

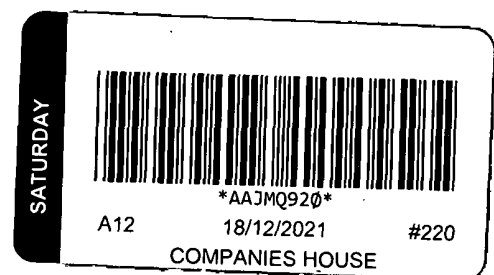
Registration number: 09150568

# The Oak Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021



# **The Oak Trust**

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## **The Oak Trust**

### **Reference and Administrative Details**

<b>Members</b>	Mr G Crabtree, Chair Mr M Scott, Finance Advisor Mrs L Smart
<b>Trustees (Directors)</b>	Mrs L Brierley (resigned as Chair 7 July 2021), Chair Mr I Windeatt (appointed Chair 7 July 2021), Chair Mrs A Cheetham Miss J Clark Miss R Howes Dr P Nutter Mrs J Rainford Mr M Scott Dr R Cowen (appointed 1 November 2020)
<b>Senior Management Team</b>	Ms J Clark - Chief Executive Officer (resigned 31 August 2021) Mr S North - Headteacher North Chadderton (appointed Co CEO 1 September 2021) Mrs G Hindle - Executive Director of Business and HR (appointed Co CEO 1 September 2021) Mrs J O'Connor - Senior Director of Operations Mrs C Copson - Senior Director of Finance and Chief Finance Officer
<b>Company Registration Number</b>	09150568
<b>Principal and Registered Office</b>	The Oak Trust Chadderton Hall Road Oldham OL9 0BN
<b>Auditors</b>	Beever and Struthers Chartered Accountants and Statutory Auditors St Georges House 215-219 Chester Road Manchester M15 4JE
<b>Bank</b>	Lloyds Bank 16 Market Street Oldham OL1 1JG
<b>Solicitors</b>	Browne Jacobson 14th Floor No. 1 Spinningfields 1 Hardman Square Manchester M3 3EB

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021**

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

The academy trust operates two primary academies and one secondary academy in Oldham. Its academies have a combined pupil capacity of 2100 and had a roll of 2024 in the school census on 7 October 2021.

#### **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. The trustees of The Oak Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Oak Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

##### ***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 and liabilities contracted before they ceased to be a member.

##### ***Trustees' indemnities***

The Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During this period, the Governors purchased and maintained liability insurance through the RPA.

##### ***Method of recruitment and appointment or election of Trustees***

The Department of Education approved the appointment of the Members and Trustees at the formation of the Multi Academy Trust in September 2017.

Trustees are recruited by invitation from the Members dependent upon their expertise, experience and skills. Trustees are appointed by the members following identification of need and the skills and expertise required on the Trust.

Two parents are elected on to each of the Academies Local Advisory Committees.

##### ***Policies and procedures adopted for the induction and training of Trustees***

The Trust has an induction policy which provides for Newly appointed Trustees/Local Advisory Committee Members (LACM's) all new Trustees and Local Advisory Committee members are given the opportunity to meet the relevant Chair/CEO Academy Headteacher prior to the first Trustee/Local Advisory Committee (LAC) meeting to help them in the role by explaining new jargon, terminology, structures, and procedures. There is a range of external training available from the Local Authority and the Trust has purchased online governance support from the NGA and CST.

## The Oak Trust

### Trustees' Report for the Year Ended 31 August 2021 (continued)

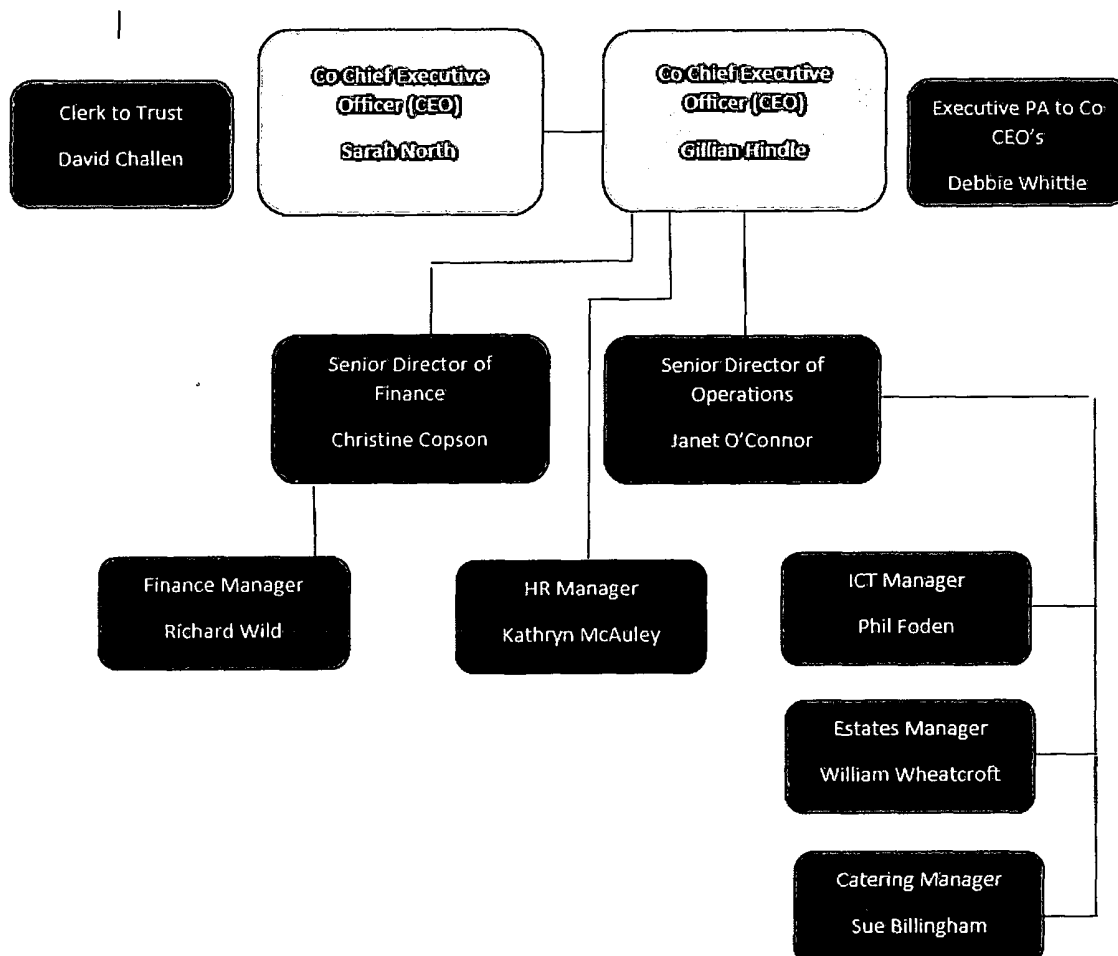
#### Organisational structure

The organisational structure consists of five levels; the Members, the Trustees, Local Advisory Committees, the Executive Management Board and Headteacher of each Academy. The aim of the management structure is to devolve responsibility to ensure high quality provision in each Academy. The management structure and accountability are set out in the Scheme of Delegation.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the trust activities and making strategic decisions on the direction of the Trust, capital expenditure, senior staff appointments and the overall policy framework.

