WEDNESBURY OAK ACADEMY TRUST

(Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2014

Company Registration No: 8749821 (England and Wales)

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WEDNESBURY OAK ACADEMY TRUST

(Company limited by guarantee)

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WEDNESBURY OAK ACADEMY TRUST

(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Governors/Trustees:	Category
Mr Roger Dunnaker	Community Resigned 24/11/14
Mr Scott Smith	Community Resigned 24/11/14
Mrs Nicola Levy	Community
Mrs E Perrin	Parent Appointed as a Trustee 24/11/14
Mrs C Wyer	Community Appointed as a Trustee 24/11/14
Governors:	
Mrs M Bull	Principal
Mrs P Burns	Staff
Mrs T Grieh	Staff
Mrs L Jones	Staff
Mrs S Taylor	Community Resigned 29/09/14
Mrs G Steventon	Community
Company Secretary:	Mrs M Bull
Senior Leadership Team:	
• Assistant Principal	Mrs T Grieh
• Assistant Principal	Mrs P Burns
• Finance Director	Mrs A Belcher
• SENCo	Mrs K Kular
• EY Lead	Mrs J Moore
• Environmental Lead	Miss S Palfrey
• Literacy Lead	Mrs J Wakelam
Registered Office:	Green Acre Road Tipton DY4 0AR
Company Registration Number:	8749821
Statutory Auditors:	Wright & Co Chartered Accountants Registered Auditors The Squires 5 Walsall Street Wednesbury WS10 9BZ

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Bankers:	**Lloyds Bank** **63 High Street** **Dudley** **West Midlands** **DY1 1PY**
Insurance Brokers:	**Zurich** **PO Box 3899** **Swindon** **FN4 4FJ**
Solicitors:	**Browne Jacobson** **Victoria Square House** **Victoria Square** **Birmingham** **B2 4BU**

Wednesbury Oak Academy Trust
(Company limited by guarantee)

GOVERNOR'S REPORT
31st August 2014

The trustees present their final annual report together with the financial statements and auditor's report of the Charitable Company for the year 1 September 2013 to 31 August 2014.

Structure, Governance and Management

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

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

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

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

- Achievement and Standards Committee
- Resources and Audit Committee
- Health and Safety Committee

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

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

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

Principal Activities
Wednesbury Oak Academy Trust, a non-selective academy, provides education for pupils of different abilities between the ages of 2 and 11. Our pupils are drawn from the local area in accordance with our published admission criteria.

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

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

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

GOVERNORS' REPORT
31st August 2014

Method of Recruitment and Appointment of election of Governors

The Governing Body comprises three categories of governor, as set out in the Articles of Association and the Funding Agreement. The method of recruitment is:

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

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

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

The Principal is an ex-officio governor.

Policies and Procedures Adopted for the Induction and Training of Governors

Many of the current governors of Wednesbury Oak Academy Trust have considerable experience. A mentoring system is well established to support the induction and training of newly appointed and elected governors.

The Academy purchases an independent governor support service to complement the in house induction and training programme. All newly appointed and elected governors are invited to observe the working of all sub-committees before deciding which committee they could best serve.

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

Organisational Structure

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

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

The Responsible Officer reports to the Governing Body. The Governing Body approves the Statutory Accounts. The levels of authorisation of budget spent are detailed in the Scheme of Delegation reviewed by the Governing Body.

The day to day management of the Academy is delegated by the Governing Body to the Principal who is supported by the Senior Leadership Team which comprises; Principal, 2 Assistant Principals, School Business Manager, SENCO, Early Years Leader, Literacy Leader and Environmental Leader.

The initial School Development Plan is drawn up by the Principal working with the Senior Leadership Team. The draft plan is then approved by the full governing body. The full governing body reviews the school development as part of its regular work.

As a primary academy, a high percentage of the Academy's expenditure relates to staffing. The Staffing Structure is determined by the governing body working with the Principal.

The School Development Plan and the staffing structure then influence the Academy budget. The Principal is the Accounting Officer and responsible for the day to day management of the Academy.

Risk Management

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

Connected Organisations, including Related Party Relationships

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

The Academy works with many school/academy networks both within the Sandwell Local Authority (School to School clusters) to further the principle activities of the Academy.

