WEDNESBURY OAK ACADEMY TRUST

(Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2015

Company Registration No: 8749821 (England and Wales)

WEDNESDAY

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WEDNESBURY OAK ACADEMY TRUST

(Company limited by guarantee)

CONTENTS

	Page
Reference and Administrative Information	3
Governors' Report	5
Governance Statement	14
Statement on Regularity, Propriety and Compliance	17
Statement of Governor's Responsibilities	18
Independent Auditor's Report	19
Independent Reporting Accountants Report on Regularity	21
Statement of Financial Activities	22
Balance Sheet	23
Cash Flow Statement	24
Statement of Accounting Policies	25
Notes to the Financial Statements	26

WEDNESBURY OAK ACADEMY TRUST

(Company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Governors/Trustees:	Category
Mr Roger Dunnaker	Co-opted Resigned 24/11/14
Mr Scott Smith	Co-opted Resigned 24/11/14
Mrs Nicola Levy	Co-opted Vice Chair
Mrs E Perrin	Co-opted Chair
Mrs C Wyer	Co-opted
Governors:	
Mrs M Bull	Principal
Mrs P Burns	Resigned 31/08/15
Mrs T Grieh	Staff
Miss S Palfrey	Staff
Mrs L Jones	Staff
Mrs S Taylor	Co-opted Resigned 29/09/14
Mrs G Steventon	Co-opted
Mr M Richardson	Parent
Mr T Rathnapala	Community Resigned 30/9/15
Mr M Foster	Community Resigned 2/11/15
Company Secretary:	Mrs M Bull

Senior Leadership Team:

• Vice Principal	Mrs T Grieh
• Assistant Vice Principal	Mrs J Griffiths
• Assistant Vice Principal	Miss S Palfrey
• Finance Director	Mrs D Southall
• SENCo	Mrs K Kular
• Duputy SENCo	Mrs R Tranter
• EY Lead	Mrs J Moore
• Arts Lead	Mrs E Slepertas

Registered Office:	Green Acre Road Tipton DY4 0AR
Company Registration Number:	8749821

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Independent Auditors:	**Wright & Co** **Chartered Accountants** **Registered Auditors** **The Squires** **5 Walsall Street** **Wednesbury** **WS10 9BZ**
Bankers:	**Lloyds Bank** **63 High Street** **Dudley** **West Midlands** **DY1 1PY**
Insurance Brokers:	**Zurich** **PO Box 3899** **Swindon** **FN4 4FJ**
Solicitors:	**BrowneJacobson** **Victoria Square House** **Victoria Square** **Birmingham** **B2 4BU**

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
GOVERNOR'S REPORT
31st August 2015

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 2014 to 31 August 2015.

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, 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 2015

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 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, Vice Principal, 2 Assistant Vice Principals, School Business Manager, SENCO & Deputy SENCo, Early Years Leader and an Arts Leader.

The initial Collaborative Improvement 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 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 Collaborative Improvement 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. 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 to provide education and care for pupils of different abilities between the age of 2 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 2015 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 2015

Our Values

Wednesbury Oak Academy 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 continued review of the Curriculum Subject Policies, Schemes of Work and assessment practise for English and Maths throughout the academy
- The further development of Spelling, Grammar and Punctuation and applied skills, in English and across other curriculum areas throughout the academy
- The development of a forest school curriculum
- 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 2015

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 Academy was judged by Ofsted in March 2013 to be 'Outstanding'. This was in line with the Academy's Self Evaluation.

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 for Level 4 achievement 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 2015

Reading	**L4+**	**93% (Nat 89%)**	**L5+ 39% (Nat 48%)**	
Writing	**L4+**	**91% (Nat 87%)**	**L5+ 18% (Nat 36%)**	**L6 4% (Nat 2%)**
SPAG	**L4+**	**80% (Nat 80%)**	**L5+ 54% (Nat 55%)**	**L6 4% (Nat 4%))**
Maths	**L4+**	**89% (Nat 87%)**	**L5+ 25% (Nat 41%)**	**L6 4% (Nat 9%)**

Reading, Writing and Maths

L4+	**88% (Nat 80%)**	**L5+ 11% (Nat 24%)**

These results are despite this cohort being significantly behind National in their KS1 SATs four years previously with only 9.3% performing at the higher level of attainment which accounts for the cohorts reduced Level 5+ performance.

