

Registered number: 07584611 (England and Wales)

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2016

THURSDAY



A63ROUYX

A28

06/04/2017

#138

COMPANIES HOUSE

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 8
Governance statement	9 - 11
<i>Statement on regularity, propriety and compliance</i>	12
Statement of Trustees' responsibilities	13
Independent auditors' report on the financial statements	14 - 15
Independent auditors' assurance report on regularity	16 - 17
Statement of financial activities incorporating income and expenditure account	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 40

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Reference and Administrative Details of the Academy, its Trustees and Advisers
For the year ended 31 August 2016

Members & Trustees	Michael Stevens MBE Julie Murton, Chairman Kevin Moody Mark Housden
Governors not Trustees	Brian Calderwood ¹ Graham Twist ¹ Darren Comber Simon Lake Duncan Dwinell Peter Ingram ¹ Duncan Bain Vicki Gabriel Jill Williams Louise Trumper Tom Abbott Shireen Razey Helen Barham Audrey Antoine-Hart Claire Petrucci (resigned 31 August 2016) Penny Spiller (resigned 31 August 2016) Lyn Western (resigned 31 August 2016)
	¹ member of the Finance and Premises committee
Company registered number	07584611
Company name	Oakwood Park Grammar School
Principal and registered office	Oakwood Park Maidstone Kent ME16 8AH
Company secretary	Kevin Moody
Senior management team	Kevin Moody, Head Teacher Mark Housden, Deputy Head Teacher Michelle Lawson, Assistant Head Teacher Ann Lewell, Assistant Head Teacher Judith Bevan, Assistant Head Teacher Mark Solly, Assistant Head Teacher Sara Bryant, Director of Resources
Independent auditors	Williams Giles Limited Chartered Accountants Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Reference and Administrative Details of the Academy, its Trustees and Advisers
For the year ended 31 August 2016

Advisers (continued)

Bankers	NatWest 3 High street Maidstone Kent ME14 1XU
Solicitors	Brachers LLP Somerfield House 59 London Rd Maidstone Kent ME16 8JH

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Trustees' Report
For the year ended 31 August 2016

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Kent. It has a pupil capacity of 1050 and had a roll of 1049 in the school census on 6 October 2016.

Structure, governance and management

a. Constitution

The academy is a company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The Trustees of Oakwood Park Grammar School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Oakwood Park Grammar School.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. 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 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.

c. Method of recruitment and appointment or election of Trustees

- The members may appoint up to 20 Directors (Trustees).
- Staff Directors (Trustees) may be appointed by the Members but cannot exceed one third of the total number of Directors (Trustees). These Directors are appointed through election.
- There will be a minimum of two Parent Directors (Trustees). The Parent Director (Trustees) must be a parent to a registered student of the Academy. These Directors are appointed through election.
- The term of office for a Director (Trustee) shall be 4 years. The Director (Trustee) may be re-appointed or re-elected subject to eligibility. These governors are nominated and then approved and co-opted.

d. Policies and procedures adopted for the induction and training of Trustees

When appointed Directors (Trustees) will meet initially on a one to one basis with the Head Teacher. An induction process will follow and training via Governor Services as appropriate. The appointed Director will sit on committees dependent upon vacancy, availability, skills set and interests.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Trustees' Report (continued)
For the year ended 31 August 2016

e. Pay policy for key management personnel

The Headteacher's performance is monitored by a subcommittee of the Governing Body consisting of two Governors who are advised by an external consultant. Detailed targets are set and renewed annually.

The Headteacher produces an annual report on his and the leadership team performance review. He makes recommendations to the sub-committee. Pay is then linked to the review and recommendations before approval from the sub-committee.

f. Organisational structure

The organisation details are available in the Terms of Reference. This includes Scheme of Delegation and individual Terms of References for committees.

g. Connected organisations, including related party relationships

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest.

All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

No related party transactions occurred in the year.