The Trust has established Local Advisory Committees in each academy of the Trust who receive delegated authority from the Trust Board to monitor and advise the Trust Board in relation to the operation of the Academy under the remit of the safeguarding policy, admissions procedure, compliance with trust systems and procedures, appointments below Headteacher level and Health and Safety.

The Trust has a central team which is organised as follows. A number of staff employed at the schools are developing cross trust collaboration on school improvement and transition. Strategic business operations are managed centrally.



## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **The role of the Members**

The members of the trust are guardians of the governance of the trust and as such have a different status to trustees. The members appoint trustees to ensure that the trust's charitable object is carried out and so must be able to remove trustees if they fail to fulfil this responsibility. Accordingly, the trust board submits an annual report on the performance of the trust to the members. Members are also responsible for approving any amendments made to the trust's articles of association.

Members are not permitted to be employees of the academy trust.

#### **The role of the Trustees**

The MAT is a charitable company and so trustees are both charity trustees (within the terms of section 177(1) of the Charities Act 2011) and company directors.

The trustees are responsible for the general control and management of the administration of the trust, and in accordance with the provisions set out in the memorandum and articles of association and its funding agreement and are legally responsible and accountable for all statutory functions, for the performance of all schools within the trust, and must approve a written scheme of delegation of financial powers that maintains robust internal control arrangements.

The board of trustees has the right to review and adapt its governance structure at any time which includes removing delegation.

#### **The role of the Chief Executive Officer (CEO)**

The CEO has the delegated responsibility for the operation of the trust including the performance of the trust's academies and so the CEO performance manages the academy headteachers.

The CEO is the accounting officer so has overall responsibility for the operation of the academy trust's financial responsibilities and must ensure that the organisation is run with financial effectiveness and stability, avoiding waste and securing value for money.

The CEO leads the executive management board of the academy trust. The CEO will delegate executive management functions to the executive management board and is accountable to the trust board for the performance of the executive management team.

#### **The role of the academy committees**

The Trustees have established local advisory committees to carry out some of its school level governance functions. The trustees will appoint the chair and ensure that two parents are elected to the academy committee.

#### **The role of the academy headteacher**

The academy principal is responsible for the day-to-day management of the academy and is managed by the Chief Executive but reports to the academy committee on matters which have been delegated to it which may include an element of monitoring and scrutiny of the school's management processes.

## The Oak Trust

### Trustees' Report for the Year Ended 31 August 2021 (continued)

#### *Arrangements for setting pay and remuneration of key management personnel*

The Oak Trust recognises that a national framework of terms and conditions in education is essential for the smooth operation of the labour market for education professionals. It employs teachers on School Teachers Pay and Conditions alongside the "Burgundy Book" terms of service and support staff on NJC derived "Green Book" terms and conditions and the Oldham council locally agreed scales.

The school pay policy sets down the arrangements for setting pay and remuneration of key management personnel and reflects the nationally agreed terms and conditions of employment.

#### **Trade union facility time**

The Trust pays £7,500 to the Local Authority as a contribution to Authority wide facility time for Teaching and support staff.

#### **Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	0.8

Percentage of time spent on facility time	Number of employees
Percentage of time 1%- 50%	2

<b>Percentage of pay bill on facility time</b>	<b>2021</b>
Provide the total cost of facility time	7,500
Provide the total pay bill	9,591,000
Percentage of total pay bill spent on facility time	0.08%
<b>Paid trade union activities</b>	<b>2019</b>
Time spent on paid trade union activities as a percentage of total paid facility time hours	100

#### *Related Parties and other Connected Charities and Organisations*

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions that they make. To avoid any misunderstanding that might arise all Members, Trustees, Members of the Local Advisory Committee, and staff with significant financial or spending powers are required to declare any financial interest they have in companies or individuals from whom the academy may purchase goods or services. The register is open for public inspection.

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Objectives and activities**

##### ***Objects and aims***

##### **The Vision**

The Oak Trust will provide excellence in teaching, learning and leadership development. This will be based on safe inclusive practice which inspires and challenges everyone to be "the best they can be".

##### **The Values:**

- The Oak Trust stands together as a local community to:
- Ensure success for all
- Promote positive values
- Ensure all learners are "school ready, work ready and life ready"

##### **The Objectives:**

- Establish a seamless high-quality learning offer from early years to 18 allowing for highly effective educational transitions and progressions pathways
- serve the students and parents in the community
- establish a secondary/primary multi academy trust where "everybody together" is working to an ethos of excellence supported by the very highest expectations
- be a beacon of excellent practice
- promote a growth, investment and development culture which builds leadership succession within the trust



## The Oak Trust

### Trustees' Report for the Year Ended 31 August 2021 (continued)

#### *Objectives, strategies and activities*

<b>STRATEGIC DEVELOPMENT STRAND 1: Governance</b>			
What we need to work on	Actions required to achieve this	Success Criteria	Person(s) responsible and key staff links
Embed processes and accountability	<ul style="list-style-type: none"> <li>• Induction process</li> <li>• LAC and Trust Chair Meetings</li> <li>• Common procedures across all</li> <li>• Review the Trust Scheme of Delegation</li> </ul>	Highly informed committed, skilled LAC and Trust that will challenge the status quo and hold Leadership at all levels to account	CEO and Academy Headteachers Chair of LAC
Evaluation and reflective process to be in place	<ul style="list-style-type: none"> <li>• 360 degree evaluations and skills audits analysed and actions taken as a result</li> <li>• 1:1 reflective meetings Chair</li> <li>• All academies to undertake financial self-assessment</li> <li>• Building sustainable succession planning</li> </ul>	Highly effective Trust and LAC's  Improvement in outcomes	All Chairs Trust/LAC's
For LAC and Trust to understand Education Inspection Framework (EIF) and their responsibilities in it	<ul style="list-style-type: none"> <li>• Training/induction opportunities</li> <li>• Cross Trust Governance events and individual LAC's to have independent responsibility of training</li> <li>• Chair and CEO attend DfE RSC training</li> <li>• Building sustainable succession planning</li> </ul>	Members are knowledgeable and well informed and so can respond effectively and confidently to Ofsted challenge  Inaugural Cross Trust Governance Training Event	Chairs/Trust/LAC's  Members/Trustees/LAC Members

