

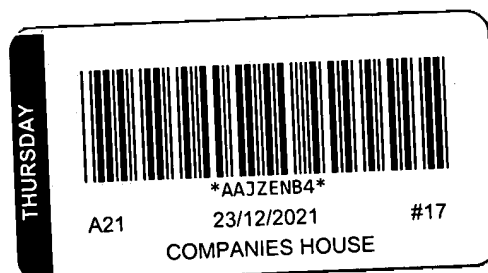
REGISTRAR

Company Registration Number: 09712111 (England & Wales)

Oaklands Primary Academy
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2021



Oaklands Primary Academy
(A Company Limited by Guarantee)

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Reference and administrative details of the Academy Trust, its trustees and advisers
For the year ended 31 August 2021

Members	Mr. M. Staker Mr. S. Hickford Mrs. E. Penny (resigned 30 August 2021) Mrs. L. Saunders Mr. J-P. Le Tissier
Trustees	Mr. M. Staker, Chair of Trustees Mr. J-P. Le Tissier, Vice Chair of Trustees Miss. R. Sharp, Headteacher and Accounting Officer Mr. S. Hickford Mrs. E. Penny (resigned 30 August 2021) Ms. S. Desai Mrs. L. Saunders Councillor M. Stevens (appointed 5 May 2021) Mr. A. Tasiya
Company registered number	09712111
Company name	Oaklands Primary Academy
Principal and registered office	Oaklands Primary School Oaklands Lane Biggin Hill Westerham TN16 3DN
Company secretary	Miss S. Skinner (appointed 1 September 2020)
Senior management team	Miss. R. Sharp, Headteacher Mrs. R. Kushoro, Deputy Headteacher Mrs. S. Amin, Inclusion Manager Mrs. S. Brotherhood, Assistant Headteacher
Independent auditors	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants Statutory Auditors Thames House Roman Square Sittingbourne Kent ME10 4BJ
Bankers	Lloyds Bank PO Box 1000 Kent BX1 1LT
Solicitors	Stone King 13 Queen Square Bath BA1 2HJ

Oaklands Primary Academy
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Trustees' report
For the year ended 31 August 2021

The trustees present their annual report together with the financial statements and auditor's reports of the Academy Trust for the year from 1 September 2020 through to 31 August 2021.

The Academy Trust operates an academy for pupils aged 2 to 11, serving a catchment area in Biggin Hill, Westerham Kent TN16 3DN yet covering Bromley, Bexley, Kent and Croydon. It has a three-form entry pupil capacity for year groups R to 6 of 630 plus onsite nursery and had a roll of 493 (2020: 462) per October 2020 census. Nursery roll was 69.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity, and its Memorandum and Articles of Association are the primary governing documents of the Trust.

The trustees of Oaklands Primary Academy are also the directors for the purposes of company law. They are also sometimes referred to as governors; the three terms trustee, director and governor are interchangeable but for the purpose of this report trustee will be used. Details of the trustees in office at the year end are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the Academy Trust 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.

Trustees' indemnities

The company maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against these individuals. The Academy Trust has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the Academy Trust. Details are provided in note 13.

Principal Activities

The Academy Trust took over the operation of Oaklands Primary School on 1 September 2015 on the school's conversion to academy status. Since then the Academy Trust's principal object and activity has been to manage the school's provision of education to pupils between the ages of 2 and 11.

Method of recruitment and appointment or election of trustees

Under the terms of its Articles, the Academy Trust shall have the following trustees:

- Those skilled in educational matters especially relating to education, finance, legal and Human Resources;
- Shall be committed to providing quality educational opportunities for all stakeholders; and
- Shall be committed and dedicated to the core purpose of the Academy and follow all charitable and financial procedures

Policies and procedures adopted for the induction and training of trustees

During the year under review the Full Board met 7 times under a flat structure of all Trustees at all meetings which were all held virtually. The training and induction provided for new trustees depends on their previous experience. All new trustees are given a tour of the school and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. New trustees attend an induction course provided by the Academy's Clerking and Governance service provider Octavo and have access to a full program of courses which they will choose to attend, based on their role and experience.

Organisational structure

The organisational structure consists of three levels: the trustees, the Senior Leadership Team (including the extended Senior Leadership Team, which includes learning directors) and the Middle Management Team (made up of specialist teachers). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

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Trustees' report
For the year ended 31 August 2021

Organisational structure (continued)

The Senior Leadership Team comprises the Headteacher, Deputy Headteacher, Assistant Headteacher and Inclusion Leader. These managers control the Academy at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment boards for posts in the Senior Leadership Team may contain a trustee. Some spending control is devolved to members of the Middle Management Team, with limits above which a member of the Senior Leadership Team must countersign.

A secondary layer of senior teachers includes specialist teaching staff and middle leadership and is made up of Curriculum Area Leadership Research Teams. Along with the Senior Management Team these managers are responsible for the day-to-day operation of the Academy and developing the further strategic direction of the school.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Academy Trust comprise the trustees and senior leadership team as disclosed on page 1.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the Board of Trustees, after taking advice from the Headteacher and following guidance from the relevant professional pay review bodies. Naturally the Headteacher was not involved in setting his/her own remuneration package.

Only staff trustees, including the Headteacher, are remunerated, and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees, specific disclosures concerning staff trustees' remuneration is included in note 12. Remuneration paid to the key management personnel, including the staff trustees, is disclosed in note 11(d).

The day to day running of the remuneration policy is delegated to the Headteacher and monitored by the full board under the flat structure. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the Board of Trustees.