Objectives and Activities

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

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

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

The Aims of the Academy during the year ended 31st August 2014 are summarised below –

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

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

GOVERNORS' REPORT
31st August 2014

Our Values

Wednesbury Oak Academy Trust is committed to provide for the area of Tipton, Sandwell a centre of quality education:

- **A centre with active links across the whole community.**
- **A vibrant learning centre for the whole community.**
- **An environment which is valued, supported and encouraged by ALL, fostering mutual respect**

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

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

- Develop a good level of basic skills in all areas of the curriculum
- Develop into independent learners who are aware of their role in society
- Understand the impact that their actions have on the local environment and beyond
- Have an increased awareness of our locality, its historical importance and potential for the future
- Are given the skills to develop into well rounded, active members of the community
- Have greater ownership of a fun and relevant curriculum
- Become fully functioning independent learners and develop high level skills in thinking and reasoning, problem solving, Literacy and Numeracy.

Children at Wednesbury Oak will also have a deep understanding of;

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

Objectives, Strategies and Activities

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

- The review of the Curriculum Subject Policies, Schemes of Work and assessment practise for English and Maths throughout the academy.
- The development of Spelling, Grammar and Punctuation and applied skills, in English and across other curriculum areas throughout the academy;
- Science was further developed through the re-organisation of units of work/programmes of study.
- To continue to develop our very good practices in personalised, formative assessment, through whole academy self-evaluation and target setting.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

GOVERNORS' REPORT
31st August 2014

Public Benefit

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

Achievements and Performance

Wednesbury Oak Primary School converted to Academy status as an Ofsted graded 'Outstanding' school in April 2014. Following an inspection in March 2013, Ofsted validated the confidence shown by the Department for Education in supporting the conversion.

Attainment and progress at the end of Key Stage 2 is generally above national levels.

This year the Key Stage 2 results were again high and the Academy demonstrated good skills of target setting and prediction – we are proud that we know our children well and this contextual understanding helps us to plan for their very individual needs.

End of Key Stage 2 Results for 2014

Reading	**L4+**	**87% (Nat 89%)**	**L5+ 53% (Nat 49%)**	
Writing	**L4+**	**96% (Nat 85%)**	**L5+ 38% (Nat 33%)**	**L6 2%**
SPAG	**L4+**	**81% (Nat 76%)**	**L5+ 49% (Nat 52%)**	**L6 2%**
Maths	**L4+**	**96% (Nat 86%)**	**L5+ 28% (Nat 42%)**	
Reading, Writing and Maths	**L4+**	**85% (Nat 79%)**	**L5+ 19% (Nat 24%)**	

Two whole levels Reading	**89% (Nat 83%)**
Two whole levels Writing	**96% (Nat 83%)**
Two whole levels Maths	**98% (Nat 82%)**

Reading	**L4B+**	**78% (Nat 78%)**
Writing	**L4B+**	**96% (Nat 85%)**
Maths	**L4B+**	**77% (Nat 76%)**
SPAG	**L4B+**	**66% (Nat 68%)**

AVERAGE APS PROGRESS – KS1 – KS2

Reading	**14.3 (3.6 per year)**	(14.7 APS on entry – End of KS2 29.0 APS)
Writing	**14.3 (3.6 per year)**	(14.3 APS on entry – End of KS2 28.6 APS)
Maths	**13.4 (3.4 per year)**	(14.7 APS on entry – End of KS2 28.1 APS)

KS1 – KS2 CONVERSIONS

Two Levels of progress	Reading	**89%**	Writing	**96%**	Maths	**98%**
Three or more Levels of progress	Reading	**51%** (Nat 35%)	Writing	**45% (Nat 33%)**	Maths	**32%** (Nat 35%)

ATTAINMENT & PROGRESS NATIONAL THRESHOLDS 2013-2014

Reading, Writing, Maths L4+ = 60%

Reading 2 levels = 88%

Writing 2 levels = 90%

Maths 2 levels = 90%

Average APS UPLIFT across the whole academy 2013-2014

READING **4.1**

WRITING **3.6**

MATHS **3.9**

OVERALL **3.9**

APS UPLIFT 3 YEAR TRENDS across the whole academy 2013-2014

	11/12	12/13	13/14	Overall Subject Average
READING	**4.2**	**4.7**	**4.1**	**4.3**
WRITING	**4.3**	**4.2**	**3.6**	**4.0**
MATHS	**4.3**	**4.6**	**3.9**	**4.3**
OVERALL ANNUAL AVERAGE	**4.3**	**4.6**	**3.9**	**4.2**