Two whole levels Reading	**98% (Nat 91%)**
Two whole levels Writing	**98% (Nat 94%)**
Two whole levels Maths	**96% (Nat 90%)**

Reading	**L4B+**	**80% (Nat 80%)**
Writing	**L4B+**	**Not Available**
Maths	**L4B+**	**77% (Nat 77%)**
SPAG	**L4B+**	**73% (Nat 73%)**

AVERAGE APS PROGRESS – KS1 – KS2 Raise Online Data

Reading	**14.4 (3.6 per year)**	(14.2 APS on entry – End of KS2 28.6 APS) Outstanding Progress
Writing	**14.3 (3.6 per year)**	(13.3 APS on entry – End of KS2 27.6 APS) Outstanding Progress
Maths	**13.4 (3.3 per year)**	(14.8 APS on entry – End of KS2 27.8 APS) Good Progress

All Subjects	**13.8 (3.5 per year)**	(14.1 APS on entry – End of KS2 27.9 aps) Good Progress

Year 6 made outstanding progress in English and good progress in Maths across KS2, according to results in Raise Online, above. However, the APS Uplift has been negatively affected by one SEN child who was a late arrival to WOA and failed to achieve Level 4s in any subjects. Also, the cohort has changed due to children leaving and joining WOA since Y2. Carrying out an APS Uplift analysis on like-for-like children yields the following results.

Reading	**14.4 (3.6 per year)**	(14.1 APS on entry – End of KS2 28.5 APS) Outstanding Progress
Writing	**15.4 (3.9 per year)**	(13.0 APS on entry – End of KS2 28.4 APS) Outstanding Progress
Maths	**13.7 (3.5 per year)**	(13.7 APS on entry – End of KS2 28.1 APS) Good Progress
All Subjects	**14.5 (3.6 per year)**	(13.8 APS on entry – End of KS2 28.3 APS) Outstanding Progress

KS1 – KS2 CONVERSIONS

Expected Progress

Two Levels of progress	Reading	**98% (91%)**	Writing	**98% (94%)**	Maths	**96% (90%)**

More than Expected Progress

More than 2 levels of progress	Reading	**67%**	Writing	**85%**	Maths	**54%**
Three or more Levels of progress	Reading	**39% (Nat 33%)**	Writing	**31% (Nat 36%)**	Maths	**20% (Nat 34%)**

ATTAINMENT & PROGRESS NATIONAL THRESHOLDS 2014-2015

Reading, Writing, Maths L4+ = 65%

Reading 2 levels = 88%

Writing 2 levels = 90%

Maths 2 levels = 90%

Average APS UPLIFT (Progress) across the whole academy 2014-2015

READING	**4.5**
WRITING	**4.5**
MATHS	**4.8**
OVERALL	**4.6**

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

	12/13	13/14	14/15	Overall Subject Average
READING	4.7	**4.1**	**4.5**	**4.4**
WRITING	4.2	**3.6**	**4.5**	**4.1**
MATHS	4.6	**3.9**	4.8	**4.4**
OVERALL ANNUAL AVERAGE	4.6	**3.9**	**4.6**	**4.3**

Pupil progress continues to be outstanding across the Academy.

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 378 full time mark for the past 3 years. However, numbers this year have increased markedly to 396 so the academy is growing and 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 Primary sector staffing costs are

Total staffing costs per pupil £3,365

Total staffing costs as a proportion of the total expenditure (excluding capital works) of the Academy is 76 %

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 2015 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 2015, total expenditure of £1,840,348 was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year £208,324.

At 31st August 2015 the net book value of fixed assets was £2,421,014 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, 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 net current assets at 31st August 2015 of £518,448.