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked closely to pay spines, helping trustees conclude that each individual receives remuneration at an appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The Board always bear in mind the charitable status of the Academy Trust and in so doing recognise the fact the Trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensure the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the Trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Trade union facility time

The school did not have any employees who were trade union officials during the year and therefore no staff time was spent on facility time.

Connected organisations, including related party relationships

The trust is a member of Ignite Education Trust ("IGNITE"), a limited by guarantee company (registered number 09749664). IGNITE was established with other local academy trusts to provide a mechanism of school to school support and guidance in leadership and enhancing outcomes for stakeholders across the Trust. This doesn't impact on operating policies as each school which is a member of IGNITE is a stand-alone Academy. The Headteachers of the member academies, including Oakland's Headteacher Miss Sharp, are all directors of the IGNITE board.

We have RAG rated procedures and systems in place in order to best support the schools in maintaining outstanding standards. Oaklands Primary Academy has an active PFA (Parents and Friends Association) (charity number 1060561) who support the Academy in its delivery in educational experiences and resources, they liaise directly with the Head on all matters of spending and support.

Trustees' report
For the year ended 31 August 2021

OBJECTIVES AND ACTIVITIES

Objects and aims

- To enhance the curriculum and raise standards across all subjects;
- To enthuse learners who are resilient and take risks;
- To provide a rich and stimulating learning environment;
- To ensure all stakeholders demonstrate outstanding learning behaviours;
- Value, encourage and celebrate all successes and achievements;
- Fostering respect for cultural and religious diversity;
- All can learn in a safe and inclusive environment;
- All stakeholders demonstrate the schools 5 r's;
- All are spoken to and treated with respect;
- Provide an immersive and thematic curriculum that stretches and challenges all learners;
- To prepare learners for the future; and
- To develop entrepreneurial spirit.

Objectives, strategies and activities

- To raise standards so we are above in all areas compared to national averages in all subjects;
- To raise standards in those pupils who are both literate and numerate;
- To raise the progress of our most vulnerable groups;
- To enhance a rich thematic curriculum with clearly established intent, implementation and impact;
- To develop a research led culture of staff leaders;
- To ensure 100% of teaching is good or better;
- To ensure all levels of leadership play an integral part in the meeting of the above targets;
- To ensure that governance plays a role in school development;
- To improve writing standards so we are in line with IGNITE standards and national expectations;
- To develop an Early Excellence approach in EYFS and beyond; and
- To extend and enhance the school provision for the local community to encompass 2+ year olds.

Public benefit

Oaklands is an Academy catering for children aged 2 to 11 and strives to promote and support the advancement of education within the Biggin Hill area and beyond. The school provides an extensive program of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport. For example, the school works with:

- Local community groups such as churches, library and sport facilities;
- The local main feeder secondary school providing enrichment for more able pupils and extensive transition projects;
- Local sports clubs providing specialist sports teaching and learning;
- Local sports alliances for inter school competitions;
- IGNITE – a group of good to outstanding primary schools to enhance our own provision and that of others;
- IGNITE CPD enhancing moderation with the support of a teaching school;
- Specialist local inclusion groups to support vulnerable families and children;

Providing work experience for college students and secondary students:

- Providing teacher training placements for students in higher education;
- Supporting local adults in NVQ 2 and 3 training on site;
- Early Excellence; and
- E-Safety 360 Mark
- Well-being kite mark.

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:

- Brownies;
- Teach sport
- Arts and Craft
- Karate
- Ballet
- Gymnastics
- Musical theatre.
- Active kids – multi sports

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Where we can, bearing in mind we now have to resume paused provision following the pandemic, we will use this year to continue to provide significant 'Catch up' but also to over time increase the levels of enrichment participation.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and performance

Results end 2021 – internal data only as all statutory exams were cancelled.

Key financial performance indicators

The Trustees consider that the following list are key performance indicators for the Academy Trust. The Trustees have been pleased that generally expectations for all key performance indicators have been successfully/partially (see below table for specific KPI progress statements) met during the year.

- Pupils numbers (leading directly to the Education Skills & Funding Agency ("ESFA") funding level);
- General financial stability - aim for income to match expenditure each year;
- Total income per pupil
- Staff costs as a percentage of total income;
- Staff costs as a percentage of total costs, (excl. capital and actuarial movements);
- Ofsted inspection results;
- Capital grant expenditure per pupil;
- Reception pupil intake; and
- Nursery numbers and waiting lists.

The £116k deficit reported in the financial review section was expected and has arisen due to the fall in pupil numbers in year groups R to 6 in autumn 2019 to 462, with the lagged nature of the General Annual Grant funding coming through into the academic year 2020/21. Pupil numbers increased in autumn 2020 to 493 and again in autumn 2021. With pupil numbers increasing the Trustees expect reserves to be replenished in future years.

<ul style="list-style-type: none">- Pupil numbers;- General financial stability - aim for income to match expenditure each year;- Total income per pupil;- Staff costs as a percentage of total income;- Staff costs as a percentage of total costs,- Ofsted inspection results;- Capital grant expenditure per pupil;- Reception pupil intake; and- Nursery numbers and waiting lists.	<ul style="list-style-type: none">- Whilst classes have dropped from 3 form to an average 2.35, in year admissions continue to be strong. The academy is successful at managing staffing levels to match pupil numbers.- COVID resources and staffing absence and illness proved a tricky line to manage over the past 2 years, with expenditure growth outperforming income generation and reserves being used to spend directly on pupils. The new budget and actuals are being applied to diminish this.- Income per pupil is maximized with strategies to capture numbers from provisions for nursery, SEND, and before & after school clubs.- 86% as a result of running a 3 form entry site in some with an average 2.35 form entry of pupils. Staff costs are high but deliver to the school improvement outcomes and is monitored effectively delivering for growing SEND rolls.- 83%- This Academy is a Good school. Challenge Partner review annually indicate it remains and highly effective Academy- £20- Reception pupil intake in autumn 2020 was 72 representing 80% of the 90 Pan.- The Nursery has grown year on year via word of mouth with the EYFS provision pupil focus. The provision has been incredibly successful and has continued growth in autumn 2021.
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Going Concern

After making appropriate enquiries, the Board of Trustees 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

Most of the Academy Trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA"). Core grant income has been supplemented by capital funding and various other self-generated income streams.