Objectives and Activities

a. Objects and aims

- High quality teaching that engages and challenges all students to become more independent and successful in their learning
- Excellent standards of behaviour from all our students to create a positive climate for learning based on respect and tolerance of others
- A wide range of exceptional opportunities for all our students to extend their learning beyond the classroom
- Personalised Information and Guidance (IAG) for all our students at every stage of their school career
- Outstanding professional development for all our staff

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Trustees' Report (continued)
For the year ended 31 August 2016

b. Objectives, strategies and activities

The objectives of the school as stated in the School Development Plan are:

- To continue to ensure that everything we do is led by the school's mission statement to create an Exceptional Learning Experience
- To continue to develop the school as an outward-looking community
- To secure the best possible resources for the school, deployed effectively to support learning

During this year to achieve the objectives continue to be:

- Develop a KS3 Curriculum that engages and stretches our students
- Continued to progress with the 3 year KS4 Curriculum
- Developed clear and co-ordinated Gifted and Talented programme
- Continue to increase a % of A*/A at GCSE and A* - B at 'A' Level
- Develop and enhance our enrichment provision so that all students are participating in sporting, music, drama and cultural activities
- Continue to develop our IAG provision
- Continue to develop Student voice so it plays a major role in the evaluation of learning
- Continue to develop Assessment for Learning within the school so all students know what they need to do to improve and move to the next level
- Monitor and review our mentoring of all student so everyone's individual needs are catered for
- Continue to develop the House System
- Foster and develop international links with other schools
- Continue the Sustainable School ethos
- Establish more links with schools and different organisations
- Sound budget management

c. Public benefit

The primary objective of Oakwood Park Grammar School is to provide education and establish, maintain and develop a broad and balance curriculum for the general public. The Academy does not have to provide a financial return to shareholders.

The Directors have given careful consideration to the Charity Commission's general guidance on Public Benefits.

Achievements and performance

Oakwood Park Grammar School continues with high achievements as shown in the table below:

At GCSE:

- 97% of students gained 5 GCSEs A*-C
- 97% of students gained 5 GCSEs A*-C (English & Maths)
- 33% of all grades were A*/A
- 33% of students gained 5+ grades at A*/A

At A Level:

- 55% of all grades were at A*/B

The average points per student equated to 3 B grades

52% of all students who went to university secured a place at a Russell Group or Top 20 university, a record for the school.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Trustees' Report (continued)
For the year ended 31 August 2016

a. Key financial performance indicators

Oakwood Park Grammar School prepares the annual budget as per financial regulations. Each budget heading is analysed for previous expenditure trends and anticipated expenditure for the coming year before the final amount has been decided.

During the year detailed monitoring is prepared on a monthly basis for all expenditure, including staffing. This is compared to the original and current budget set with any variances investigated.

Where appropriate benchmarking against expenditure in similar organisations is completed.

Oakwood Park Grammar School uses Government performance tables to compare examination results and ranking with other similar academies and schools.

Financial review

Oakwood Park Grammar School's income comes from the Education Funding Agency on a monthly basis in accordance with the General Annual Grant. This amount is based on amounts per student and then adjusted for particular needs and composition of the school. The school is also in receipt of Pupil Premium payments to target the provision of additional resources for eligible students. The school additionally receives funding for students in the sixth form under the 16-19 Bursary scheme, which is aimed at providing additional resources for eligible students.

During the year ended 31 August 2016 total income was £5,059,552, compared with total expenditure of £5,207,348 which shows a carry forward deficit of £54,978 excluding the restricted fixed assets and pension funds..

At the same date the net book value of fixed assets was £12,939,013. These assets were used exclusively for providing education and the associated support services to the students of the school.

The support staff are entitled to membership of the Local Government Pension Scheme. The school's share of the Scheme's assets is currently assessed to be less than its liabilities in the scheme and therefore the Balance sheet shows a net liability of £2.466 m. The contribution rate to reduce the liability is calculated by an independent actuary and this has been amended to 20% from April 2017.

a. Going concern

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

Support from the Education Funding Agency and Cash Flow

The Academy has prepared a five year plan to recoup an anticipated deficit at the end of August 2016. The plan was presented to the Education Funding Agency and followed up with a meeting in March 2016 at which time, in principle, the plan was agreed. The plan has been constantly updated and submitted to the EFA and all information requested submitted. At the current time the EFA has not confirmed what financial support it will provide with respect to the necessary redundancies within the recovery plan. The Academy has communicated with the EFA throughout but this has not been reciprocated.