<b>STRATEGIC DEVELOPMENT STRAND 2: Staff and Resources</b>			
What we need to work on	Actions required to achieve this	Success Criteria	Person(s) responsible and key staff links
Aligning Policies, Practice and Business Operations	<ul style="list-style-type: none"> <li>• Identify and prioritise HR policies to be aligned over 3 years</li> <li>• Identify and prioritise Operational policies to be aligned over 3 years</li> </ul>	MAT wide policies in place and staff are fully aware	CEO Director Business/HR
MAT wide events	<ul style="list-style-type: none"> <li>• Leadership CPD</li> <li>• National Qualifications e.g. NPQSL/ML etc.</li> <li>• Wellbeing events</li> <li>• Cross Trust planning/initiatives</li> <li>• Shadowing opportunities/Secondments/ Placements</li> </ul>	Staff feel positive about being part of the Trust community Retention is good Low sickness absence rate Effective succession planning	CEO Academy Headteachers Senior Directors KS3 Standards/Effectiveness  Senior Directors Professional Practice
Making best value of Cross Trust Resources	<ul style="list-style-type: none"> <li>• Collaboration</li> <li>• Identifying what is needed</li> <li>• SEND provision review and other reviews as required</li> <li>• Reviewing and aligning business operations where relevant</li> </ul>	SEND review Efficiencies' are made	CEO Academy Headteachers Director of Business/HR

## The Oak Trust

### Trustees' Report for the Year Ended 31 August 2021 (continued)

<b>STRATEGIC DEVELOPMENT STRAND 3: Students and Families</b>			
What we need to work on	Actions required to achieve this	Success Criteria	Person(s) responsible and key staff links
School Development Plans with Trust vision and values	<ul style="list-style-type: none"> <li>Headteachers to ensure SDP in Trust schools reflect Trust values</li> </ul>	All schools embody the Trust vision and values alongside individual school's priorities	Academy Headteachers
Developing a consistent and effective practice across the Trust to support vulnerable students and families	<ul style="list-style-type: none"> <li>SEND/Inclusion Review</li> </ul>	Review completed and recommendations implemented	CEO Academy Headteachers Director of Business/HR
Cross School Activities	<ul style="list-style-type: none"> <li>Cross Trust Project 2019-20</li> <li>Maths and English Working Groups</li> <li>Subject-led collaboration across Key Stages</li> </ul>	Strong transition Students know they are part of the Oak Trust and parents, Stakeholders are involved in celebration events Increased number of students enter North Chadderton from Trust/Partner Primary Schools	Academy Headteachers Senior Directors Primary Deputy Head Subject Leaders
Effective Nursery Provision in Primary School	<ul style="list-style-type: none"> <li>Fir Bank to have Nursery in-house by September 2021</li> <li>Rolling threes provision established</li> <li>Changes to Thorp/Fir Bank Admission Policy</li> </ul>	Nursery established at Fir Bank Establish a strong 3-18 educational Pathway across the Trust Consultation process carried out and changes implemented	CEO/Academy Headteachers Director of Business/HR Early Years Leads

#### **Public benefit**

In setting the objectives and planning activities the Trustees gave consideration to the Charity Commission guidance on public benefit. The Trust is state funded independently governed and free for all students. The trust establishes, maintains, carries on, manages, and develops schools offering a broad and balanced curriculum. The admission policy is totally inclusive.

Students' outcomes at the secondary school are positive and this ensures that students have the qualifications, skills, and attributes to progress on their pathway of choice. Students are exposed to a range of wider development opportunities in preparation for them to become work and life ready.

# The Oak Trust

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Achievements and performance

A. Academy Information				
School name:	North Chadderton School			Fir Bank Primary
Phase:	Secondary with sixth form			Primary
Region:	North West			North West
Number of pupils:	1565			207
% of pupils eligible for FSM:	16.3%			15.5%
Academic Year	2020/21			2020/21
B. Spending as a percentage of total expenditure				
Spend on teaching staff as a percentage of total expenditure	58.7%	Broadly in line with similar schools	43.3%	Broadly in line with similar schools
Spend on supply staff as a percentage of total expenditure	1.2%	Broadly in line with similar schools	2.0%	Middle 20% of similar schools
Spend on education support staff as a percentage of total expenditure	10.1%	Broadly in line with similar schools	21.6%	Broadly in line with similar schools
Spend on administrative and clerical staff as a percentage of total expenditure	7.6%	Broadly in line with similar schools	6.1%	Broadly in line with similar schools
Spend on other staff costs as a percentage of total expenditure	1.0%	Broadly in line with similar schools	3.7%	Broadly in line with similar schools
Spend on premises (including staff costs) as a percentage of total expenditure	5.1%	Broadly in line with similar schools	3.9%	Broadly in line with similar schools
Spend on teaching resources as a percentage of total expenditure	5.3%	Broadly in line with similar schools	5.5%	Broadly in line with similar schools
Spend on energy as a percentage of total expenditure	1.7%	Broadly in line with similar schools	1.4%	Broadly in line with similar schools
Other spending as a percentage of total expenditure (balancing line)	9.3%	N/A	12.5%	N/A
C. Reserves / balances as a percentage of total income				
In-year balance as a percentage of total income	1.4%	Low risk	-2.1%	Medium risk
Revenue reserve as a percentage of total income	12.5%	Low risk	6.8%	Low risk
D. School characteristics				
Average teacher cost (£)	£55,477	Broadly in line with similar schools	£52,914	Middle 20% of similar schools
Senior leaders as a percentage of workforce	4.9%	Broadly in line with similar schools	9.2%	Broadly in line with similar schools
Pupil to teacher ratio	15.7	Broadly in line with similar schools	22.0	Broadly in line with similar schools
Pupil to adult ratio	9.7	Broadly in line with similar schools	9.5	Highest 20% of similar schools
Teacher contact ratio (less than 1.0)	0.62	Much lower than recommended	0.74	Broadly in line with recommended
Predicted percentage pupil number change in 3-5 years	0.0%	Low risk	14.0%	Low risk
Average class size	23.6	Highest 20% of similar schools	29.6	Highest 10% of similar schools