Total income for the year was £2.67m compared to £4.62m in the previous year. The drop in income is predominantly because the comparative period results included a donation of £1.92m representing the value of the new extension that was handed over to the Trust, after it was managed by London Bromley of Borough.

Revenue income for the year for operating activities was £2.66m compared to £2.64m in 2019/20. Most of this income was funding received for educational operations, detailed in note 4 to the financial statements, and with the great majority comprising core General Annual Grant (GAG) funding.

It is worth noting the Academy Trust received some Covid specific funding in the form of catch-up premium (£40k), to help pupils catch up on missed learning opportunities during the pandemic, and also emergency grant funding (£11k) to cover additional costs incurred as a result of Covid-19 health and safety measures.

Revenue expenditure for the year amounted to £2.78m leaving net revenue expenditure, before transfers and excluding actual movements, for the year of £126k.

The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was a decrease of £365k (2020: increase of £1.874m). Since this overall result includes movement through the restricted fixed asset fund, for capital items, and also movement on the LGPS deficit, it does not represent a meaningful operational result.

The table below reconciles from the overall movement in funds per the SoFA to the movement on revenue income funds, a reduction of £116k (2020: £7k). As noted in the Key Performance Indicator section earlier in this report the in-year deficit was anticipated due to a previous fall in pupil numbers and the lagged nature of the core grant funding.

	2021 (£000s)	2020 (£000s)
Overall net movement in funds for the year per SoFA	(365)	1,874
Add/(less):		
Decrease / (increase) attributable to fixed asset fund	161	(1,811)
LGPS actuarial (gain) / loss	(11)	(173)
LGPS service and interest costs	99	103
Total movement in year on revenue funds	(116)	(7)

At 31 August 2021, the net book value of fixed assets was £9.47m and movements in tangible fixed assets are shown in note 14 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Financial position

The Academy Trust held fund balances at 31 August 2021 of £8.80m (2020: £9.16m). These funds included restricted fixed asset funds of £9.47m (2020: £9.64m). There are also restricted revenue funds of £71k (2020: £169k) and unrestricted revenue funds of £42k (2020: £61k).

The only fund in deficit at the year-end is the LGPS reserve. The LGPS is a funded defined benefit pension scheme and a provision for estimated pension liabilities is included in the Academy Trust's Balance Sheet. During the year the liability has increased by £88k to £791k. The carried deficit does not mean that an immediate liability crystallizes. The accounting deficit has no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions.

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Trustees' report
For the year ended 31 August 2021

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

The Trustees have determined that the appropriate level of free reserves should be equivalent to one month's average payroll cost, approximately £181k (2020: £169k). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

Following the in-year deficit for 2020/21 the total level of revenue reserves has fallen to £113k, 38% short of this target. The reasons for this have been explained in the financial review section and include the following necessary and essential operational actions:-

- Covid resources and site management and preparation, some of which was claimable, a significant portion was not
- Provision of more IT resources for children and staff where needed, DFE laptops were incredibly helpful, we acquired 26 – we loaned a total of 52
- Staffing ratios due to covid closure and open was high
- The Academy looked after its staff and its casual staff as was morally appropriate due to the pandemic meaning the school was only 25% operational yet ran at 100% operational cost, there was no closure.
- The Academy was open over key holiday times as directed increasing operational staff costs
- IT support full time was essential during period of closure, lockdown and on the introduction of remote lesson expectations from the Government increasing the IT technician from 12 hrs to 30 hrs per week for approx. 18 months
- The Nursery income was not operational in the most part and lost a significant amount of unrestricted revenue

The Trustees will continue to monitor the level of reserves and will strive to rebuild free reserves up to the level deemed necessary.

Financial and risk management objectives and policies

The Academy Trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments are liquidity risk and cash flow interest rate risk.

- *Liquidity risk* - The Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.
- *Interest rate risk* - the Trust earns interest on cash deposits. With interest rates currently low, the Trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the Trust's assets.
- *Credit risk* – this arises from the possibility that amounts owed to the Trust will not be repaid. The Trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

Investment policy

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation.

In addition, the Trust aims to invest surplus cash funds to optimise returns while ensuring the investment instruments are such that there is no material risk to the loss of these cash funds.

Principal risks and uncertainties

The main risks that the Trust is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

- *Operational and reputational* - this covers risks to the running of the Academy (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.
- *Financial* - covering risks to the Academy Trust's financial position, including revenue streams, cost control and cash management.

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Trustees' report
For the year ended 31 August 2021

The risks to which the Academy Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

Fundraising

The Trust does not get involved in any professional form of fundraising, and its approach to fundraising is as follows:

- collaboration with the active PFA body to raise fund locally through a calendar of events for parents and children;
- engaging professional project management companies in order to identify and secure funding through the CIF portal to secure site improvements. These are monitored through experienced project management companies and on the ground by the Senior Leadership Team;
- fundraising complaints are dealt with through school's complaints policy; and
- the Trust protects the public and vulnerable people from intrusive fundraising by allowing the community to know of our events but we don't participate in any face to face fundraising, we post our activities and those who wish to partake apply to do so.