This has resulted in a potential cash flow issue in the Spring Term as all redundancies have now taken place. The EFA have been advised of the impact. If the financial support is not received by the Academy it will mean that financial commitments may not be met.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Trustees' Report (continued)
For the year ended 31 August 2016

b. Principal risks and uncertainties

As an Academy there are limited risks and uncertainties and not all can be controlled by the Academy. The principal risks that could affect the Academy are:

Government Funding

A reduction in funding and support from the Education Funding Agency – this will increase ongoing financial pressure on the academy and a deficit could be experienced

Pupil Strategy

The Academy continues to ensure popularity with current and prospective students by delivering by:

- Providing high quality learning and teaching
- Maintaining high standard of success rates and good inspection outcomes
- Continue to invest in resources and learning environment

Pension Liabilities

The Academy's share of the Local Government Pension scheme deficit is managed by the actuaries who mitigate the risk by reviewing contributions payable by Academy staff

c. Reserves policy

The rollover at August 2016 was in deficit of £54,978 consisting of restricted funds. Any rollover will be included to support the coming budget.

The reserves are reviewed termly at each Finance and Premises Committee meeting via the budget monitoring. This will include unrestricted funds.

The school maintains two capital funds, one for devolved capital and one for capital grants received from the Education Funding Agency. The devolved capital fund is used in the buildings maintenance programme for the school. The Capital grant fund is for specific capital projects and as such the funds are ring-fenced.

d. Material investments policy

Oakwood Park Grammar School does not have any investments. The decision on how to use any rollover is included within the budget setting process. Any excess rollover will be capitalised as required.

Plans for future periods

a. Future developments

Oakwood Park Grammar School continues to develop the school building and are currently submitting bids to improve energy efficient and upgrading windows. The school continues to actively seek alternative revues of funding.

Funds held as custodian

Oakwood Park Grammar School Trust Fund is administered at Oakwood Park Grammar School. This fund operates outside the school bank accounts and is a registered charity. The relevant accounts are submitted to the Charity Commission.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Trustees' Report (continued)
For the year ended 31 August 2016

Disclosure of information to auditors

In so far as the trustees are aware:

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

Auditors

The auditors, Williams Giles Limited, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by order of the board of trustees as the company directors, on 27 January 2017 and signed on its behalf by:



Julie Murton
Chair of Trustees



Kevin Moody
Headteacher

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Oakwood Park Grammar School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Michael Stevens MBE	2	3
Julie Murton, Chairman	3	3
Kevin Moody	3	3
Mark Housden	0	0
Brian Calderwood	3	3
Graham Twist	2	3
Darren Comber	0	3
Simon Lake	2	3
Duncan Dwinell	3	3
Peter Ingram	3	3
Duncan Bain	3	3
Vicki Gabriel	3	3
Jill Williams	3	3
Louise Trumper	3	3
Tom Abbott	1	3
Shireen Razey	2	3
Helen Barham	2	3
Audrey Antoine-Hart	3	3
Claire Petrucci	1	2
Penny Spiller	0	3
Lyn Western	0	2

Governance reviews:

Mrs Murton is now the Chair effective from September 2015. The trust appointed two parent governors. There was two resignations, one was before the end of the term of office and an additional trustee withdrawn. Governors roles and responsibilities were also reviewed at this time.

All governors have access to the National Governors Association to ensure compliance and the access to appropriate advice and guidance.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Governance Statement (continued)

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to assist and support the Governing Body, ensuring sound oversight is exercised over the management of the Academy's finance and resources.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Brian Calderwood	1	3
Peter Ingram	3	3
Kevin Moody	3	3
Penny Spiller	1	3
Michael Stevens MBE	1	3
Graham Twist	2	3

Review of Value for money

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

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

- Reviewing resource contracts and putting two to tender
- Reviewing all teaching and curriculum requirements
- Reviewing all staffing levels

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oakwood Park Grammar School for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Governance Statement (continued)

- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Williams Giles Limited, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control accounts/bank reconciliation
- Testing of fixed assets
- Testing of Governance and procedures
- Testing Journeys Fund and School Fund procedures


Review of Effectiveness

As Accounting Officer, the Head Teacher 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 auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 27 January 2017 and signed on their behalf, by:



Julie Murton
Chair of Trustees



Kevin Moody
Accounting Officer

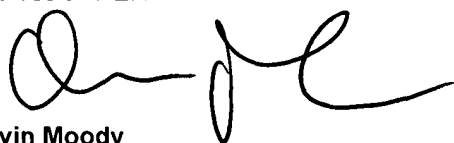
OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Oakwood Park Grammar School I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees 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 2015.

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

A handwritten signature in black ink, appearing to read 'Kevin Moody', with a stylized flourish at the end.