# The Oak Trust

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Performance - Primary Schools

##### Thorp

	End of Year Attainment: 2020/ 2021	
	Expected +	Exceeding
<b>EYFS</b>		
Communication & Language	16 (53%)	1 (3%)
Physical Development	25 (83%)	1(3%)
Social & Emotional Development	25 (83%)	1(3%)
Literacy		
• Reading	13 (43%)	2 (7%)
• Writing	13 (43%)	1 (3%)
Maths		
• Number	14 (47%)	
• Shape	13 (43%)	
<b>Year 1</b>		
Reading	6 (21%)	
Writing	5 (18%)	
Maths	0 (0)	
<b>Year 2</b>		
Reading	4 (14%)	
Writing	4 (14%)	
Maths	6 (21%)	
<b>Year 3</b>		
Reading	6 (21%)	
Writing	1 (4%)	
Maths	0 (0%)	
<b>Year 4</b>		
Reading	2 (7%)	
Writing	1 (4%)	
Maths	2 (7%)	
<b>Year 5</b>		
Reading	0 (0%)	
Writing	0 (0%)	
Maths	0 (0%)	
<b>Year 6</b>		
Reading	0 (0%)	
Writing	0 (0%)	
Maths	0 (0%)	

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Writing***

- Children (Yrs 1-6) have five discreet spelling lessons weekly
- Children (Yrs 1-6) take part in daily handwriting sessions
- New SOL caters for 'experience days' to build on children's vocabulary as part of the recovery curriculum
- Home learning activities matched to gaps identified through assessments
- Whole class quality texts have been purchased using the catch-up funding to enable each child to have their own text
- Additional after school boosters were implemented from Year 1 - Year 6 during the summer term and will be reintroduced this year through the catch-up funding available for 2021/2022
- New writing SOL written and being implemented and adapted to gap fill as part of the recovery curriculum (SPAG focus)
- Appointment of two new teaching assistants through the catch-up funding enables target specific groups of children to work on gaps as part of the recovery curriculum
- 'Writing for pleasure' was introduced to encourage the children back into writing after the school closures and focused on developing children's love of writing
- Homework set focused on the gaps identified as part of the recovery curriculum

##### ***Reading Phonics***

- Whole school phonics training tailored to the needs of the staff as part of the English hub
- Utilise T/A support to target individual children to "catch up and keep up" in Yr 1 & Yr 2
- Children (Years 1-6) have been allocated a reading scheme book that is matched to their current reading assessment. These are closely monitored by the class teacher
- Utilise T/A support to target specific groups of children during reading comprehension activities
- Rapid read interventions taking place from year 2 - 6 daily as part of the recovery curriculum
- After school booster club for year 6
- As part of the catch-up curriculum additional phonics sessions are taking place daily in Year 1 and Year 2
- Additional reading books have been purchased through the catch-up funding to ensure children can move on in their reading and it not be hindered due to limited books

##### ***Maths***

- Daily written arithmetic practice (WAP) sessions which focus on securing place value, number bonds, multiplication facts
- Utilise T/A support to target specific individual/groups of children within lessons
- Additional after school boosters are planned to take place during the academic year 2021/2022 using the catch-up fund
- Time tables rockstars (multiple focus) has been purchased as part of the recovery curriculum through the catch-up funding
- New approach to maths teaching enables the teacher to identify children's gaps quicker and allows for gaps to be addressed as part of the recovery curriculum
- Homework set focused on the gaps identified as part of the recovery curriculum

# The Oak Trust

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Fir Bank

	End of Year Attainment: 2020/2021	
	Expected +	Exceeding
<b>EYFS</b>		
Communication & Language	21 (67.7%)	5 (16.1%)
Physical Development	20 (64.5%)	5 (16.1%)
Social & Emotional Development	23 (74.2%)	6 (19.4%)
Writing	5 (16.1%)	5 (16.1%)
Number	18 (58%)	5 (16.1%)
<b>Year 1</b>		
Reading	12 (40%)	1 (3.3%)
Writing	3 (10%)	0
Maths	13 (43.3%)	0
<b>Year 2</b>		
Reading	17 (56%)	4 (13.3%)
Writing	12 (40%)	2 (6.7%)
Maths	19 (63.3%)	6 (20%)
<b>Year 3</b>		
Reading	13 (44.8%)	0
Writing	0	0
Maths	3 (10.3%)	0
<b>Year 4</b>		
Reading	15 (50%)	4 (13.3%)
Writing	11 (36.7%)	0
Maths	15 (50%)	6 (20%)
<b>Year 5</b>		
Reading	17 (56.6%)	4 (13.3%)
Writing	10 (33.3%)	2 (6.7%)
Maths	12 (40%)	1 (3.3%)
<b>Year 6</b>		
Reading	20 (66.6%)	9 (30%)
Writing	9 (30%)	0
Maths	20 (66%)	2 (6.7%)

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Writing***

###### **As part of the catch-up recovery curriculum**

- Children (Yrs 1-6) take part in three discreet spelling lessons weekly - increased by 1
- Children (Yrs 1-6) take part in three discreet handwriting lessons - one of which is now a dictated lesson
- Writing SOL reviewed and adapted to gap fill (SPAG focus)
- More short writing tasks aimed at practising specific gaps in knowledge
- SOL adapted to allow for more writing to take place in other lessons outside the literacy lessons
- Utilise T/A support to target specific groups of children
- Home learning activities matched to gaps identified through assessments

##### ***Reading phonics***

- Whole school phonics training tailored to the needs of the staff part of the English hub
- Utilise T/A support to target individual children to 'keep up'
- Targeted T/A support for children who have been identified for 'keep up'
- Regular assessment opportunities to enable bespoke teaching and learning for individual children
- Children (Yrs 1-6) have been allocated a reading scheme book that is matched to their current reading assessment. These are closely monitored by the class teacher
- Children (Yrs 1-6) have allocated library time to choose a book of their choice
- Reading ninja introduced to years 1-6. Celebrate success during celebration assembly
- Utilise T/A support to target specific groups of children during reading comprehension activities

##### ***Maths***

- Practice and retrieval strategies embedded in SOL (5 in 5)
- Regular practice of times tables through Rock Star Maths three times each week
- Utilises T/A support to target specific individual/groups of children with number activities greater depth children have been identified and receive challenge through quality-first teaching and differentiation