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 2015/16 which include –

- To continue to further development of Spelling, Grammar and Punctuation and applied skills, in English (reading and writing) and across other curriculum areas in line with the new curriculum and new assessment procedures;
- To raise the attainment of more able pupils in Mathematics and English through developing real life problem solving projects;
- To develop 'deep learning' pedagogy and further develop the academy's assessment systems to reflect this;
- To further enhance the performance of disadvantaged pupils throughout the Academy;
- To further refine our assessment without levels philosophy and associated system;
- 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

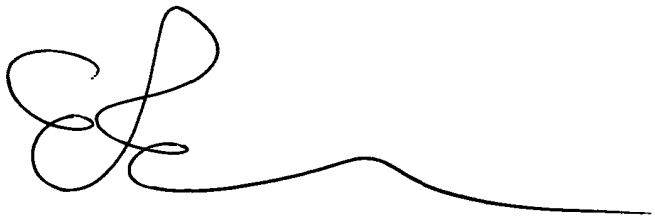
There are no funds held as Custodian Trustee on behalf of others.

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 2015 and signed on their behalf by:



Mrs E Perrin
Chair of Governors

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)

GOVERNANCE STATEMENT
31ST August 2015

Scope of Responsibility

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

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 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	2	2
Mrs M Bull	9	9
Mrs P Burns	13	15
Mrs N Leavy	9	13
Mr S Smith	2	2
Mrs T Grieh	11	12
Mrs E Perrin	12	12
Mrs C Wyer	7	15
Miss L Jones	5	9
Mrs S Taylor	0	1
Mrs G Steventon	3	9
Mr M Foster	1	2
Mr M Richardson	4	4
Mr T Rathnapala	2	4
Mrs S Taylor	0	0

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	1	1
Mrs M Bull	3	3
Mrs P Burns	2	3
Mrs N Leavy	3	3
Mrs T Grieh	2	3
Mrs C Wyer	1	3

Review of Value for Money

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

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

- continuing to employ reasonably-priced cover staff to avoid the use of staff supplied by supply agencies at a very high cost
- having a robust method to gather quotes for resources and proposed building works to seek best value
- utilising the specialist services of an architect and an estimator to ensure best value and the quality of large-scale building projects
- regularly reviewing the costs of Service Level Providers, changing suppliers as necessary to enhance best value
- reviewing benchmarking data on an annual basis with the Board of Trustees and following any agreed recommendations.

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 for the period 1st September 2014 to 31st August 2015 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 1st September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the 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 2015 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)
31st August 2015

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer at Wednesbury Oak Academy I have considered my responsibility to notify the academy trust governing body and Education 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

M Bull

Mrs M Bull
Accounting Officer

WEDNESBURY OAK ACADEMY TRUST
(Company limited by guarantee)
31st August 2015

STATEMENT OF GOVERNORS RESPONSIBILITIES

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

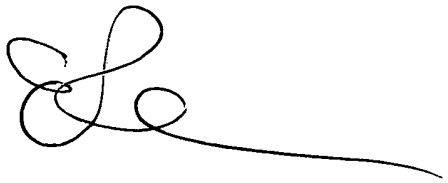
The governors are responsible for ensuring that in its conduct and operation the academy applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied 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 2015 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 for the period ended 31 August 2015 on pages 22 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 2014/15 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 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014/15 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.

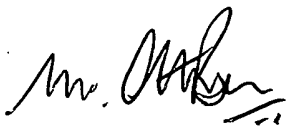
WEDNESBURY OAK ACADEMY
(Company limited by guarantee)

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

15th December 2015

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 2014/15, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wednesbury Oak Academy during the period to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Wednesbury Oak Academy 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 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 and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Wednesbury Oak Academy's accounting officer and the reporting accountant
The accounting officer is responsible, under the requirements of Wednesbury Oak Academy'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 2014/15. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach
We conducted our engagement in accordance with the Academies: Accounts Direction 2014/15 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 2015 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