Kevin Moody
Accounting Officer

Date: 27 January 2017

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Statement of Trustees' Responsibilities
For the year ended 31 August 2016

The Trustees (who act as governors of Oakwood Park Grammar School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

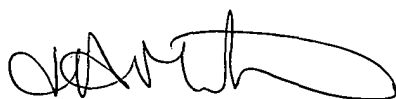
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 27 January 2017 and signed on its behalf by:



Julie Murton
Chair of Trustees

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Independent Auditors' Report on the Financial Statements to the Members of Oakwood Park Grammar School

We have audited the financial statements of Oakwood Park Grammar School for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Independent Auditors' Report on the Financial Statements to the Members of Oakwood Park Grammar School

Emphasis of matter

Without qualifying our opinion, we draw attention to Accounting Policy 1.6 on page 23 in the financial statements how without additional grant funding the board may have insufficient funds to operate the Academy beyond August 2017. These conditions, along with other matters set forth in page 6 of the Trustees report indicate the existence of a material uncertainty that may cast significant doubt about the Academy's ability to continue as a going concern.

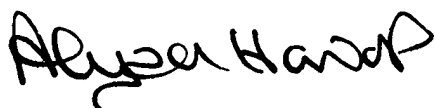
Opinion on other matter prescribed by the Companies Act 2006

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

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.



Alyson Howard FCCA DChA CF (Senior statutory auditor)

for and on behalf of

Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent

ME10 5BH

Date:

31 January 2017

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**Independent Reporting Auditors' Assurance Report on Regularity to Oakwood Park Grammar School
and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 21 March 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Oakwood Park Grammar School during the year 1 September 2015 to 31 August 2016 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 Oakwood Park Grammar School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Oakwood Park Grammar School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Oakwood Park Grammar School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Oakwood Park Grammar School's accounting officer and the reporting auditors

The accounting officer is responsible, under the requirements of Oakwood Park Grammar School's funding agreement with the Secretary of State for Education dated 26 April 2011, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 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 2015 to 2016 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 matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes:

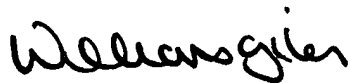
- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

**Independent Reporting Auditors' Assurance Report on Regularity to Oakwood Park Grammar School
and the Education Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Williams Giles Limited

Chartered Accountants
Registered Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 31 January 2017

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Statement of Financial Activities Incorporating Income and Expenditure Account
For the year ended 31 August 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Income from:						
Donations and capital grants	2	-	-	449,114	449,114	2,629,920
Charitable activities	3	-	4,393,317	-	4,393,317	4,586,684
Other trading activities	4	207,296	42,137	-	249,433	222,062
Total income		207,296	4,435,454	449,114	5,091,864	7,438,666
Expenditure on:						
Raising funds		204,701	-	-	204,701	165,528
Charitable activities		-	4,748,144	254,503	5,002,647	4,962,044
Total expenditure	7	204,701	4,748,144	254,503	5,207,348	5,127,572
Net income / (expenditure) before transfers		2,595	(312,690)	194,611	(115,484)	2,311,094
Transfers between Funds	18	(118,147)	140,712	(22,565)	-	-
Net income / (expenditure) before other recognised gains and losses		(115,552)	(171,978)	172,046	(115,484)	2,311,094
Actuarial gains/(losses) on defined benefit pension schemes	24	-	(1,030,000)	-	(1,030,000)	47,000
Net movement in funds		(115,552)	(1,201,978)	172,046	(1,145,484)	2,358,094
Reconciliation of funds:						
Total funds brought forward		115,552	(1,319,000)	12,812,051	11,608,603	9,250,509
Total funds carried forward		-	(2,520,978)	12,984,097	10,463,119	11,608,603

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)
Registered number: 07584611