# The Oak Trust

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Performance - Secondary Schools

##### Key Stage 4

##### Headlines for Year 11 Leavers

	2019	2020	2021
English 9-5	72.6	77.1	77.3
English 9-5	47.7	49.8	57.4
English 9-7	18	19.9	16.3
AS	4.69	4.95	4.99
FS	-0.204	-0.18 using SPSBA	0.09 (LA calculation)
English 9-5	85	85.9	88.4
English 9-5	72.6	64.3	72.5
English 9-7	24.3	23.3	25.6
Maths 9-4	77.4	72.1	77.9
Maths 9-5	50.6	53.8	60.1
Maths 9-7	17.9	20.5	21.7
Combined Science 9P-44	70.5	75.1	76.7
Combined Science 9P-55	48.5	45.0	61.3
Combined Science 9P-77	7.6	2.8	15.9
History 9-7	48.4	53.3	78
Chemistry 9-7	58.1	53.3	60
Physics 9-7	48.4	46.7	80



## The Oak Trust

### Trustees' Report for the Year Ended 31 August 2021 (continued)

#### Strategic Report

##### Highlights

- Grade 9s in 16/21 GCSE subjects
- 50% or greater 9-7 in Biology, Chemistry, Computer Science & Physics
- 50% or greater 9-5 in 17/21 subjects
- Pass rate of greater than 75% in all BTEC subjects
- 75.2% subject achieved 5 grade 4s inc E&M
- 53.9% students achieved 5 grade 5s inc E&M
- 100% students achieved at least 1 qualification
- 6 students achieved all grade 9-7
- No gender gap at 9-4 E&M
- No student grade appeals

#### Key Stage 5 - Summer 2021 Outcomes

##### Headlines for Year 13 Leavers

	2021	2020	2019
<b>A*-A %</b>	23.9	18.8	8
<b>A*-B %</b>	55.2	51.5	19.8
<b>A*-C %</b>	81.4	79.1	58.9
<b>A*-E %</b>	99.7	100	95
<b>Value Added</b>	+0.40	+0.34	-0.14
<b>APS per entry</b>	34.85	34.46	28.26
<b>Average grade per entry</b>	C+	C+	C-
<b>3 A*-E all subjects %</b>	92.3	93.8	89
<b>3 A*-C all subjects %</b>	55.6	53.6	37.8
<b>3 A*-B all subjects %</b>	29.9	19.6	4.4
<b>English Progress</b>	1.5	1.25	1.5
<b>Maths Progress</b>	0.94	1.10	0.67

## The Oak Trust

### Trustees' Report for the Year Ended 31 August 2021 (continued)

#### Strategic Report

##### Highlights

- A\* grades achieved in 12 subjects
- 100% pass rate in 32 subjects
- 100% A\* - B achieved in Further Mathematics, Product Design and Graphic Art
- 100% A\* - C achieved in 5 A level subjects
- 100% of students in Performing Arts and BTEC Sport achieved Distinction or Distinction\*
- 100% of students in 10 out of 12 subjects at BTEC achieved Merit, Distinction or Distinction\*
- 14 students achieved an average grade A or A\*
- A Level and BTEC have overall ALPs scores of 2
- 66.4% of students were on or above target
- 29 subjects have a positive Value-Added score
- English and Maths re-sit Value Added Scores continues to be very strong

National Attendance statistics will not be provided for 2019/2020 and 2020/2021

Attendance						
	2019/2020			2020/2021		
	School	National	Oldham	Term 1 Sep - Autumn	Term 2 Sep - Spring	Term 3 Sep - Summer
NC	94.7	*	*	94.1	92.2	92.3
FB	96.7	*	*	97.7	97.7	97.1
TH	95.9			97.1	96.1	96.1
2019/2020 Data from September to lockdown 20/03/20				2020/2020 Lockdown from 4th Jan to 6th March 2021.		
* 2019/2020 National/LA data not published due to cancellation of statistics/performance tables				All students marked with an X code (attendance not required, therefore not included in figures) unless they attended school as a keyworker child or vulnerable student		
Persistence/Absence						
	2019/2020			2020/2021		
	School	National	Oldham	Term 1 Sep - Autumn	Term 2 Sep - Spring	Term 3 Sep - Summer
NC	12.51	*	*	17.6	21.5	23.05
FB	6.1	*	*	3.4	4.0	5.29
TH	12.9			9.5	11.1	15.06
2019/2020 Data from September to lockdown 20/03/20				2020/2020 Lockdown from 4th Jan to 6th March 2021.		
* 2019/2020 National/LA data not published due to cancellation of statistics/performance tables				All students marked with an X code (attendance not required, therefore not included in figures) unless they attended school as a keyworker child or vulnerable student		
Reception class not included in figures for primary schools as per DfE guidance						

# The Oak Trust

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

<b>Fixed Term Exclusions</b>						
	<b>2019/2020</b>			<b>2020/2021</b>		
	<b>Term 1 Sep - Autumn Numbers</b>	<b>Term 2 Sep - Spring Numbers</b>	<b>Term 3 Sep - Summer Numbers</b>	<b>Term 1 Sep - Autumn Numbers</b>	<b>Term 2 Sep - Spring Numbers</b>	<b>Term 3 Sep - Summer Numbers</b>
NC	5	12	0	11	11	18
FB	0	0	0	0	0	0
TH	0	2	0	2	2	2
<b>Permanent Exclusions</b>						
	<b>2019/2020</b>			<b>2020/2021</b>		
	<b>Term 1 Sep - Autumn Numbers</b>	<b>Term 2 Sep - Spring Numbers</b>	<b>Term 3 Sep - Summer Numbers</b>	<b>Term 1 Sep - Autumn Numbers</b>	<b>Term 2 Sep - Spring Numbers</b>	<b>Term 3 Sep - Summer Numbers</b>
NC	0	2	0	2	2	3
FB	0	0	0	0	0	0
TH	0	0	0	0	0	0

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Going concern***

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

##### **Financial review**

Most of the Trust's income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants. The grants received from the ESFA during the financial year ended 31st August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year, the Trust was successful in being awarded its third conditional improvement fund grant. This time the grant awarded was £586,743 to Fir Bank Primary for a heating replacement project. Again, the project attracted a Salix loan of £9,547 and a contribution from the revenue reserves of Fir bank Primary school of £62,700 will be required.