15th December 2015

Wednesbury Oak Academy Trust

Statement of Financial Activites for the year ended 31 August 2015

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

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	**Total 2015 £**	Total 2014 As restated £
Incoming resources						
Incoming resources from generated funds:						
• Voluntary income	2	**1,921**	**0**	**0**	**1,921**	8,522
• Voluntary income - transfer from Local Authority on conversion	2	**0**	**0**	**0**	**0**	1,694,956
• Activities for generating funds	3	**41,822**	**0**	**0**	**41,822**	11,201
Investment Income	4	**587**	**0**	**0**	**587**	126
Incoming resources from charitable activities:						
• Funding for the Academy's educational operations	5	**0**	**1,995,946**	**8,397**	**2,004,342**	832,096
Total incoming resources		44,329	1,995,946	8,397	**2,048,672**	2,546,901
Resources expended						
Cost of generating funds:						
• Costs of generating voluntary income		**0**	**0**	**0**	**0**	0
• Investment management costs		**0**	**0**	**0**	**0**	0
Charitable activities:						
• Academy's educational operations	7	**0**	**1,777,403**	**52,920**	**1,830,323**	670,076
Governance costs	8	**0**	**10,025**	**0**	**10,025**	14,126
Total resources expended	6	0	1,787,428	52,920	**1,840,348**	684,202
Net incoming (outgoing) resources before transfers		**44,329**	**208,517**	**(44,523)**	**208,324**	1,862,699
Gross transfers between funds		**0**	**(132,678)**	**132,678**	**0**	0
Net income/(expenditure) for the year		44,329	75,840	88,155	**208,324**	1,862,699
Other recognised gains and losses						
Actuarial (losses) gains on defined benefit pension schemes	24	**0**	**(59,000)**	**0**	**(59,000)**	(110,000)
Net movement in funds		44,329	16,840	88,155	**149,324**	1,752,699
Reconciliation of funds						
Total funds brought forward at 1 September 2014		218,155	(798,317)	2,332,860	**1,752,698**	0
Funds carried forward at 31 August 2015		262,485	(781,477)	2,421,015	**1,902,022**	1,752,699

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

Wednesbury Oak Academy Trust

BALANCE SHEET at 31 August 2015 **Company Number 8593820**

	Notes	2015 £	2015 £	2014 as restated £	2014 as restated £
Fixed assets					
Tangible assets	12		**2,421,014**		2,332,860
Current assets					
Stock					
Debtors	13	**84,395**		105,242	
Cash at bank and in hand		**553,844**		428,212	
		638,238		533,454	
Current liabilities					
Creditors: Amounts falling due within one year	14	**(119,791)**		(137,995)	
Net current assets			**518,448**		**395,459**
Total assets less current liabilities			**2,939,462**		2,728,319
Long term liabilities					
Equal Pay Loan	15		**(81,440)**		(91,620)
Net assets excluding pension liability			**2,858,022**		2,636,699
Pension scheme liability	24		**(956,000)**		(884,000)
Net assets including pension liability			**1,902,022**		**1,752,699**
Funds of the academy:					
Restricted income funds					
. Fixed asset fund(s)	16		**2,421,014**		2,332,860
. General fund(s)	16		**174,522**		85,683
. Pension reserve	16		**(956,000)**		(884,000)
Total restricted funds			**1,639,537**		**1,534,543**
Unrestricted income funds					
. General fund(s)	16		**262,485**		218,156
Total unrestricted funds			**262,485**		**218,156**
Total funds			**1,902,022**		**1,752,699**

The financial statements on pages 22 to 40 were approved by the trustees, and authorised for issue on 14th December 2015 and are signed on their behalf by:

.....