Disabled employees

The policy of the Trust is to support recruitment and retention of students and employees with disabilities, which is achieved by adapting the physical environment by making support resources available.

Equal opportunities

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

PLANS FOR FUTURE PERIODS

Plans for the future include: -

- Continue to be above national averages in all areas;
- 100% teaching good or better with more outstanding lessons and opportunities;
- To develop the site to build a school for the future;
- To develop children's independence with 'A Curriculum for Independence';
- Early Excellence pedagogies into year 1 and beyond;
- Raise standards for all vulnerable pupils;
- Continue to have an inclusive and respectful community;
- To raise pupil numbers across the school;
- To maintain the success of the Nursery provision;
- To raise standards in writing and SPAG; and
- To develop a comprehensive SEND curriculum provision
- To develop teachers as learner research staff team where school improvements are driven by all based on sound research and current international thinking
- To succession plan across the Senior Leadership Team
- To liaise with the local authority on the possible scope for a SEND unit provision

AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the Academy Trust's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees wish to continue to secure the services of UHY Hacker Young.

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



Mr M Staker
Chair of Trustees



Miss R Sharp
Trustee and Accounting Officer

Date: 1 December 2021

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Governance statement
For the year ended 31 August 2021

Scope of Responsibility

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

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

Governance and Trustee Meetings

The information on governance/full board meetings included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The entire Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows: (new Trustees attendance is wholly dependent on their date of appointment to the Board)

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. M. Staker, Chair of Trustees	7	7
Mr. J-P. Le Tissier, Vice Chair of Trustees	7	7
Miss. R. Sharp, Headteacher and Accounting Officer	7	7
Mr. S. Hickford,	7	7
Mrs. E. Penny (resigned 30 August 2021)	5	7
Ms. S. Desai	7	7
Mrs. L. Saunders	7	7
Councillor M. Stevens	2	2
Mr. A. Tasiya	6	7

The Finance and Resources Committee is a sub-committee of the main Board of Trustees and is currently consumed by the flat structure of the Board. Its purpose is to plan and monitor the financial and other resources of the school effectively, and to ensure the school provides a safe educational environment. One of the Committee's responsibilities is routine budget setting and monitoring. The Finance and Resources Committee's remit also includes the functions of an Audit Committee

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. M. Staker, Chair of Trustees	1	1
Mr. S. Hickford, Chair of Finance Committee	1	1
Miss. R. Sharp, Headteacher and Accounting Officer	1	1
Mrs. E. Penny (resigned 30 August 2021)	1	1

Review of Value for money

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate.

The Accounting Officer for the Academy has delivered improved value for money during the year by:

- rigorous monitoring of the budget alongside Trustees and with the support of internal auditors and the school Finance Consultant;
- by tapping into the IGNITE group to run and deliver high quality bespoke training for all our NQT staff with reduced CPD rates and costs by being a member of the delivery team;
- by re-thinking staff deployment to get better learning and teaching cover for less – expanding staff roles and working to staff strengths to deliver higher quality provision (see results at end of KS2 for impact measures); and
- tendering for significant refurbishments to get the best value for money with the best outcomes.

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Governance statement
For the year ended 31 August 2021

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oaklands Primary Academy for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, which has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint School Business Services (SBS) for this academic year as their internal auditors.

On a termly basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

During 2020-2021 the checks carried covered the following topics:

- Governance and Financial Management

All work was completed as agreed with the latter two assurance checks conducted remotely due to the on-going Covid-19 pandemic making attendance at the school premises problematic.

The internal scrutiny work did not identify any significant issues and the other observations noted have been addressed or the Trust is in the process of dealing with these.

School Business Services (SBS) has experience working in the Academy sector to carry out the internal scrutiny assurance work. SBS has been appointed and their remote audits took place during April and June 2021 with the report published in July 2021. The foci for the visits has been Governance and Financial Management Processes.

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance

Oaklands Primary Academy
(A company limited by guarantee)

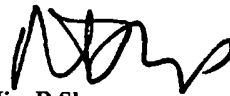
Governance statement
For the year ended 31 August 2021

and Resources Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

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



Mr M Staker
Chair of Trustees



Miss R Sharp
Trustee and Accounting Officer

Date: 1 December 2021

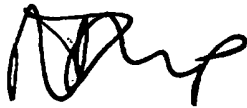
Oaklands Primary Academy
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Oaklands Primary Academy I have considered my responsibility to notify the Academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy board of trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2020.

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 ESFA.