To ensure that standards are continually raised, the Academy –

- Implements a whole academy approach to self-evaluation;
- Follows well established and clear assessment policy and procedures, whilst continuing to develop formative assessment processes;
- Develops staff accountability for the progress of all children;
- Senior and Middle Leadership Teams monitor progress of all children rigorously and regularly;
- Continually tracks individual progress of all children;
- Tracks progress of identified vulnerable groups;
- Consistently evaluates trends and is proactive in meeting needs;
- Plans thoroughly to meet all individual needs;
- Assessment informs planning at all times;
- Individual, group class and whole academy targets are set that are challenging and aspiration;
- Appropriate interventions, including Individual Education Plans, are set for children with Special Educational Needs, English as an Additional Language and Gifted and Talented
- Works closely with other appropriate agencies; and
- Is committed to Continued Professional Development of all staff through a well-established Performance Management Process.

Going Concern

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

Key Financial Performance Indicators

Pupil numbers

Pupil numbers have been variable but around the 375 full time mark for the past 3 years. The academy has waiting lists for some year groups.

Staffing Ratio

The main costs incurred by the Academy are staffing costs. In line with other schools/academies in the Key Stage 2 sector staffing costs are

Total staffing costs per pupil £1,341 (£516,135 over 5 months)

Total staffing costs as a proportion of the total expenditure (excluding capital works) of the Academy is 78.3 %

The Academy greatly benefits from having a committed and talented teaching and support staff. On its journey towards recognition of an 'Outstanding' Ofsted grading, the Academy has advanced further through the growth and development of the Leadership Team. The Academy continues to place value on the investment in and mentoring of staff.

Financial Review

The main sources of income for the Academy are grants from the Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31st August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for the fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice. 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31st August 2014, total expenditure of £659,185 was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and pension liability adjustment) was £395,459.

At 31st August 2014 the net book value of fixed assets was £3,074,210 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Financial and Risk Management Objectives and Policies

The Governors have prepared a Risk Register and agreed a Risk Management strategy. These include the financial risks to the academy. The register and strategy are regularly reviewed in light of any new information and will be formally reviewed annually.

Principal Risks and Uncertainties

The principal financial risk facing the Academy is that funding is dependent upon pupil members. Historically the Academy has 370 pupils but Governors are aware of that, in the long term, it may face falling rolls due to low birth rate. Pupil numbers may also be affected by the reputation of the academy. Governors do not consider this to be a high risk, as the academy's numbers were consistent despite its previous 'Satisfactory' Ofsted status.

The Academy's future funding is also dependent upon Government Policy for Education. The impact, on Wednesbury Oak Academy Trust, of current review of School's Funding, will be assessed accordingly.

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

Reserves Policy

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

The Academy is holding free reserves at 31st August 2014 of £162,189

Restricted Funds comprises:

£ *General funds to support the Academy's budget in 2013-14. £375,610*

£ is an actuarial loss on the defined benefit pension scheme £884,000

Investment Policy

There is no material investments held by the Academy.

Plans for Future Periods

Governors are committed to support and challenge the Academy in order to maintain high levels of achievement the pupils currently attain.

The Academy's Self Evaluation has identified specific Academy Development focuses for the academic year 2014/15 which include –

- Further development of Spelling, Grammar and Punctuation and applied skills, in English (reading and writing) and across other curriculum areas;
- To raise the attainment of more able pupils in Mathematics
- To further enhance the performance of disadvantaged pupils throughout the Academy

- To continue to develop our outstanding practices in personalised assessment, through whole academy self-evaluation and target setting;

Funds held as Custodial Trustee on behalf of others

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

Auditors

In so far as the governors are aware:

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

Approved by the governors on 15th December 2014 and signed on their behalf by:



Mrs E Perrin
Chair of Governors

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

GOVERNANCE STATEMENT
31ST August 2014

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Governors' Report and in the statement of governors' responsibilities. The **governing body** has formally met once during the period. Attendance during the period at meetings of the governing body as follows:

Governor	Meetings attended	Out of a possible
Mr R Dunnaker	1	1
Mrs M Bull	1	1
Mrs P Burns	1	1
Mrs N Leavy	1	1
Mr S Smith	1	1
Mrs T Grieh	1	1
Mrs E Perrin	1	1
Mrs C Wyer	0	1
Miss L Jones	0	1
Mrs S Taylor	0	1
Mrs G Steventon	1	1

The Resources and Audit Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.