Name Date

Trustee

Wednesbury Oak Academy Trust

Cash Flow Statement for the year ended 31 August 2015

	Notes	2015	2014
		£	£
Net cash inflow from operating activities	19	**257,722**	217,085
Returns on investments and servicing of finance	20	**587**	126
Capital Expenditure	21	**(132,678)**	(78,925)
Cash transferred on conversion to an academy trust		**0**	289,927
(Decrease)/Increase in cash in the year		**125,632**	428,213
Reconciliation of net cash flow to movement in net funds			
(Decrease)/Increase in cash in the year		125,632	428,213
Net funds at 1 September 2014		428,212	0
Net funds at 31 August 2015		**553,844**	428,213

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 2015

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 2014 to 2015 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. Three Year Projections are also provided for trustees information

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 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 goods, facilities and services**

  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 accounting 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 2015 (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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund

Depreciation is provided on all tangible fixed assets other than freehold land, 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 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.

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 23, 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 2015 (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 with restrictions imposed by the funder/donor and include grants from the Education Funding Agency.

2 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total Restated 2014 £
Transfer on Conversion	0	0	**0**	2,548,576
Other Donations	1,921	0	**1,921**	8,522
LGPS Pension Deficit	0	0	**0**	(762,000)
Equal Pay Loan-prior year adjustment	0	0	**0**	(91,620)
	1,921	0	**1,921**	1,703,478

3 Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Hire of Facilities	0	0	**0**	0
Catering Income	158	0	**158**	631
Education Welfare provision to other schools	0	0	**0**	0
Behaviour Support provision to other schools	0	0	**0**	0
School Improvement Consultancy provision to other schools	0	0	**0**	0
Other Sales	41,663	0	**41,663**	10,571
	41,822	0	**41,822**	11,201

4 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Current/Deposit Account Interest	587	0	**587**	126
	587	0	**587**	126

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
DfE / EFA revenue grants				
General Annual Grant (GAG)	0	1,574,342	**1,574,342**	709,206
Start up Grant	0	0	**0**	17,460
PE Grant	0	9,555	**9,555**	3,684
Pupil Premium	0	234,957	**234,957**	88,542
Capital Grants	0	8,397	**8,397**	8,303
Other DfE / EFA grants Rates	0	170,341	**170,341**	4,901
	0	1,997,592	**1,997,592**	832,096
Other Government grants				
Local Authority Grants	0	0	**0**	0
Special Educational Projects	0	6,750	**6,750**	0
	0	6,750	**6,750**	0
	0	2,004,342	**2,004,342**	832,096

6 Resources Expended

	Staff Costs £	Non Pay Expenditure Premises £	Non Pay Expenditure Other £	Total 2015 £	Total 2014 £
Costs of generating voluntary income	0	0	0	**0**	0
Costs of activities for generating funds	0	0	0	**0**	0
Academy's educational operations					
• Direct Costs	1,122,902	0	80,732	**1,203,634**	468,824
• Allocated Support Costs	247,802	173,498	205,390	**626,689**	201,252
	1,370,704	173,498	286,121	**1,830,323**	670,076
Governance costs including allocated support costs	0	0	10,025	**10,025**	14,126
	1,370,704	173,498	296,146	**1,840,348**	684,202

Incoming/outgoing resources for the year include:		2015 £	2014 £
Operating leases	- plant and machinery	**7,658**	1,014
	- other leases	**0**	0
Fees payable to auditor			
	- audit	**4,750**	2,750
	- other services	**1,100**	0
Profit/(loss) on disposal of fixed assets		**0**	0

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

7 Charitable Activities - Academies Educational Operations

	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Direct costs				
Teaching and educational support costs	1,122,902	0	**1,122,902**	443,438
Depreciation	0	0	**0**	0
Technology costs	8,793	0	**8,793**	0
Educational supplies	58,721	0	**58,721**	23,137
Examination fees	0	0	**0**	0
Staff development	13,218	0	**13,218**	2,250
Educational consultancy	0	0	**0**	0
Other direct costs	0	0	**0**	0
	1,203,634	0	**1,203,634**	468,824
Allocated support costs				
Support staff costs	247,802	0	**247,802**	87,901
Depreciation	0	52,920	**52,920**	13,017
Technology costs	0	0	**0**	0
Recruitment and support	4,007	0	**4,007**	853
Maintenance of premises	64,436	0	**64,436**	23,266
Water rates	3,136	0	**3,136**	1,734
Energy costs	29,432	0	**29,432**	9,525
Maintenance of equipment	0	0	**0**	0
Fixtures and fittings	0	0	**0**	0
Cleaning	2,744	0	**2,744**	2,554
Operating lease (photocopier)	14,469	0	**14,469**	2,854
Rent and rates	10,102	0	**10,102**	1,677
Insurance	10,729	0	**10,729**	4,839
Supply teacher insurance	7,213	0	**7,213**	2,404
Security and transport	2,814	0	**2,814**	825
Catering	61,418	0	**61,418**	13,098
Bank interest and charges	0	0	**0**	0
Other support costs	115,468	0	**115,468**	36,704
	573,769	52,920	**626,689**	201,252
	1,777,403	**52,920**	**1,830,323**	670,076