Balance Sheet
As at 31 August 2016

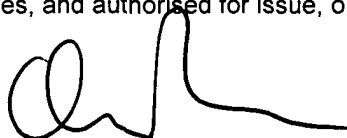
	Note	2016 £	2015 £
Fixed assets			
Tangible assets	15	12,939,013	10,728,858
Current assets			
Debtors	16	125,898	148,752
Cash at bank and in hand		222,706	2,476,149
		<u>348,604</u>	<u>2,624,901</u>
Creditors: amounts falling due within one year	17	<u>(358,498)</u>	<u>(426,156)</u>
Net current (liabilities)/assets		<u>(9,894)</u>	<u>2,198,745</u>
Total assets less current liabilities		<u>12,929,119</u>	<u>12,927,603</u>
Defined benefit pension scheme liability	24	<u>(2,466,000)</u>	<u>(1,319,000)</u>
Net assets including pension scheme liabilities		<u><u>10,463,119</u></u>	<u><u>11,608,603</u></u>
Funds of the academy			
Restricted income funds:			
Restricted income funds	18	(54,978)	-
Restricted fixed asset funds	18	<u>12,984,097</u>	<u>12,812,051</u>
Restricted income funds excluding pension liability		<u>12,929,119</u>	<u>12,812,051</u>
Pension reserve		<u>(2,466,000)</u>	<u>(1,319,000)</u>
Total restricted income funds		<u>10,463,119</u>	<u>11,493,051</u>
Unrestricted income funds	18	<u>-</u>	<u>115,552</u>
Total funds		<u><u>10,463,119</u></u>	<u><u>11,608,603</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 27 January 2017 and are signed on their behalf, by:

Julie Murton
Chair of Trustees



Kevin Moody
Accounting Officer



The notes on pages 21 to 40 form part of these financial statements.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Statement of Cash Flows
For the year ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	<u>(163,680)</u>	<u>92,772</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(2,464,658)	(877,845)
Capital grants from DfE/EFA		<u>374,895</u>	<u>2,629,920</u>
Net cash (used in)/provided by investing activities		<u>(2,089,763)</u>	<u>1,752,075</u>
Change in cash and cash equivalents in the year		(2,253,443)	1,844,847
Cash and cash equivalents brought forward		<u>2,476,149</u>	<u>631,302</u>
Cash and cash equivalents carried forward	21	<u><u>222,706</u></u>	<u><u>2,476,149</u></u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Oakwood Park Grammar School constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Oakwood Park Grammar School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Oakwood Park Grammar School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Fund accounting

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

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

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.4 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement 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 provided to the academy 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 are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

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

1.5 Expenditure

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

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

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

All resources expended are inclusive of irrecoverable VAT.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.6 Going concern

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

At 31 August 2016 the academy had a deficit of £54,978 on revenue funds.

The academy has prepared a five year plan to recoup an anticipated deficit at the end of August 2016. The plan was presented to the Education Funding Agency and followed up with a meeting in March 2016 at which time, in principle, the plan was agreed. The plan has been constantly updated and submitted to the EFA and all information requested submitted. At the current time the EFA has not confirmed what financial support it will provide with respect to the necessary redundancies within the recovery plan. The Academy has communicated with the EFA throughout but this has not been reciprocated.

This has resulted in a potential cash flow issue in the Spring Term as all redundancies have now taken place. The EFA have been advised of the impact. If the financial support is not received by the academy it will mean that financial commitments may not be met.

The Trustees consider that it is appropriate to adopt the going concern basis in preparation of the financial statements.

1.7 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised.

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

Land and buildings were valued on the 1 May 2011 by DVS in accordance with the RICS Valuation Standards Global and UK, 7th Edition, as published by the Royal Institution of Chartered Surveyors, and this is the valuation used in the accounts.

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.

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

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% Straight line
Fixtures and fittings	-	10% Straight line
Computer equipment	-	20% Straight line

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Taxation

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

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 August 2016 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

1. Accounting Policies (continued)

1.16 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.

2. Income from donations and capital grants

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Capital Grants	-	-	407,207	407,207	2,629,920
Capital Donations	-	-	41,907	41,907	-
	<u>-</u>	<u>-</u>	<u>449,114</u>	<u>449,114</u>	<u>2,629,920</u>

In 2015, of the total income from donations and capital grants, £ NIL was to unrestricted funds and £2,629,920 was to restricted funds

3. Funding for Academy's educational operations

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
DfE/EFA grants				
Pupil Premium	-	48,037	48,037	47,213
General Annual Grant (GAG)	-	4,315,551	4,315,551	4,460,013
Other DfE/EFA grants	-	12,060	12,060	74,231
	<u>-</u>	<u>4,375,648</u>	<u>4,375,648</u>	<u>4,581,457</u>
Other government grants				
Other government grants	-	17,669	17,669	5,227
	<u>-</u>	<u>17,669</u>	<u>17,669</u>	<u>5,227</u>
	<u>-</u>	<u>4,393,317</u>	<u>4,393,317</u>	<u>4,586,684</u>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £4,586,684 was to restricted funds.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

4. Other trading activities

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
School trips	207,296	-	207,296	167,014
Other income	-	42,137	42,137	55,048
	<u>207,296</u>	<u>42,137</u>	<u>249,433</u>	<u>222,062</u>

In 2015, of the total income from other trading activities, £167,014 was to unrestricted funds and £55,048 was to restricted funds.