Miss. R. Sharp
Accounting Officer

Date: 1 December 2021

Oaklands Primary Academy
(A Company Limited by Guarantee)

Statement of trustees' responsibilities
For the Year Ended 31 August 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mr. M. Staker
(Chair of Trustees)

Date: 1 December 2021

Independent Auditors' Report on the financial statements to the Members of Oaklands Primary Academy

Opinion

We have audited the financial statements of Oaklands Primary Academy (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The trustees are responsible for the other information contained within the Annual Report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other 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' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Oaklands Primary Academy
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Oaklands Primary Academy
(continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the 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 also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academies Financial Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual,

Oaklands Primary Academy
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Oaklands Primary Academy
(continued)

- suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

Use of our report

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



Allan Hickie BSc FCA (Senior statutory auditor)
for and on behalf of
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 20 December 2021

Oaklands Primary Academy
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Oaklands Primary Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 5 October 2020 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 Oaklands Primary Academy during the year 1 September 2020 to 31 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 Oaklands Primary Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Oaklands Primary Academy and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Oaklands Primary Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Oaklands Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Oaklands Primary Academy's funding agreement with the Secretary of State for Education dated 31 July 2015 and the Academies Financial Handbook, extant from 1 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 year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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's income and expenditure.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Oaklands Primary Academy for the year ended 31 August 2021 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Oaklands Primary Academy
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Oaklands Primary Academy and the Education & Skills Funding Agency (continued)

Conclusion

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



Reporting Accountant
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 20 December 2021

Oaklands Primary Academy
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>As restated Total funds 2020 £</i>
	Note					
Income from:						
Donations and capital grants	3	8,959	-	17,431	26,390	1,983,286
Other trading activities	5	52,211	38,056	-	90,267	97,462
Investments	6	36	-	-	36	178
Funding for educational operations	4	18,252	2,538,057	-	2,556,309	2,539,053
Total income		79,458	2,576,113	17,431	2,673,002	4,619,979
Expenditure on:						
Charitable activities	8	97,720	2,783,311	168,044	3,049,075	2,919,140
Total expenditure		97,720	2,783,311	168,044	3,049,075	2,919,140
Net (expenditure)/income		(18,262)	(207,198)	(150,613)	(376,073)	1,700,839
Transfers between funds	17	-	10,425	(10,425)	-	-
Net movement in funds before other recognised gains		(18,262)	(196,773)	(161,038)	(376,073)	1,700,839
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	23	-	11,000	-	11,000	173,000
Net movement in funds		(18,262)	(185,773)	(161,038)	(365,073)	1,873,839
Reconciliation of funds:						
Total funds brought forward		60,942	(534,476)	9,635,876	9,162,342	7,288,503
Total funds carried forward	17	42,680	(720,249)	9,474,838	8,797,269	9,162,342

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

The notes on pages 22 to 43 form part of these financial statements.

Oaklands Primary Academy
(A Company Limited by Guarantee)
Registered number: 09712111

Balance Sheet
As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	9,474,838	9,635,876
Current assets			
Debtors	15	78,836	134,667
Cash at bank and in hand		187,606	273,007
		<u>266,442</u>	<u>407,674</u>
Creditors: amounts falling due within one year	16	(153,011)	(178,208)
Net current assets		<u>113,431</u>	<u>229,466</u>
Net assets excluding pension liability		<u>9,588,269</u>	<u>9,865,342</u>
Defined benefit pension scheme liability	23	(791,000)	(703,000)
Total net assets		<u><u>8,797,269</u></u>	<u><u>9,162,342</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	9,474,838	9,635,876
Restricted income funds	17	70,751	168,524
Pension reserve	17	(791,000)	(703,000)
Total restricted funds	17	<u>8,754,589</u>	<u>9,101,400</u>
Unrestricted income funds	17	<u>42,680</u>	<u>60,942</u>
Total funds		<u><u>8,797,269</u></u>	<u><u>9,162,342</u></u>

The financial statements on pages 19 to 43 were approved and authorised for issue by the trustees and are signed on their behalf, by:



Mr. M. Staker
 (Chair of Trustees)



Miss. R. Sharp
 (Accounting Officer)

Date: 1 December 2021

The notes on pages 22 to 43 form part of these financial statements.

Oaklands Primary Academy
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	19	(103,662)	(52,788)
Cash flows from investing activities	20	18,261	(10,630)
Change in cash and cash equivalents in the year		<u>(85,401)</u>	<u>(63,418)</u>
Cash and cash equivalents at the beginning of the year		273,007	336,425
Cash and cash equivalents at the end of the year	21, 22	<u><u>187,606</u></u>	<u><u>273,007</u></u>

The notes on pages 22 to 43 form part of these financial statements

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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

Oaklands Primary Academy meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All income is recognised when the Academy 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 year is deducted from income and recognised as a liability.

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

• **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 year it is receivable and to the extent the Academy has provided the goods or services.

• **Donated fixed assets**

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. Accounting policies (continued)

1.4 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.

- **Charitable activities**

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

Where applicable all expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

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

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.7 Tangible fixed assets

Individual assets costing over £1,000 and group purchases of more than £2,500 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.

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:

The estimated useful lives range as follows:

Long-term leasehold property	- 125	years
Improvements to leasehold property	- 10 - 50	years
Furniture and equipment	- 7	years
Computer equipment	- 3	years

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.

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. Accounting policies (continued)

1.8 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement bases 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 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

1.9 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of 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 in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Notes to the Financial Statements
For the Year Ended 31 August 2021

1. Accounting policies (continued)

1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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 Department for Education Group.

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

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension 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 judgment:

We consider that there has been one key area of judgement in respect of the actuarial assumptions made leading to the closing pension scheme liability:

The "McCloud/Sargeant judgements". These employment tribunal cases relate to all public sector pension schemes and not specifically to the academy trust. The cases relates to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material and a past service cost adjustment was made, within staff costs, in the trusts 2018/19 financial statements.

Since then a consultation has taken place. Then, on 13 May 2021, the Government issued a ministerial statement which confirms that changes will be made to the LGPS Regulations to compensate members directly affected by the change to career average benefits from 1 April 2014. The Government's intention is that revised regulations will come into force on 1 April 2023, and draft regulations are expected later in 2021.

