45,000)
Pension finance income/(costs)	(30,000)	(29,000)

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Changes in the present value of defined benefit obligations were as follows:

	2021	2020
	£	£
At 1 September	3,229,000	2,366,000
Current service cost	243,000	160,000
Interest cost	53,000	45,000
Employee contributions	26,000	24,000
Changes in Financial Assumptions/Actuarial (gain)/loss	578,000	172,000
Benefits paid	(18,000)	134,000
Change in demographic assumptions	(46,000)	75,000
Experience loss/(gain) on defined benefit obligation	(58,000)	253,000
At 31 August	<u>4,007,000</u>	<u>3,229,000</u>

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

	2021	2020
	£	£
At 1 September	1,322,000	667,000
Expected return on assets	23,000	16,000
Return on assets less interest	219,000	65,000
Business combinations	0	205,000
Other actuarial gains/(losses)	89,000	211,000
Employee contributions	26,000	24,000
Benefits paid	(18,000)	134,000
At 31 August	<u>1,661,000</u>	<u>1,322,000</u>

Wednesbury Oak Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

25 Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure Related Party Transaction

DT Attendance a company in which Dawn Thompson (a trustee of the trust) has a majority interest:

- The trust entered into contracts with DT Attendance for attendance support and data. These contracts totalled £3,700 (2020: £3,700) during the period.

There were no amounts outstanding at 31 August 2021 (2020: £nil)

- We believe these transactions to be at cost, however our auditors have stated they cannot confirm this based on ATH definitions and information available from the academy. We have requested clarification from the ESFA as to the detail of how "at cost" should be calculated to enable the academy and our auditors to have clarity as to the way forward. Following receipt of the ESFA's response, the Trust shall put in place measures to ensure rules are adhered to in full.

Income Related Party Transactions

- No income from any related party.

26 Prior Year Restatement

The 2020 financial statements omitted a required transfer between restricted general funds and restricted fixed asset funds of £73,181. Comparative figures in the financial statements have been restated to reflect this transfer.

Prior year staff numbers included several employees with day to day teaching responsibilities in management and duplicated the headcount figure of several administration and support staff with more than one role. Comparative figures have been restated to reflect the correct staff numbers for the period, as summarised

	2019/20	Restated 2019/20
Teachers	19	21
Administration and support	57	53
Management	6	3
	<hr/> 82	<hr/> 77