8 Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Legal and professional fees		4,175	**4,175**	11,376
Auditor's remuneration				
• Audit of financial statements		4,750	**4,750**	2,750
• Other Audit services		1,100	**1,100**	0
	0	10,025	**10,025**	14,126

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Staff Costs

Staff costs during the period were:	2015	2014
	£	£
Wages and salaries	1,131,979	444,896
Social security costs	73,528	27,868
Operating costs of defined benefit pension schemes	133,593	59,821
Additional Pension Contribution	34,634	0
Statutory Maternity Pay	(4,097)	(4,768)
	1,369,637	527,817
Supply staff costs	1,068	318
Staff restructuring costs	0	0
	1,068	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:

	2015	2014
	No.	No.
Charitable Activites		
Teachers	16	13
Administration and support	23	24
Management	3	3
	42	40

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

	2015	2014
	No.	No.
Higher than £60,000	1	0
	1	0

The above employee participated in the Teachers' Pension Scheme.

10 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment, and not in respect of their services as trustees. The value of trustees' remuneration was as follows:

Principal: Mrs Maria Bull £80,001 - £85,000 (2014: £30,001 - £35,000)
Staff Trustee: Mrs Paula Burns £45,001 - £50,000 (2014: £15,001 - £20,000)
Staff Trustee: Mrs Tracy Grieh £45,001 - £50,000 (2014: £15,001 - £20,000)

During the period ended 31 August 2015, no travel and subsistence expenses were reimbursed to trustees (2014 £0).

Other related party transactions involving the Trustees are set out in note 24

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

11 Trustees and Officers Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2015 was £414 (2014 £443).

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 2014	2,308,412	24,188	13,276	0	**2,345,877**
Additions	40,940	75,283	24,851	0	**141,074**
Transfer on conversion	0	0	0	0	**0**
Disposals	0	0	0	0	**0**
At 31 August 2015	2,349,352	99,471	38,127	0	**2,486,951**
Depreciation					
At 1 September 2014	9,618	2,016	1,383	0	**13,017**
Charged in year	23,494	19,894	9,532	0	**52,920**
Disposals	0	0	0	0	**0**
At 31 August 2015	33,112	21,910	10,915	0	**65,937**
Net book values					
At 31 August 2015	**2,316,241**	**77,561**	**27,212**	**0**	**2,421,014**
At 31 August 2014	2,298,794	22,172	11,893	0	2,332,860

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

13 Debtors

	2015	2014
	£	£
Trade debtors	0	0
Other debtors	41,360	41,455
VAT recoverable	9,785	33,716
Prepayments and accrued income	33,250	30,070
	84,395	105,242

14 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	41,378	59,945
PAYE & NIC creditor	23,183	19,412
Other taxation and social security	0	0
Pension scheme creditors	18,181	17,029
Other creditors	575	525
Accruals and deferred income	36,473	41,085
	119,791	137,995

15 Creditors: amounts falling due in greater than one year

	2015	2014 Restated
	£	£
Other Creditors	81,440	91,620
	81,440	91,620

Included within other creditors is a loan of £81,440 from Sandwell MBC which is provided on the following terms: Fifteen annual payments of £10,180 commencing in 2009/10 financial year and representing the former Wednesbury Oak Primary School commitment to a Council wide agreement to fund equal value settlements arising from Single Status disputes.