In July 2021 the actuary has indicated that they do not believe there are any material differences between the approach underlying the estimated allowance and the proposed remedy, and therefore no further subsequent adjustment has been made.

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3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	8,959	7,800	16,759	1,934,424
Capital grants	-	9,631	9,631	48,862
	<u>8,959</u>	<u>17,431</u>	<u>26,390</u>	<u>1,983,286</u>
<i>Analysis of 2020 total by fund</i>	<u>7,046</u>	<u>1,976,240</u>	<u>1,983,286</u>	

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4. Funding for educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2020</i> <i>£</i>
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,909,900	1,909,900	1,903,426
Other DfE/ESFA grants				
Rates reclaim	-	9,482	9,482	12,576
Pupil premium and service premium	-	116,495	116,495	117,280
Universal infant free school meals	-	56,242	56,242	61,617
PE and Sports grant	-	19,990	19,990	20,130
Teachers' pay and pension grants	-	103,830	103,830	101,933
FSM Supplementary grant	-	14,550	14,550	-
	-	2,230,489	2,230,489	2,216,962
Other Government grants				
Local authority - Special educational projects	-	58,854	58,854	45,883
Local authority - Early years	-	198,654	198,654	196,741
	-	257,508	257,508	242,624
Other income from educational operations	18,252	-	18,252	56,398
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	39,440	39,440	-
COVID-19 additional funding	-	10,620	10,620	23,069
	18,252	2,538,057	2,556,309	2,539,053
<i>Analysis of 2020 total by fund</i>	56,398	2,482,655	2,539,053	

Following the reclassification in the Academies Accounts Direction 2020 to 2021 of some grants received from the Department for Education and ESFA, the academy's funding for Universal Infant Free School Meals, Pupil Premium and other significant grants are no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The trust received Covid catch up premium of £39,440 to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). The costs incurred in respect of this funding exceeded £39,440 during the year and therefore the grant has been fully spent. The additional Covid funding of £10,620 relates to emergency Covid grant income received to cover additional costs incurred during the pandemic specifically as a result of the trust's response to Covid-19.

Other income from educational operations have been restated with an equal restatement in income from other trading activities of £27,581 for facilities and services income (note 5) and associated catering income for the early years nursery provision.

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5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>As restated</i> Total funds 2020 £
Rental and lettings income	14,575	-	14,575	12,790
Catering income	-	2,094	2,094	1,011
Facilities and services income	29,041	35,962	65,003	63,154
Insurance claims	-	-	-	11,269
Other income	8,595	-	8,595	9,238
	<u>52,211</u>	<u>38,056</u>	<u>90,267</u>	<u>97,462</u>
<i>Analysis of 2020 total by fund</i>	<u>58,612</u>	<u>38,850</u>	<u>97,462</u>	

The 2020 comparatives have been restated for reclassification of £27,581 income from educational operations for facilities and services income and associated catering income for the early years nursery provision. In addition, residential income of £11,900 has been reclassified from Other income to Rental and lettings income.

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	36	36	178
	<u>178</u>	<u>178</u>	
<i>Analysis of 2020 total by fund</i>			

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7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational operations:					
Direct costs	1,916,628	168,044	144,206	2,228,878	2,130,412
Support costs	453,249	155,101	211,847	820,197	788,728
	<u>2,369,877</u>	<u>323,145</u>	<u>356,053</u>	<u>3,049,075</u>	<u>2,919,140</u>
<i>Analysis of 2020 total by type</i>	<u>2,222,345</u>	<u>337,214</u>	<u>359,581</u>	<u>2,919,140</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	97,720	2,951,355	3,049,075	2,919,140
	<u>97,720</u>	<u>2,951,355</u>	<u>3,049,075</u>	<u>2,919,140</u>
<i>Analysis of 2020 total by fund</i>	<u>129,342</u>	<u>2,789,798</u>	<u>2,919,140</u>	

9. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	2,228,878	820,197	3,049,075	2,919,140
	<u>2,228,878</u>	<u>820,197</u>	<u>3,049,075</u>	<u>2,919,140</u>
<i>Total 2020</i>	<u>2,130,412</u>	<u>788,728</u>	<u>2,919,140</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	1,916,638	1,835,395
Depreciation	168,041	166,330
Other staff expenses	14,199	7,639
Educational supplies	41,871	28,377
Staff related insurance	10,751	9,507
Technology costs	23,289	17,816
Educational consultancy	45,975	30,826
Other direct costs	8,114	34,522
	<u>2,228,878</u>	<u>2,130,412</u>

Analysis of support costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	453,239	386,950
Maintenance of premises	54,094	49,055
Special facilities	19,380	21,174
Risk protection arrangement fees	7,530	-
Other premises costs	101,012	121,829
Catering	77,398	70,638
Legal and professional	21,071	30,565
Governance costs	13,038	13,650
Other support costs	73,435	94,867
	<u>820,197</u>	<u>788,728</u>

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10. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021	2020
	£	£
Operating lease rentals	4,328	10,616
Depreciation of tangible fixed assets	168,044	166,330
Loss on disposal of fixed assets	1,896	-
Fees paid to auditors for:		
- audit	8,990	8,870
- other services	2,160	4,635
	<u> </u>	<u> </u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	1,645,181	1,541,426
Social security costs	121,714	120,652
Pension costs	501,969	474,201
	<u>2,268,864</u>	<u>2,136,279</u>
Agency staff costs	101,013	86,066
	<u>2,369,877</u>	<u>2,222,345</u>

b. Staff numbers

The average number of persons employed by the Academy during the year, on a headcount basis, was as follows:

	2021	2020
	No.	No.
Management	3	3
Teachers	21	21
Administration and support	44	36
	<u>68</u>	<u>60</u>

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11. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £334,079 (2020 - £354,483).