For the period ending 31st August 2021, total income excluding capital grants increased to £11,780,000 compared to 2020 £11,310,000 and total operational expenditure before depreciation of £740,000 (2020 £815,000) increased to £12,049,000 compared to 2020 £11,900,000 resulting in an in- year surplus before depreciation and pension liability of £8,599,000.

As at 31st August 2020 the net book value of fixed assets was as shown in note to the financial statement. The assets were used exclusively for providing education and the associated support services.

The Trust Support staff are entitled to membership of the Local Government pension scheme. The Trust's share of the schemes assets is currently assessed to be less than its liabilities in the scheme and consequently the Trust's balance sheet shows a net pension liability of £8,237,000. A deficit position of the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase in employers' pension contributions over a period of years.

The Trust's unrestricted funds is income that can be spent at the discretion of the Trustees and in the furtherance of each academy's objectives which are not yet spent, committed, or designated. At 31st August 2021, the value of the Trust's unrestricted funds amounted to £387,000.

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Reserves policy***

The Trust's available reserves currently stand at £28,205,000 of which -£7,229,000 are Restricted and £387,000 are Unrestricted. These reserves can immediately be realised apart from £999k that has been deposited with the bank on a higher rate of interest account where a 32-day notice period is required. The Trust also holds a Restricted fixed asset fund of £35,047,000.

The material funds available have been designated for the future for several reasons:

##### **North Chadderton**

- £823,000 has been designated for the life cycle of the buildings,
- £92,250 to the All-Weather pitch replacement,
- £200,000 for ICT and its infrastructure
- £80,000 to support unexpected inflationary increases and premises costs for additional floor areas

##### **Fir Bank**

- £77,000 has been set aside for the Conditional Improvement Fund project, the nursery building and equipment for the early years provision

##### **Thorp**

- £64,000 has been set aside to support the Conditional Improvement Fund projects.

A target of 10% of total resources has been decided to be a prudent level of material reserves that the trust wishes to maintain. This currently equates to £1,212,000. With current material reserves at £1,336,000, the reserves held are only marginally over target and have increased due to the continuation of the pandemic. With higher spending plans set for 2021/22 and planned revenue contributions to the Conditional Improvement Fund projects, the material reserve balances should fall.

The Trustees have agreed that the Unrestricted funds will help to secure the academies in all its aims and objectives.

##### ***Investment policy***

In making decisions regarding where and how surplus funds are invested, due regard will be given to risk. The Trust will only invest funds in approved charitable investments and easily accessible deposit accounts. The objective is to ensure that funds which the academies do not immediately need to cover anticipated expenditure are invested in such a way as to maximise income but with minimum risk.

Currently, no investments are held but funds are placed in a higher interest earning bank account.

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Principal risks and uncertainties***

The Trustees have assessed the major risks to which the Trust is exposed during the period. The principal risks are identified as follows:

##### **Covid-19**

The Current pandemic has impacted on the Trust in two areas namely educational outcomes and loss of income. Actions taken by the Trust to mitigate this risk include an on-line learning platform and a recovery curriculum. The loss of income has been offset by the reduction in overtime for relevant employees. As a consequence of the COVID catch up grant and expenditure not being incurred at normal levels, a budget surplus was recorded.

##### **National accountability**

Through Ofsted or ESFA the Academies could be graded as requiring improvements. Actions taken by the Trust to mitigate this risk include data review through tracking software, deployment of staff across Trust to lead and upskill teachers, strengthening governance introducing consistent assessment policy across schools, securing funding for improvement of teaching and development of leadership.

##### **Growth management**

Expansion of the Trust could potentially deplete Trust resources and result in an inability to back fill due to funding pressures. Actions taken by the Trust to mitigate this risk include setting a robust due diligence process for any joining schools to assess needs and issues, detailed planning of expansion requirements including management of pre-opening resources and funding

##### **Governance**

That individuals involved in governance at all levels in the Trust are not aware of their powers, responsibilities, or the implications of their actions in the wider Trust picture through maintenance of a single school culture and that matters are not communicated effectively. Actions taken by the Trust to mitigate these risks include annual skills audit, training, review of terms of reference for committees and scheme of delegation.

##### **Key personnel recruitment, retention and succession risk**

The risk of long-term sickness and any lack of succession, retention, development, and recruitment of key staff could result in educational and business instability. Actions taken by the Trust include identified succession plans, leadership programmes, development of Human resource policies which includes mental health and wellbeing and monitoring of labour market information.

##### **Reliance on Government funding**

To mitigate any reduction in funding as a result of the transition to a National Funding Formula, the Trustees and Governors ensure reputational status of the Trust is maintained through monitoring student success and achievement in order to maximise pupil base funding available. The Trust also participates in national and regional training events to gain information regarding funding policy and its effect at Local Authority level. The Trust engages in other income generating activities in order to support a range of broader curriculum activities.

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### **GDPR Risks of noncompliance**

Actions taken by the Trust include the employment of a Data Protection Officer, annual audits of data processes undertaken by the Trust and identification of areas where data protection requires strengthening. collation of third-party compliance, development of a retention policy and the writing and communication of procedures to identify and report breaches.

##### **Pension scheme**

The Trust's employees are members of two defined pension schemes. the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). The Trust has recognised its share of assets and liabilities Of the LGPS in accordance with FRS102 and as a result. a deficit has been recognised at 31 August 2021. The TPS has been accounted for as a defined contribution scheme. Due to the nature of the two schemes, there is an underlying risk to the Trust relating to the uncertainty of the future funding requirements of each scheme, the results of which impact on the contribution rates for future employer contributions to each scheme.

##### **Risk Management**

A Trust risk register is maintained and reviewed termly by an identified Trustee who then reports to the Trust Board. Each academy holds its own risk register which is reviewed every 6 weeks at the strategic business management meeting and considered termly at the Local Advisory Committee the basis for key internal controls, and on financial matters, the internal audit programme. Key controls in place are:

- Forensic data analysis
- Annual school improvement plans
- Organisation structure with clearly defined roles, authorisation levels and terms of reference
- Financial planning. budgeting and regular management reporting
- Formal written and published policies
- Vetting procedures as required by legislation for protection of the vulnerable
- Robust due diligence and tender procedures for new contracts and commissions

The Trust does not have any exposure to significant cash flow or liquidity issues nor does the Trust have any significant credit liabilities, only ordinary creditors from educational and construction activities disclosed in note.

##### **Fundraising**

The academies actively fundraise for nominated charities who are selected by the students.

Thorp and Fir Bank have established Parent Teacher associations which supports the purchasing of equipment identified by the senior leadership of the school.