5. Direct costs

	Educational operations £	Total 2015 £
Educational supplies	95,152	88,952
Examination fees	118,250	108,201
Staff development	9,282	17,581
Educational consultancy	9,724	11,300
Staff restructuring costs	-	16,200
Wages and salaries	2,372,214	2,373,380
National insurance	209,862	219,670
Pension cost	364,439	374,527
	<u>3,178,923</u>	<u>3,209,811</u>

In 2015, the academy incurred the following Direct costs:
£3,209,811 in respect of Educational operations

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

6. Support costs

	Educational operations £	As restated Total 2015 £
LGPS costs	50,000	51,000
Recruitment and support	19,419	22,378
Maintenance of premises and equipment	41,314	31,184
Cleaning	68,877	69,703
Rent & rates	36,718	45,581
Light & heat	69,428	70,728
Insurance	42,148	33,735
Catering	29,869	32,788
Computer costs	41,916	44,603
Other support costs	162,634	180,649
Governance costs	27,011	19,717
Staff restructuring costs	43,810	-
Wages and salaries	674,959	783,405
National insurance	63,587	31,311
Pension cost	197,531	154,558
Depreciation	254,503	180,893
	<u>1,823,724</u>	<u>1,752,233</u>

During the year ended 31 August 2016, the academy incurred the following Governance costs:

£27,011 (2015 £19,717) included within the table above in respect of Educational operations.

In 2015, the academy incurred the following Support costs:

£1,752,233 in respect of Educational operations

7. Expenditure

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Expenditure on raising voluntary income	-	-	204,701	204,701	165,528
Educational operations:					
Direct costs	2,946,515	-	232,408	3,178,923	3,390,704
Support costs	979,887	295,424	548,413	1,823,724	1,571,340
	<u>3,926,402</u>	<u>295,424</u>	<u>985,522</u>	<u>5,207,348</u>	<u>5,127,572</u>

In 2016, of the total expenditure, £204,701 (2015 - £165,528) was to unrestricted funds and £5,002,647 (2015 - £4,962,044) was to restricted funds.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

8. Expenditure - Analysis of specific expenses

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	Reason
	£	Amount	
		£	
Compensation payments	39,801	25,999	Staff restructuring
		13,802	Staff restructuring

9. Net incoming resources/(resources expended)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	254,503	180,893
Governance Internal audit costs	1,800	1,800
Auditors Remuneration	14,020	15,975
	<u><u> </u></u>	<u><u> </u></u>

10. Auditors' remuneration

	2016	2015
	£	£
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	9,150	7,250
Fees payable to the academy's auditor and its associates in respect of:		
Internal audit services	1,800	1,800
All other services	2,395	4,675
	<u><u> </u></u>	<u><u> </u></u>
	2016	2015
	£	£
Fees payable to the academy's auditor and its associates in connection with the academy's pension scheme(s) in respect of:		
The auditing of accounts of the scheme(s)	675	675
	<u><u> </u></u>	<u><u> </u></u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

11. Staff costs

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	3,047,173	3,156,785
Social security costs	273,449	250,981
Operating costs of defined benefit pension schemes	561,970	529,085
	<u>3,882,592</u>	<u>3,936,851</u>
Staff restructuring costs	43,810	16,200
	<u><u>3,926,402</u></u>	<u><u>3,953,051</u></u>

Staff restructuring costs comprise:

Redundancy payments	43,810	-
Severance payments	-	16,200
	<u>43,810</u>	<u>16,200</u>

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

	2016 No.	2015 No.
Teachers	50	58
Support staff	28	44
Management	5	5
	<u>83</u>	<u>107</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	5	5
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	1

Included in staff restructuring costs is a non statutory/non contractual severance payment totalling £15,460 (2015: £16,200).

The key management personnel of the academy trust comprise of the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £567,295 (2015: £550,994).

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

12. 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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2016 £	2015 £
K Moody	Remuneration	95,000-100,000	85,000-90,000
	Pension contributions paid	15,000-20,000	5,000-10,000
Mark Housden	Remuneration	75,000-80,000	65,000-70,000
	Pension contributions paid	10,000-15,000	10,000-15,000

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

13. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31st August 2016 was included in the total insurance cost.