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

16 Funds

	Balance at 1 September 2014 restated	Incoming Resources	Resources Expended	Gains, Losses and Transfers	Balance at 31 August 2015
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	85,683	1,574,342	(1,352,825)	(132,678)	**174,522**
Primary PE Grant	0	9,555	(9,555)	0	**0**
Pupil Premium	0	234,957	(234,957)	0	**0**
Transfer on Conversion	0		0	0	**0**
Other DfE/EFA grants	0	170,341	(170,341)	0	**0**
Special Educational Projects	0	6,750	(6,750)	0	**0**
Pension reserve	(884,000)	0	(13,000)	(59,000)	**(956,000)**
	(798,317)	**1,995,946**	**(1,787,428)**	**(191,678)**	**(781,478)**
Restricted fixed asset funds					
Transfer on Conversion	2,258,649	0	0	0	**2,258,649**
DfE/EFA capital grants	8,303	8,397	(16,700)	0	**(0)**
Capital expenditure from GAG	65,908	0	(36,220)	132,678	**162,366**
Disposal of Assets	0	0	0	0	**0**
	2,332,860	**8,397**	**(52,920)**	**132,678**	**2,421,014**
Total restricted funds	**1,534,542**	**2,004,342**	**(1,840,348)**	**(59,000)**	**1,639,537**
Unrestricted funds					
Unrestricted funds	218,156	44,329	0		**262,485**
Total unrestricted funds	218,156	44,329	0	0	**262,485**
Total Funds	**1,752,698**	**2,048,672**	**(1,840,348)**	**(59,000)**	**1,902,022**

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 2015.

17 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	0	0	2,421,014	**2,421,014**
Current assets	44,329	593,909	0	**638,238**
Current liabilities	0	(119,791)	0	**(119,791)**
Equal Pay Liability		(81,440)	0	**(81,440)**
Pension scheme liability	0	(956,000)	0	**(956,000)**
Total net assets	**44,329**	**(563,322)**	**2,421,014**	**1,902,022**

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

18 Financial commitments

Operating leases

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

	2015 £000	2014 £000
Land and buildings		
Expiring within one year	0	0
Expiring within two and five years inclusive	0	0
Expiring in over five years	0	0
	0	0
Other		
Expiring within one year	2,939	0
Expiring within two and five years inclusive	5,408	11,293
Expiring in over five years	0	0
	8,347	11,293

19 Reconciliation of net income to net cash inflow from operating activities	2015 £	2014 restated £
Net income	208,324	1,862,699
Depreciation (note 12)	52,920	13,017
Capital grants from DfE and other capital income	(8,397)	(8,303)
Loss on disposal of tangible fixed assets	0	0
Transfer on conversion	0	(1,694,956)
Interest receivable (note 4)	(587)	(126)
FRS 17 pension cost less contributions payable (note 23)	(20,000)	(2,000)
FRS 17 pension finance income (note 23)	33,000	14,000
(Increase)/decrease in stocks	0	0
(Increase)/decrease in debtors	20,847	(105,242)
Increase/(decrease) in creditors	(28,384)	137,995
Net cash inflow from operating activities	257,722	217,085

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

	2015	2014
	£	£
20 Returns on investments and servicing of finance		
Interest received	587	126
Net cash inflow from returns on investments and servicing of finance	587	126
21 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(141,074)	(87,228)
Capital grants from DfE/EFA	8,397	8,303
Capital funding received from sponsors and others	0	0
Receipts from sale of tangible fixed assets	0	0
Net cash inflow from capital expenditure and financial investment	(132,678)	(78,925)

22 Analysis of changes in net funds

	At 1 September 2014 £000	Cash Flows £000	At 1 August 2015 £000
Cash in hand and at bank	428,212	125,632	553,844
	428,212	125,632	553,844

23 Members' Liability

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

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 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 2012 and of the LGPS 31 March 2013.