The Finance Committee undertake the responsibilities of an Audit Committee.

Governor	Meetings attended	Out of possible
Mr R Dunnaker	2	2
Mrs M Bull	2	2
Mrs P Burns	2	2
Mrs N Leavy	1	2
Mrs T Grieh	2	2
Mrs C Wyer	1	2
Mrs S Taylor	1	2

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Wednesbury Oak Academy Trust for the period 1 April 2014 to 31st August 2014 and up to the date of the approval of the annual report and financial statements. These processes are regularly reviewed by the Governing Body.

Capacity to Handle Risk

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

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- Regular reviews by the Resources and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase of capital investment) guideline
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Wright & Co, the Charitable Company's external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The auditor has reported to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities. No material control issues have been brought to the attention of the trustees arising as a result of the auditor's work.

Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to ensure continuous improvement of the system is in place.
Approved by order of the members of the Board on 15th December 2014 and signed on its behalf by:

Mrs E Perrin
Chair of Governors

Mrs M Bull
Accounting Officer
WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer at Wednesbury Oak Academy Trust I have considered my responsibility to notify the academy trust governing body and Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Signed

Mrs M Bull
Accounting Officer

WEDNESBURY OAK ACADEMY TRUST
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STATEMENT OF GOVERNORS RESPONSIBILITIES

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

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

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

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

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

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

Approved by order of the members of the Board on 15th December 2014 and signed on its behalf by:

Chair

Mrs E Perrin



WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WEDNESBURY OAK ACADEMY TRUST

We have audited the financial statements of Wednesbury Oak Academy Trust for the period ended 31 August 2014 on pages 21 to 40. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 issued by the Education Funding Agency (EFA).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors
As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WEDNESBURY OAK ACADEMY TRUST

Matters on which we are required to report by exception

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

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

M Atkinson (Senior Statutory Auditor)
for and on behalf of Wright & Co Partnership Limited
Chartered Accountants & Registered Auditors
5 Walsall Street
Wednesbury
West Midlands
WS10 9BZ

Date: 18 December 2014

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WEDNESBURY OAK ACADEMY TRUST

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

This report is made solely to Wednesbury Oak Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Wednesbury Oak Academy Trust and 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 Wednesbury Oak Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matter 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 charitable company's income and expenditure.

Conclusion
In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Wright & Co Partnership Limited
Chartered Accountants
5 Walsall Street
Wednesbury
West Midlands
WS10 9BZ

Date: 18 December 2014

Wednesbury Oak Academy Trust

Statement of Financial Activites for the year ended 31 August 2014

(including Income and Expenditure Account and Statement of Total Recognized Gains and Losses)

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	**Total 2014 £**
Incoming resources					
Incoming resources from generated funds:					
• Voluntary income	2	**8,522**	**0**	**0**	**8,522**
• Voluntary income - transfer from Local Authority on conversion	2	**289,927**	**(762,000)**	**2,258,649**	**1,786,576**
• Activities for generating funds	3	**11,201**	**0**	**0**	**11,201**
Investment Income	4	**126**	**0**	**0**	**126**
Incoming resources from charitable activities:					
• Funding for the Academy's educational operations	5	**0**	**823,793**	**8,303**	**832,096**
Total incoming resources		309,776	61,793	2,266,952	**2,638,521**
Resources expended					
Cost of generating funds:					
• Costs of generating voluntary income		**0**	**0**	**0**	**0**
• Investment management costs		**0**	**0**	**0**	**0**
Charitable activities:					
• Academy's educational operations	7	**0**	**657,059**	**13,017**	**670,076**
Governance costs	8	**0**	**14,126**	**0**	**14,126**
Total resources expended	6	0	671,185	13,017	**684,202**
Net incoming (outgoing) resources before transfers		**309,776**	**-609,393**	**2,253,935**	**1,954,318**
Gross transfers between funds		**0**	**(78,925)**	**78,925**	**0**
Net income/(expenditure) for the year		309,776	-688,317	2,332,860	**1,954,318**
Other recognised gains and losses					
Actuarial (losses) gains on defined benefit pension schemes	23	**0**	**(110,000)**	**0**	**(110,000)**
Net movement in funds		309,776	(798,317)	2,332,860	**1,844,318**
Reconciliation of funds					
Total funds brought forward at 1 September 2013		0	0	0	**0**
Funds carried forward at 31 August 2014	15	309,776	(798,317)	2,332,860	**1,844,318**

All of the academy trust's activities derive from acquisitions during the above one financial period.