14. Other finance income

	2016 £	As restated 2015 £
Interest income on pension scheme assets	63,000	53,000
Interest on pension scheme liabilities	(113,000)	(104,000)
	<u>(50,000)</u>	<u>(51,000)</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

15. Tangible fixed assets

	Freehold property £	Assets Under Construction £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2015	10,067,484	1,032,689	260,014	135,791	11,495,978
Additions	-	2,419,541	38,119	6,998	2,464,658
Transfer between classes	3,419,917	(3,419,917)	-	-	-
At 31 August 2016	13,487,401	32,313	298,133	142,789	13,960,636
Depreciation					
At 1 September 2015	544,312	-	112,018	110,790	767,120
Charge for the year	196,132	-	29,813	28,558	254,503
At 31 August 2016	740,444	-	141,831	139,348	1,021,623
Net book value					
At 31 August 2016	12,746,957	32,313	156,302	3,441	12,939,013
At 31 August 2015	9,523,172	1,032,689	147,996	25,001	10,728,858

Included in freehold property is freehold land at valuation of £3,680,800 (2015 - £3,680,800) which is not depreciated.

The academy's transactions relating to land and buildings included:

- The completion of building works on the new teaching block purchased by the academy at a value of £3,419,917.

16. Debtors

	2016 £	2015 £
Trade debtors	18,540	-
VAT debtor	21,040	42,720
Prepayments and accrued income	86,318	106,032
	<u>125,898</u>	<u>148,752</u>

17. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	66,886	260,078
Other taxation and social security	77,849	69,330
Other creditors	117,133	61,207
Accruals and deferred income	96,630	35,541
	<u>358,498</u>	<u>426,156</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

17. Creditors: Amounts falling due within one year (continued)

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	27,491	20,960
Resources deferred during the year	55,950	27,491
Amounts released from previous years	(27,491)	(20,960)
	<u>55,950</u>	<u>27,491</u>
Deferred income at 31 August 2016	<u>55,950</u>	<u>27,491</u>

As at the balance sheet date the academy trust was holding funds received in advance for school trip income relating to the following financial year.

The school currently holds a credit card facility of £80,000 with Natwest; which is comprised of 5 separate credit cards. At the year ended 31st August 2016 the outstanding balance on these cards was £179 and is included in Other Creditors.

18. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	115,552	207,296	(204,701)	(118,147)	-	-
Restricted funds						
General Annual Grant (GAG)	-	4,315,551	(4,511,241)	140,712	-	(54,978)
Other DfE/EFA grants	-	12,060	(12,060)	-	-	-
Pupil Premium	-	48,037	(48,037)	-	-	-
Other government grants	-	17,669	(17,669)	-	-	-
Other generated funds	-	42,137	(42,137)	-	-	-
Pension reserve	(1,319,000)	-	(117,000)	-	(1,030,000)	(2,466,000)
	<u>(1,319,000)</u>	<u>4,435,454</u>	<u>(4,748,144)</u>	<u>140,712</u>	<u>(1,030,000)</u>	<u>(2,520,978)</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

18. Statement of funds (continued)

Restricted fixed asset funds

Assets held for depreciation	10,728,858	41,907	(254,503)	2,422,751	-	12,939,013
Capital grants	2,083,193	384,796	-	(2,422,905)	-	45,084
Devolved formula capital	-	22,411	-	(22,411)	-	-
	<u>12,812,051</u>	<u>449,114</u>	<u>(254,503)</u>	<u>(22,565)</u>	<u>-</u>	<u>12,984,097</u>
Total restricted funds	<u>11,493,051</u>	<u>4,884,568</u>	<u>(5,002,647)</u>	<u>118,147</u>	<u>(1,030,000)</u>	<u>10,463,119</u>
Total of funds	<u>11,608,603</u>	<u>5,091,864</u>	<u>(5,207,348)</u>	<u>-</u>	<u>(1,030,000)</u>	<u>10,463,119</u>

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

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum. Included within unrestricted funds are amounts ring fenced as journeys funds, these are to be applied to school trip activities.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

The academy is carrying a net deficit of £54,978 on restricted general funds (excluding pension reserve) plus unrestricted funds.