12. Trustees' remuneration and expenses

One trustee has been paid remuneration or has received other benefits from an employment with the Academy. The Headteacher only receives remuneration in respect of services provided undertaking her contract of employment:

		2021 £	2020 £
Miss. R. Sharp, Headteacher/Accounting Officer	Remuneration	95,000 - 100,000	90,000 - 95,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000

During the year ended 31 August 2021, no trustee expenses have been incurred (2020 - £NIL).

13. Trustees' and Officers' insurance

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost and valuation				
At 1 September 2020	9,922,098	94,308	104,281	10,120,687
Additions	-	1,102	7,800	8,902
Disposals	-	(1,896)	-	(1,896)
At 31 August 2021	9,922,098	93,514	112,081	10,127,693
Depreciation				
At 1 September 2020	395,973	12,026	76,812	484,811
Charge for the year	141,106	9,332	17,606	168,044
At 31 August 2021	537,079	21,358	94,418	652,855
Net book value				
At 31 August 2021	9,385,019	72,156	17,663	9,474,838
At 31 August 2020	9,526,125	82,282	27,469	9,635,876

Included in leasehold property is land at valuation of £3,090,000 (2020: £3,090,000), which is not depreciated.

15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	278	-
Other debtors	10,917	18,489
Prepayments and accrued income	67,641	116,178
	78,836	134,667

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16. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	3,415	45,576
Other taxation and social security	38,835	36,544
Other creditors	42,349	38,073
Accruals and deferred income	68,412	58,015
	<u>153,011</u>	<u>178,208</u>
	<u><u>153,011</u></u>	<u><u>178,208</u></u>
	2021	2020
	£	£
Deferred income at 1 September 2020	36,569	42,401
Resources deferred during the year	32,808	36,569
Amounts released from previous periods	(36,569)	(42,401)
	<u>32,808</u>	<u>36,569</u>
	<u><u>32,808</u></u>	<u><u>36,569</u></u>

At the balance sheet date the academy trust was holding ESFA Universal Infant Free School Means funds received in advance of the 2021/22 academic year.

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17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	60,942	79,458	(97,720)	-	-	42,680
Restricted general funds						
General Annual Grant (GAG)	56,704	1,909,900	(2,057,940)	91,336	-	-
DfE/ESFA	24,952	370,649	(389,168)	-	-	6,433
Other Government	34,637	257,508	(234,782)	(57,363)	-	-
Nursery	52,231	38,056	(2,421)	(23,548)	-	64,318
Pension reserve	(703,000)	-	(99,000)	-	11,000	(791,000)
	(534,476)	2,576,113	(2,783,311)	10,425	11,000	(720,249)
Restricted fixed asset funds						
Fixed asset	9,635,876	7,800	(168,041)	(797)	-	9,474,838
Capital grant	-	9,631	(3)	(9,628)	-	-
	9,635,876	17,431	(168,044)	(10,425)	-	9,474,838
Total Restricted funds	9,101,400	2,593,544	(2,951,355)	-	11,000	8,754,589
Total funds	9,162,342	2,673,002	(3,049,075)	-	11,000	8,797,269

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

General Annual Grant ("GAG") must be used for the normal running costs of the academy trust. The transfer into GAG of £91,336 represents expenditure re-allocations for early years provisions staffing costs of £80,911 and a capital contribution for premises maintenance of £10,425.

Covid catch-up premium relates to additional funding provided by the DfE to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). This has been spent in a variety ways, as outlined in note 4.

The other DfE/ESFA grants is used to track other grant money received from the DfE/ESFA and connected bodies, and included Teachers' Pension and Teachers' Pay Grants, Pupil Premium and Universal Infant Free School Meals grants.

The other government fund comprises of local authority early years and special educational needs grant income for the early years nursery provision and SEND provisions of the Academy Trust.

The nursery fund represents fee income and expenditure for the Academy Trust's additional early years provision in the local area.

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Notes to the Financial Statements
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17. Statement of funds (continued)

The pensions reserve is a restricted fund to account for the liability arising under The Local Government Pension Scheme.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The carried forward balance on the tangible fixed asset row is equal to the net book value of fixed assets on the Balance Sheet. The total transfer of £10,425 from the fund was made to cover premises maintenance of £10,425.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
Unrestricted funds						
General funds	68,050	122,234	(129,342)	-	-	60,942
Restricted general funds						
General Annual Grant (GAG)	142,722	1,903,426	(1,988,290)	(1,154)	-	56,704
DfE/ESFA	-	346,845	(321,893)	-	-	24,952
Other Government	-	243,653	(209,016)	-	-	34,637
Nursery	25,919	27,581	(1,269)	-	-	52,231
Pension reserve	(773,000)	-	(103,000)	-	173,000	(703,000)
	<u>(604,359)</u>	<u>2,521,505</u>	<u>(2,623,468)</u>	<u>(1,154)</u>	<u>173,000</u>	<u>(534,476)</u>
Restricted fixed asset funds						
Fixed asset	7,815,158	1,915,000	(166,330)	72,048	-	9,635,876
Capital grant	9,654	61,240	-	(70,894)	-	-
	<u>7,824,812</u>	<u>1,976,240</u>	<u>(166,330)</u>	<u>1,154</u>	<u>-</u>	<u>9,635,876</u>
Total Restricted funds	<u>7,220,453</u>	<u>4,497,745</u>	<u>(2,789,798)</u>	<u>-</u>	<u>173,000</u>	<u>9,101,400</u>
Total funds	<u>7,288,503</u>	<u>4,619,979</u>	<u>(2,919,140)</u>	<u>-</u>	<u>173,000</u>	<u>9,162,342</u>