Contributions amounting to £18,131.42 (2014: £17,029) were payable to the schemes at 31 August 2015 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £149,657 (2014: £59,547).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.
Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pensions and similar obligations (continued)

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 2015 was £60,296 (2014 £31,159), of which employer's contributions totalled £77,395 (2014 £24,050) and employees' contributions totalled £17,535 (2014 £7,109). The agreed contribution rates for future years are 14.1 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 £38,000 in 2016/17 financial year and for twenty two years in total.

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	**At 31 August 2015**	**At 31 August 2014**
Rate of increase in salaries	4.15%	3.95%
Rate of increase for pensions in payment/inflation	2.40%	2.20%
Discount rate for scheme liabilities	4.00%	4.00%
Inflation assumption (CPI)	2.40%	2.20%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis

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

	+ 0.1%	**0%**	**-0.1%**
Adjustment to discount rate	£000	£000	£000
Present value of total obligation	1,125	1,154	1,184
Projected service cost	61	63	65
	+ 0.1%	**0%**	**-0.1%**
Adjustment to rate of inflation	£000	£000	£000
Present value of total obligation	2,339	1,154	1,235
Projected service cost	128	63	61
	+ 1 Year	**None**	**- 1 Year**
Adjustment to mortality age rating assumption	£000	£000	£000
Present value of total obligation	1,183	1,154	1,125
Projected service cost	65	63	61

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 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 2015	At 31 August 2014
Retiring today		
Males	**23**	22.9
Females	**25.2**	25.5
Retiring in 20 years		
Males	**25.6**	25.1
Females	**28**	27.8

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

	Fair Value at 31 August 2015	Fair Value at 31 August 2014
	£	£
Equities	**118,000**	**43,000**
Government bonds	**15,000**	**8,000**
Other bonds	**20,000**	**10,000**
Property	**17,000**	**8,000**
Cash liquidity	**10,000**	**4,000**
Other	**18,000**	**23,000**
Total market value of assets	**198,000**	96,000
Present value of scheme liabilities		
- Funded	**(1,154,000)**	(980,000)
Surplus/(deficit) in the scheme	**(956,000)**	(884,000)

The actual return on scheme assets was £7,000 (2014: £5,000)

Amounts recognised in the statement of financial activities

	2015	2014
	£	£
Current service cost (net of employee contributions)	**58,000**	22,000
Past service cost	**0**	0
Total operating charge	**58,000**	22,000

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	**8,000**	2,000
Interest on pension liabilities	**(41,000)**	(16,000)
Pension finance income/(costs)	**(33,000)**	(14,000)

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 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 **£58,000** loss (2014: **£113,000** loss).

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

	2015 £	2014 £
At 1 September	**980,000**	0
Current service cost	**58,000**	22,000
Interest cost	**41,000**	16,000
Employee contributions	**17,000**	7,000
Actuarial (gain)/loss	**58,000**	113,000
Benefits paid	**0**	0
Past service cost	**0**	0
Curtailments and settlements	**0**	0
Business Combinations	**0**	822,000
At 31 August	**1,154,000**	980,000

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

	2015 £	2014 £
At 1 September	**96,000**	0
Expected return on assets	**8,000**	2,000
Actuarial gain/(loss)	**(1,000)**	3,000
Business combinations	**0**	60,000
Employer contributions	**78,000**	24,000
Employee contributions	**17,000**	7,000
Benefits paid	**0**	0
At 31 August	**198,000**	96,000

The estimated value of employer contributions for next period is **£76,000** (2014 - **£76,000**).

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

	2015 £	2014 £	2013 £	2012 £	2011 £
Present value of defined benefit obligations	**(1,154,000)**	(980,000)	0	0	0
Fair value of share of scheme assets	**198,000**	96,000	0	0	0
Deficit in the scheme	**(956,000)**	**(884,000)**	**0**	**0**	**0**
Experience adjustments on the share of scheme assets					
Amount £000	**(1,000)**	3,000	0	0	0
Experience adjustments on scheme liabilities					
Amount £000	**0**	0	0	0	0

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