The Academy prepared a five year plan to recoup an anticipated deficit at the end of August 2016. The plan was presented to the Education Funding Agency and followed up with a meeting in March 2016 at which time, in principle, the plan was agreed. The plan has been constantly updated and submitted to the EFA and all information requested submitted. At the current time the EFA has not confirmed what financial support it will provide with respect to the necessary redundancies within the recovery plan. The Academy has communicated with the EFA throughout but this has not been reciprocated.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

19. Analysis of net assets between funds

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	51,582	-	12,887,431	12,939,013	10,728,858
Current assets	42,365	306,239	-	348,604	2,624,901
Creditors due within one year	(107,926)	(250,572)	-	(358,498)	(426,156)
Provisions for liabilities and charges	(1,147,000)	(1,319,000)	-	(2,466,000)	(1,319,000)
	<u>-</u>	<u>(2,520,978)</u>	<u>12,984,097</u>	<u>10,463,119</u>	<u>11,608,603</u>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(115,484)	2,311,094
Adjustment for:		
Depreciation charges	254,503	180,893
Decrease/(increase) in debtors	22,854	(31,720)
(Decrease)/increase in creditors	(35,346)	134,425
Capital grants from DfE and other capital income	(407,207)	(2,629,920)
Defined benefit pension scheme finance cost	117,000	128,000
Net cash (used in)/provided by operating activities	(163,680)	92,772

21. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	222,706	2,476,149
Total	222,706	2,476,149

22. Contingent liabilities

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the EFA.

Should the funding agreement be terminated for any reason, the Academy shall repay to the EFA the current value of the academy's land and buildings and other assets, to the extent that such assets were funded by sums received from the EFA.

23. Capital commitments

At 31 August 2016 the academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	30,000	2,367,311

24. Pension commitments

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Kent County Council. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2016.

Contributions amounting to £64,979 were payable to the schemes at 31 August 2016 (2015 - 61,207) and are included within creditors.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

24. Pension commitments (continued)

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.

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

The employer's pension costs paid to TPS in the period amounted to £346,799 (2015 - £321,046).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, 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.

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £178,000 (2015 - £172,000), of which employer's contributions totalled £132,000 (2015 - £128,000) and employees' contributions totalled £46,000 (2015 - £44,000). The agreed contribution rates for future years are 19.8% for employers and variable% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Expected return on scheme assets at 31 August	14.00 %	6.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
RPI Increases	3.20 %	3.60 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,253,000	1,018,000
Gilts	17,000	15,000
Other Bonds	198,000	164,000
Property	259,000	201,000
Cash	44,000	39,000
Target Return Portfolio	80,000	65,000
Total market value of assets	<u>1,851,000</u>	<u>1,502,000</u>

The actual return on scheme assets was £222,000 (2015 - £33,000).

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

24. Pension commitments (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	As restated 2015 £
Current service cost (net of employee contributions)	(198,000)	(205,000)
Net interest cost	(50,000)	(51,000)
Administration expenses	(1,000)	-
	<hr/>	<hr/>
Total	(249,000)	(256,000)
	<hr/>	<hr/>
Actual return on scheme assets	222,000	33,000
	<hr/>	<hr/>

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

	2016 £	As restated 2015 £
Opening defined benefit obligation	2,821,000	2,542,000
Current service cost	198,000	205,000
Interest cost	113,000	104,000
Contributions by employees	46,000	44,000
Actuarial losses/(gains)	1,189,000	(67,000)
Estimated benefits paid net of transfers in	(50,000)	(7,000)
	<hr/>	<hr/>
Closing defined benefit obligation	4,317,000	2,821,000
	<hr/>	<hr/>

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

	2016 £	As restated 2015 £
Opening fair value of scheme assets	1,502,000	1,304,000
Return on plan assets (excluding net interest on the net defined pension liability)	63,000	53,000
Actuarial gains and (losses)	159,000	(20,000)
Contributions by employer	131,000	128,000
Contributions by employees	46,000	44,000
Estimated benefits paid net of transfers in	(50,000)	(7,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	1,851,000	1,502,000
	<hr/>	<hr/>

OAKWOOD PARK GRAMMAR SCHOOL
(A company limited by guarantee)

Notes to the Financial Statements
For the year ended 31 August 2016

25. Operating lease commitments

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	5,738	4,800
Between 1 and 5 years	5,738	-
Total	11,476	4,800

26. 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.

27. Related party transactions

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

Astra Security Systems Limited - a company in which G Twist (a governor of the academy) is a director:

The academy purchased padlocks from Astra Security Limited totalling £145 (2015: £nil) during the period. There were no amounts outstanding at the year end (2015: £nil).

In entering into the transaction the academy has complied with the requirements of the Academies Financial Handbook 2015.

28. First time adoption of FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.