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	9,474,838	9,474,838
Current assets	42,680	223,762	-	266,442
Creditors due within one year	-	(153,011)	-	(153,011)
Provisions for liabilities and charges	-	(791,000)	-	(791,000)
Total	42,680	(720,249)	9,474,838	8,797,269

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	9,635,876	9,635,876
Current assets	60,942	346,732	-	407,674
Creditors due within one year	-	(178,208)	-	(178,208)
Provisions for liabilities and charges	-	(703,000)	-	(703,000)
Total	60,942	(534,476)	9,635,876	9,162,342

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19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021	2020
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(376,073)	1,700,839
Adjustments for:		
Depreciation	168,044	166,330
Capital grants from DfE and other capital income	(17,431)	(61,240)
Donated tangible fixed assets	(7,800)	(1,915,000)
Interest receivable	(36)	(178)
Defined benefit pension scheme cost less contributions payable	84,000	87,000
Defined benefit pension scheme finance cost	12,000	13,000
Defined benefit pension scheme administration cost	3,000	3,000
Decrease/(increase) in debtors	55,831	(3,501)
Decrease in creditors	(25,197)	(43,038)
Net cash used in operating activities	(103,662)	(52,788)

20. Cash flows from investing activities

	2021	2020
	£	£
Interest	36	178
Purchase of tangible fixed assets	(1,102)	(72,048)
Loss on disposal of fixed assets	1,896	-
Capital grants from DfE Group	9,631	11,200
Capital funding received from sponsors and others	7,800	50,040
Net cash provided by/(used in) investing activities	18,261	(10,630)

21. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	187,606	273,007
Total cash and cash equivalents	187,606	273,007

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Notes to the Financial Statements
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22. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	273,007	(85,401)	187,606
	<u>273,007</u>	<u>(85,401)</u>	<u>187,606</u>

23. Pension commitments

The Academy'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 London Borough of Bromley. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £42,340 were payable to the schemes at 31 August 2021 (2020 - £37,804) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time 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.

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 4 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% 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.

Notes to the Financial Statements
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23. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £225,000 (2020 - £218,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £142,000 (2020 - £143,000), of which employer's contributions totalled £114,000 (2020 - £115,000) and employees' contributions totalled £ 28,000 (2020 - £28,000). The agreed contribution rates for future years are 23.3 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	4.3	3.8
Rate of increase for pensions in payment/inflation	2.9	2.4
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.8	2.3

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	22.9	22.8
Females	25.3	25.2
<i>Retiring in 20 years</i>		
Males	24.8	24.7
Females	27.3	27.2

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23. Pension commitments (continued)

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(62)	(50)
Discount rate -0.1%	63	51
Mortality assumption - 1 year increase	95	71
Mortality assumption - 1 year decrease	(92)	(69)
CPI rate +0.1%	63	52
CPI rate -0.1%	(62)	(51)

Share of scheme assets

The Academy's share of the assets in the scheme was:

	2021	2020
	£	£
Equities	1,439,000	1,131,000
Gilts	63,000	119,000
Corporate bonds	172,000	109,000
Property	107,000	66,000
Cash and other liquid assets	20,000	14,000
Other	382,000	286,000
Total market value of assets	2,183,000	1,725,000

The actual return on scheme assets was £336,000 (2020 - £140,000).

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

	2021	2020
	£	£
Current service cost	(198,000)	(202,000)
Interest income	32,000	28,000
Interest cost	(44,000)	(41,000)
Administrative expenses	(3,000)	(3,000)
Total amount recognised in the Statement of Financial Activities	(213,000)	(218,000)

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23. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	2,428,000	2,227,000
Current service cost	198,000	202,000
Interest cost	44,000	41,000
Employee contributions	28,000	28,000
Actuarial losses/(gains)	292,000	(164,000)
Benefits paid	(16,000)	94,000
At 31 August	<u>2,974,000</u>	<u>2,428,000</u>

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2021 £	2020 £
At 1 September	1,725,000	1,454,000
Interest income	32,000	28,000
Actuarial gains	303,000	9,000
Employer contributions	114,000	115,000
Employee contributions	28,000	28,000
Benefits paid	(16,000)	94,000
Administrative expenses	(3,000)	(3,000)
At 31 August	<u>2,183,000</u>	<u>1,725,000</u>

24. Operating lease commitments

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	4,328	4,328
Later than 1 year and not later than 5 years	7,574	11,371
	<u>11,902</u>	<u>15,699</u>

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25. Members' liability

Each member of the academy trust 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.

26. Related party transactions

Owing to the nature of the Academy 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 Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial year:

Employment relationships:

1. The Accounting Officer's partner and nephew were employed by the academy trust during the year, both on a zero hours contracts. Their appointments were made in open competition and the Accounting Officer was not involved in the decision-making process regarding appointment. Payments are within the normal pay scale for the roles and there is no special treatment as a result of the close family relationship.
2. A member of Key Management's son was employed by the academy trust during the year, on a zero hours contracts. The appointment was made in open competition and the member of Key Management was not involved in the decision making process regarding appointment. Payments are within the normal pay scale for the role and received no special treatment as a result of his relationship to the member of Key Management.

Income related party transaction:

Oaklands PTA, registered charity no. 1060561, the academy's Parent and Friends Association, made donations totalling £7,127 (2020: £12,377).