Wednesbury Oak Academy Trust

BALANCE SHEET at 31 August 2014 **Company Number 8593820**

	Notes	2014 £	2014 £
Fixed assets			
Tangible assets	12		**2,332,860**
Current assets			
Stock			
Debtors	13	**105,242**	
Cash at bank and in hand	21	**428,212**	
		533,454	
Current liabilities			
Creditors: Amounts falling due within one year	14	**(137,995)**	
Net current assets			**395,459**
Total assets less current liabilities			**2,728,318**
Net assets excluding pension liability			**2,728,318**
Pension scheme liability	23		**(884,000)**
Net assets including pension liability			**1,844,318**
Funds of the academy:			
Restricted income funds			
. Fixed asset fund(s)	15		**2,332,860**
. General fund(s)	15		**85,683**
. Pension reserve	15		**(884,000)**
Total restricted funds			**1,534,542**
Unrestricted income funds			
. General fund(s)	15		**309,776**
Total unrestricted funds			**309,776**
Total funds			**1,844,318**

The financial statements on pages 21 **to 40** were approved by the trustees, and authorised for issue on 15th December 2014 and are signed on their behalf by:

.....

NAME MRS E PERRIN

Trustee

Wednesbury Oak Academy Trust

Cash Flow Statement for the year ended 31 August 2014

	Notes	2014 £
Net cash inflow from operating activities	18	**217,084**
Returns on investments and servicing of finance	19	**126**
Capital Expenditure	20	**(78,925)**
Cash transferred on conversion to an academy trust	18	**289,927**
(Decrease)/Increase in cash in the year		**428,212**
Reconciliation of net cash flow to movement in net funds		
(Decrease)/Increase in cash in the year		428,212
Net funds at 1 September 2013		0
Net funds at 31 August 2014		**428,212**

All of the cash flows are derived from acquisitions in the current financial period.

Notes to the Financial Statements for the Year Ended 31 August 2014

1. Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 to 2014 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

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

Incoming Resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

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

  General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

- **Sponsorship income**

  Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

- ***Donations***

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

- **Other income**

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

- **Donated Services and gifts in kind**

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

Resources Expended

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

- **Costs of generating funds**

  These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **Charitable activities**

  These are costs incurred on the academy trust's educational operations.

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

1. Statement of Accounting Policies (continued)

- **Governance Costs**
  These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

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

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

Freehold buildings	1%
Fixtures, fittings and equipment	20%
ICT equipment	25%
Motor Vehicles	10%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Taxation

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 28, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

1. Statement of Accounting Policies (continued)

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

Fund Accounting

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

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

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

2 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2014 £
Transfer on Conversion	289,927	2,258,649	**2,548,576**
Other Donations/School Fund	8,522	0	**8,522**
LGPS Pension Deficit	0	(762,000)	**(762,000)**
	298,449	1,496,649	**1,795,098**

3 Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 2014 £
Catering Income	631	0	**631**
Other Sales	10,571	0	**10,571**
	11,201	0	**11,201**

4 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2014 £
Current/Deposit Account Interest	126	0	**126**
	126	0	**126**

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

5 Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2014 £
DfE / EFA revenue grants			
General Annual Grant (GAG)	0	709,206	**709,206**
Start-up Grant	0	17,460	**17,460**
PE Grant	0	3,684	**3,684**
Pupil Premium	0	88,542	**88,542**
Other DfE / EFA grants Rates	0	1,677	**1,677**
Other DfE / EFA grants Insurance	0	3,224	**3,224**
	0	823,793	**823,793**
Other Government grants			
General Capital Grant	0	8,303	**8,303**
Special Capital Grant	0	0	**0**
	0	8,303	**8,303**
	0	832,096	**832,096**