The academy trust does not use any external fundraisers. All fundraising undertaken during the year is monitored by the Trustees through the financial accountability structure.

## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Strategic Report**

##### ***Plans for future periods***

The Trust has a three-year development plan which is focussed on improving the outcomes for students. The three strands for development are:

##### **Governance**

- Review the Scheme of Delegation to prevent duplication of reporting and to bring clarity to accountability
- Embed processes and accountability
- Evaluation and reflective process to be in place
- For the LAC and Trust to understand Education Inspection Framework and their responsibilities in it

##### **Staff and resources**

- Aligning Policies, Practice, and business operations
- MAT wide events
- Making best value of Cross Trust Resources

##### **Students and families**

- School Development Plans align with Trust vision and values
- Developing a consistent and effective practice across the Trust to support vulnerable students and families
- Cross School Activities
- Effective nursery provision



## **The Oak Trust**

### **Trustees' Report for the Year Ended 31 August 2021 (continued)**

#### **Funds Held as Custodian Trustee on Behalf of Others**

The Trust as facilitator to the 16 to 19 Bursary funds held an amount that was unspent at 31st August 2021. The amount held was £9,764 which will be allocated to students at the start of the academic year 2021/22.

The Trust also held funds raised for charities in the year that had not been paid over. This was due to the fundraising continuing into the new academic year. Monies will be paid over to charities once all fundraising for that charity has stopped. The total amount held was £9,847.

#### **Auditor**

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.

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on .. 1/12/21 .. and signed on its behalf by:



.....  
Mr I Windeatt (appointed Chair 7 July 2021)  
Trustee and Chair of the Trust Board

## The Oak Trust

### Governance Statement

#### Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive as accounting officer with effect from the 1st September 2021 the Executive Director of Business and HR and Co CEO will be the 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 The Oak Trust 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 7 times during the year. Attendance during the year at meetings of the board of trustees and Local Advisory Committees was as follows:

#### Governance - Attendance at Meetings - Academic Year 2020/2021

<b>Members</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
D Challen (Clerk)	1	1
G Crabtree	1	1
J Clark	1	1
L Smart	1	1
M Scott	1	1
G Hindle	1	1
C Copson	1	1
<b>Trust Board</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
D Challen (Clerk)	7	7
J Rainford	5	7
J Clark	7	7
I Windeatt	7	7
L Brierley	7	7
A Cheetham	7	7
M Scott	6	7
R Cowen	5	7
P Nutter	7	7
R Howes	6	7
G Hindle	5	7
C Copson	3	7
J Eppleston	4	7

# **The Oak Trust**

## **Governance Statement (continued)**

<b>North Chadderton Local Advisory Committee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
D Challen (Clerk)	3	3
G Crabtree	3	3
S North	3	3
C Cheetham	1	3
C Howard	3	3
J Webb	2	3
K Ashraf	1	2
E Hardaker	2	2
L Quinn	3	3
G Hindle	3	3
C Copson	2	3
<b>Fir Bank Local Advisory Committee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
D Challen (Clerk)	4	4
R Walker	4	4
R McLaughlin	4	4
R Cowen	4	4
L Fraser	3	4
J Wright	3	4
P Ferris	2	4
P Deaville	3	3
G Hindle	3	4
C Copson	1	4
<b>Thorp Local Advisory Committee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
D Challen (Clerk)	3	3
P Nutter	3	3
E Dunn	3	3
J Haigh	2	3
C Fox	3	3
S Pearson	1	1
S Baker-Chapman	1	1
S Grayson	3	3
L Wilson	3	3
S Grumbridge	0	2
G Hindle	3	3
C Copson	1	3

## The Oak Trust

### Governance Statement (continued)

<b>Finance, Risk and Business Operations Committee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
D Challen (Clerk)	1	3
J Clark	2	3
I Windeatt	3	3
L Brierley	1	3
M Scott	3	3
R Howes	3	3
G Hindle	3	3
C Copson	2	3
J Eppleston	3	3
S North	1	3
 <b>Standards and Performance Committee</b>	 <b>Meetings attended</b>	 <b>Out of a possible</b>
D Challen (Clerk)	1	1
J Rainford	0	1
J Clark	1	1
A Cheetham	1	1
R Cowen	1	1
P Nutter	1	1
G Hindle	1	1
S North	1	1

The trust board has appointed Trustee links for Finance, Standards and Performance and Risk and Compliance. Each trustee meets with the designation officer lead and reports to the Trust Board on a termly basis

The Trust Board at its termly meetings considers MAT headline information and KPIs for each school. This information is drawn from a cross trust assessment programme. Financial data is provided by reports drawn from PSF, statutory compliance and risk is drawn from the EVERY system and Educational performance is drawn from Capita SIMS. The data provided is robust and accurate from nationally recognised and accredited software providers.

The Trust Board meets at least three times a year. The Trust has a quality assurance and financial control strategy which is as follows:

## **The Oak Trust**

### **Governance Statement (continued)**

#### **Fortnightly**

- MAT Business meetings are held with the Co CEO, PFO and other key MAT leaders

#### **Monthly**

- CFO meets with the Chair of Trustees
- Minuted Business meetings are held with the Headteachers and Business Leads in each Academy
- Standing items on the agendas are Finance, Monthly Management Accounts and Statutory compliance and risk

#### **Termly**

- CFO meets with Trustee link for Finance
- Director of Operations meets with Trustee link for Risk and Statutory compliance
- CEO meets with link for Standards and Performance

#### **Termly**

- Link Trustees report to Trust Board
- Trust Committee - Finance, Risk and Business Operations Committee

### **Governance Review**

The key changes to the Trust Board during 2020-21 was the appointment of one trustee.

During 2020/21 the Trust Board reviewed governance across the Trust. The purpose of this review was to ensure clarity of vision, ethos and strategic direction, to hold executive leaders to account for the educational performance and to ensure there is robust accountability for financial performance.

The Trust Board consulted with all interested parties, considered best practice and statutory responsibilities. Following feedback from the Academy Leaders and Local Advisory Committees the Trust established two committees with clearly defined terms of reference, issued new terms of reference for the Trust Board and Local Advisory Committees, made amendments to the scheme of delegation and agreed a trust wide accountability model.

The Chair, CEO and CFO have undertaken the school resource self-assessment tool. All Trustees have completed a skills audit to ensure the Trust Board has the appropriate skill set to fulfil its responsibilities.

The Finance, Risk and Business Operation Committee is a new committee of the main board of Trustees and includes responsibility for audit and risk. The Committee has met once during 2020/21 and no material risks were identified.