6 Resources Expended

	Staff Costs £	Non Pay Expenditure Premises £	Other £	Total 2,014 £
Costs of generating voluntary income	0	0	0	**0**
Costs of activities for generating funds	0	0	0	**0**
Academy's educational operations				
• Direct Costs	443,438	0	0	**443,438**
• Allocated Support Costs	87,901	57,438	55,913	**201,252**
	531,339	57,438	55,913	**644,690**
Governance costs including allocated support costs	0	0	14,126	**14,126**
	531,339	57,438	70,039	**658,816**

Incoming/outgoing resources for the year include:	2,014 £
Operating leases	**1,014**
Fees payable to auditor - audit	**2,750**
- other services	**0**
Profit/(loss) on disposal of fixed assets	**0**

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

7 Charitable Activities - Academies Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2014 £
Direct costs			
Teaching and educational support costs		443,438	**443,438**
Depreciation		0	**0**
Educational supplies		23,137	**23,137**
Staff Development		2,250	**2,250**
Educational consultancy		0	**0**
Other direct costs		0	**0**
	0	468,824	**468,824**
Allocated support costs			
Support staff costs		87,901	**87,901**
Depreciation		13,017	**13,017**
Recruitment and support		853	**853**
Maintenance of premises		23,266	**23,266**
Water Rates		1,734	**1,734**
Energy Costs		9,525	**9,525**
Maintenance of equipment		0	**0**
Fixtures and Fittings		0	**0**
Cleaning		2,554	**2,554**
Operating Lease (Photocopier)		2,854	**2,854**
Rent and rates		1,677	**1,677**
Insurance		4,839	**4,839**
Supply Teacher Insurance		2,404	**2,404**
Security and transport		825	**825**
Catering		13,098	**13,098**
Bank interest and charges		0	**0**
Other support costs		36,704	**36,704**
	0	201,252	**201,252**
	0	**670,076**	**670,076**

8 Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2,014 £
Legal and professional fees		11,376	**11,376**
Auditor's remuneration			
• Audit of financial statements		2,750	**2,750**
• Other Audit services		0	**0**
	0	14,126	**14,126**

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

9 Staff Costs

Staff costs during the period were:	2,014 £
Wages and salaries	444,896
Social security costs	27,868
Pension costs	59,821
Additional Pension Contribution	0
Statutory Maternity Pay	(4,768)
	527,817
Supply teacher costs	318
Compensation payments	0
	318

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

	2014 No.
Charitable Activites	
Teachers	13.1
Administration and support	24.3
Management	3.0
	40.4

The number of employees whose emoluments exceeded £60,000 was:

	2014 No.
£60,001 - £70,000	0
	0

The above employee participated in the Teachers' Pension Scheme (n/a in 2013). During the year ended 31st August 2014 pension contributions for this member of staff amounted to £nil (2013 £nil)

10 Related Party Transactions - Trustees' Remuneration and Expenses

The Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments or other expenses, from the academy in respect of their role as trusteess. The value of trustees' remuneration was as follows:

Principal: Mrs Maria Bull £30,000 - £35,000 (2013 N/A)
Staff Trustee: Mrs Paula Burns £15,000 - £20,000 (2013 N/A)
Staff Trustee: Miss Tracy Grieh £15,000 - £20,000 (2013 N/A)

During the year Ended 31 August 2014, no travel and subsistence expenses were reimbursed to trustees (2013 N/A).

Other related party transactions involving the Trustees are set out in note 23

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

11 Governors' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year Ended 31 August 2014 was £443 (2013 N/A).

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

12 Tangible Fixed Assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	**Total £**
Cost					
At 1 September 2013	0	0	0	0	**0**
Additions	49,763	24,188	13,276	0	**87,228**
Transfer on conversion	2,258,649	0	0	0	**2,258,649**
Disposals	0	0	0	0	**0**
At 31 August 2014	2,308,412	24,188	13,276	0	**2,345,877**
Depreciation					
At 1 September 2013	0	0	0	0	**0**
Charged in year	9,618	2,016	1,383	0	**13,017**
Disposals	0	0	0	0	**0**
At 31 August 2014	9,618	2,016	1,383	0	**13,017**
Net book values					
At 31 August 2014	**2,298,794**	**22,172**	**11,893**	**0**	**2,332,860**
At 31 August 2013	0	0	0	0	0

The trust transactions relating to land and buildings included:

the taking up of a leasehold on Wednesbury Oak Junior & Infant School, Greenacre Road, Tipton, for £0 over a term of 125 years

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

13 Debtors

	2014 £
Trade debtors	0
Other debtors	41,455
VAT Debtor	33,716
Prepayments	30,070
	105,242

14 Creditors: amounts falling due within one year

	2,014 £
Trade creditors	59,945
PAYE & NIC creditor	19,412
Other taxation and social security	0
Pension scheme creditors	17,029
Other creditors	525
Accruals and deferred income	41,085
	137,995

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

15 Funds

	Balance at 1 September 2013 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2014 £
Restricted general funds					
General Annual Grant (GAG)	0	709,206	(544,599)	(78,925)	**85,683**
Primary PE Grant	0	3,684	(3,684)	0	**0**
Pupil Premium	0	88,542	(88,542)	0	**0**
Start-up Grant	0	17,460	(17,460)	0	**0**
Transfer on Conversion	0	0	0	0	**0**
Other DfE/EFA grants	0	4,901	(4,901)	0	**0**
Provision of boarding	0	0	0	0	**0**
Pension reserve	0	0	0	(884,000)	**(884,000)**
	0	**823,793**	**(659,185)**	**(962,925)**	**(798,317)**
Restricted fixed asset funds					
Transfer on Conversion	0	2,258,649	0	0	**2,258,649**
DfE/EFA capital grants	0	8,303	0	0	**8,303**
Capital expenditure from GAG	0	0	(13,017)	78,925	**65,908**
Disposal of Assets	0	0	0	0	**0**
	0	**2,266,952**	**(13,017)**	**78,925**	**2,332,860**
Total restricted funds	**0**	**3,090,745**	**(672,202)**	**(884,000)**	**1,534,542**
Unrestricted funds					
Unrestricted funds	0	19,849	0	0	**19,849**
Transfer on Conversion	0	289,927	0	0	**289,927**
Total unrestricted funds	0	**309,776**	0	0	**309,776**
Total Funds	**0**	**3,400,521**	**(672,202)**	**(884,000)**	**1,844,318**

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

16 Analysis of net assets between funds

Fund balances at 31 August 2014 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible Fixed Assets	0	0	2,332,860	**2,332,860**
Current assets	309,776	223,678	0	**533,454**
Current liabilities	0	(137,995)	0	**(137,995)**
Pension scheme liability	0	(884,000)	0	**(884,000)**
Total net assets	**309,776**	**(798,317)**	**2,332,860**	**1,844,318**

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

17 Financial commitments

Operating leases

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £
Land and buildings	
Expiring within one year	0
Expiring within two and five years inclusive	0
Expiring in over five years	0
	0
Other	
Expiring within one year	0
Expiring within two and five years inclusive	11,293
Expiring in over five years	0
	11,293

18 Reconciliation of net income to net cash inflow from operating activities	2,014 £
Net incoming resources	1,954,318
Conversion balances	(1,786,576)
Depreciation (note 14)	13,017
Capital grants from DfE and other capital income	(8,303)
Loss on disposal of tangible fixed assets	0
FRS 17 Adjustment	12,000
Interest receivable (note 6)	(126)
(Increase)/decrease in stocks	0
(Increase)/decrease in debtors	(105,242)
Increase/(decrease) in creditors	137,995
Net cash inflow from operating activities	217,084

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

19 Returns on investments and servicing of finance	£
Interest received	126
Net cash inflow from returns on investments and servicing of finance	**126**

20 Capital expenditure and financial investment	£
Purchase of tangible fixed assets	(87,228)
Capital grants from DfE/EFA	8,303
Capital funding received from sponsors and others	0
Receipts from sale of tangible fixed assets	0
Net cash inflow from capital expenditure and financial investment	**(78,925)**

21 Analysis of changes in net funds

	At 1 September 2013 £	Cash Flows £	At 1 August 2,014 £
Cash in hand and at bank	0	428,212	428,212
	0	428,212	428,212

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

22 Members' Liability

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

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

23 Pensions and similar obligations

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 the West Midlands Pension Fund. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £17,029 (2013: N/A) were payable to the schemes at 31 August 2014 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

23 Pensions and similar obligations (continued)

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year Ended 31 August 2014 was £31,159 (2013 N/A), of which employer's contributions totalled £24,050 (2013 N/A) and employees' contributions totalled £7109 (2013 N/A). The agreed contribution rates for future years are 14 per cent for employers and a range of between 5.5 per cent and 12.5 per cent, based on earnings, for employees.

The academy trust will pay additional contributions to cover the past service deficit of £34,600 in 2015/16 and £38,000 in 2016/17 financial years

Principal Actuarial Assumptions	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	3.95%	4.25%
Rate of increase for pensions in payment/inflation	2.20%	2.50%
Discount rate for scheme liabilities	4.00%	4.70%
Inflation assumption (CPI)	2.20%	2.50%

Commutation of pensions to lump sums: 50% take maximum cash; 50% take 3/80ths cash

Sensitivity analysis

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

	+ 0.1%	0%
Adjustment to discount rate	**£**	**£**
Present value of total obligation	859,000	884,000
Projected service cost	58,000	60,000
	+ 0.1%	**0%**
Adjustment to rate of inflation	**£**	**£**
Present value of total obligation	910,000	884,000
Projected service cost	62,000	60,000
	+ 1 Year	**None**
Adjustment to mortality age rating assumption	**£**	**£**
Present value of total obligation	901,000	884,000
Projected service cost	61,000	60,000

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

23 Pensions and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	At 31 August 2014	At 31 August 2013
Retiring today		
Males	**22.9**	22.9
Females	**25.5**	25.5
Retiring in 20 years		
Males	**25.1**	25.1
Females	**27.8**	27.8

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014	Fair Value at 31 August 2014	Expected return at 31 August 2013	Fair Value at 31 August 2013
		£		£
Equities	7.00%	**43,000**	7.00%	**0**
Government bonds	2.90%	**8,000**	3.40%	**0**
Other bonds	3.80%	**10,000**	4.30%	**0**
Property	6.20%	**8,000**	6.20%	**0**
Cash liquidity	0.50%	**4,000**	0.50%	**0**
Other	7.00%	**23,000**	7.00%	**0**
Total market value of assets		**96,000**		0
Present value of scheme liabilities				
- Funded		**(980,000)**		0
Surplus/(deficit) in the scheme		**(884,000)**		0

The actual return on scheme assets was £5,000 (2013: £

Amounts recognised in the statement of financial activities

	2014 £
Current service cost (net of employee contributions)	**22,000**
Past service cost	**0**
Total operating charge	**22,000**

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	**2,000**
Interest on pension liabilities	**(16,000)**
Pension finance income/(costs)	**(14,000)**

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

23 Pensions and similar obligations (continued)

Local Government Pension Scheme (continued)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £113,000 loss (2013: N/A).

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

	2014 £
At 1 September	**0**
Current service cost	**22,000**
Interest cost	**16,000**
Employee contributions	**7,000**
Actuarial (gain)/loss	**113,000**
Benefits paid	**0**
Past service cost	**0**
Curtailments and settlements	**0**
Business Combinations	**822,000**
At 31 August	**980,000**

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

	2014 £
At 1 September	**0**
Expected return on assets	**2,000**
Actuarial gain/(loss)	**3,000**
Business combinations	**60,000**
Employer contributions	**24,000**
Employee contributions	**7,000**
Benefits paid	**0**
At 31 August	**96,000**

The estimated value of employer contributions for next period is £76,000 (2013 - £nil).

The five-year history of experience adjustments is as follows:

	2014 £
Present value of defined benefit obligations	**(980,000)**
Fair value of share of scheme assets	**96,000**
Deficit in the scheme	**(884,000)**
Experience adjustments on the share of scheme assets	
Amount £	**3,000**
Experience adjustments on scheme liabilities	
Amount £	**0**

Comparative figures have not been restated as permitted by FRS 17.

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

24 Related Party Transactions

No related party transactions took place in the period of account.

25 Conversion to an Academy Trust

On 1st April 2014 Wednesbury Oak Junior & Infant School converted to Academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Wednesbury Oak Academy Trust from Sandwell Local Authority for £nil consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount in the Statement of Financial Activities as voluntary income

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Leasehold buildings	0	0	2,258,649	2,258,649
Budget Surplus on LA funds	289,927	0	0	289,927
LGPS pension deficit	0	(762,000)	0	(762,000)
Net Assets	289,927	(762,000)	2,258,649	1,786,576