## **The Oak Trust**

### **Governance Statement (continued)**

#### **Review of value for money**

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the 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 appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Aligning Administration, HR and Finance operations
- Undertaken a review of Business and Finance operations across the Trust and eliminated duplication of tasks and redistributed resources to increase the numbers of pupil facing staff.
- Reviewed premises management across the Trust to ensure cost savings through economies of scale and trust wide maintenance and service agreements
- Reviewing and working towards a MAT wide ICT solution which provides a more robust and secure solution that is fit for purpose
- During 2021/22 the Trust will be reviewing budget planning, monitoring and payroll systems and procedures

#### **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 trust 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 The Oak Trust for the period 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The 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 trust 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 The Oak Trust for the period 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

## **The Oak Trust**

### **Governance Statement (continued)**

#### **The Risk and Control Framework**

The Trust'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, Risk and Business Operations Committee, the Trustees and Management meetings to consider reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided:

- to buy-in an internal audit service from Hallidays for 2021/22 for a second year

The internal auditor's role includes giving advice on financial matters and other matters and performing a range of checks on the trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of payroll systems
- testing of executive pay and employee review
- testing of payment systems
- testing of purchase systems
- testing of pensions
- testing of capital works
- testing of grant and other income streams
- testing of bad debt procedures
- testing to ensure previous audit recommendations to the Trust's Anti-Fraud policy had been implemented

On a termly basis, the auditor reports to the board of trustees, through the Finance, Risk and Business Operations Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. An annual summary is also reported outlining the areas reviewed, key findings, recommendations and conclusions to help the board consider actions and assess year on year progress.

The Internal Audit programme for the period 1 September 2020 to 31 August 2021 was disrupted due to Covid 19 and the programme was slightly delayed. The three planned visits were carried out remotely and merged into two.

The overall conclusion provided by Hallidays was that internal controls were effective, and that reasonable assurance could be provided. The one issue of significance was to publish the Executive Pay on the Trust's website upon which was immediately addressed.

## **The Oak Trust**

### **Governance Statement (continued)**

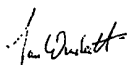
#### **Review of effectiveness**

As accounting officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the work of the external 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, Risk and Business Operations Committee and ensure continuous improvement of systems are in place.

Approved by order of the members of the board of trustees on ... 1/12/21 . and signed on its behalf by:



Mr I Windeatt  
Trustee



## **The Oak Trust**

### **Statement on Regularity, Propriety and Compliance**

As Accounting Officer of The Oak Trust I have considered my responsibility to notify the board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 2020.

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 2020.

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



.....  
Mrs G Hindle  
Accounting Officer

## **The Oak Trust**

### **Statement of Trustees' Responsibilities**

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

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

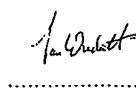
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the Board on .. 1/12/21 .. and signed on its behalf by:



.....  
Mr I Windeatt  
Trustee

## **The Oak Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of The Oak Trust**

#### **Opinion**

We have audited the financial statements of The Oak Trust “the academy trust” for the year ended 31 August 2021, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

## **The Oak Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of The Oak Trust (continued)**

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the academy for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

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

- In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 32, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **The Oak Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of The Oak Trust (continued)**

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **The extent to which the audit was considered capable of detecting irregularities including fraud**

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2020 to 2021 and Academies Financial Handbook 2020, both issued by the Education and Skills Funding Agency.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions.

## **The Oak Trust**

### **Independent Auditor's Report on the Financial Statements to the Members of The Oak Trust (continued)**

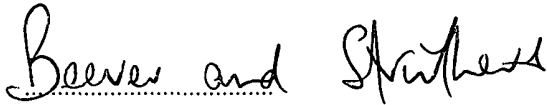
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

#### **Use of our report**

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



Mr Andrew J McLaren (Senior Statutory Auditor)

For and on behalf of Beever and Struthers, Statutory Auditor

Chartered Accountants and Statutory Auditors  
St Georges House  
215-219 Chester Road  
Manchester  
M15 4JE

Date: 17/12/21

## **The Oak Trust**

### **Independent Reporting Accountant's Report on Regularity to The Oak Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 21 July 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Oak Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Oak Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to The Oak Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Oak Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of the board of trustees's funding agreement with the Secretary of State for Education dated 26 August 2014 and the Academies Financial Handbook extant from 1 September 2019, 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 2019 to 2020. 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 from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

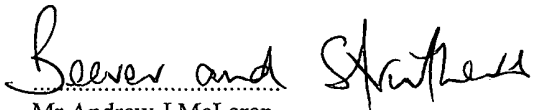
- Review and testing of the financial internal control systems;
- Sample testing of transactions
- Discussions with management

## **The Oak Trust**

### **Independent Reporting Accountant's Report on Regularity to The Oak Trust and the Education and Skills 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 from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mr Andrew J McLaren

For and on behalf of Beever and Struthers, Chartered Accountants

Chartered Accountants and Statutory Auditors

St Georges House

215-219 Chester Road

Manchester

M15 4JE

Date: 17/12/21



# The Oak Trust

## Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

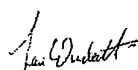
	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
<b>Income and endowments from:</b>						
Donations and capital grants	2	19	-	631	650	1,190
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	11,595	-	11,595	10,824
Other trading activities	4	120	45	-	165	346
Investments	5	1	-	-	1	5
Total		<u>140</u>	<u>11,640</u>	<u>631</u>	<u>12,411</u>	<u>12,365</u>
<b>Expenditure on:</b>						
Raising funds	6	4	2	-	6	112
<i>Charitable activities:</i>						
Academy trust educational operations	7	<u>283</u>	<u>11,742</u>	<u>758</u>	<u>12,783</u>	<u>12,604</u>
Total		<u>287</u>	<u>11,744</u>	<u>758</u>	<u>12,789</u>	<u>12,716</u>
Net expenditure		(147)	(104)	(127)	(378)	(351)
Transfers between funds		-	(214)	214	-	-
<b>Other recognised gains and losses</b>						
Actuarial gain/(loss) on defined benefit pension schemes	23	<u>-</u>	<u>(1,411)</u>	<u>-</u>	<u>(1,411)</u>	<u>(430)</u>
Net movement in (deficit)/funds		(147)	(1,729)	87	(1,789)	(781)
<b>Reconciliation of funds</b>						
Total funds/(deficit) brought forward at 1 September 2020		<u>534</u>	<u>(5,500)</u>	<u>34,960</u>	<u>29,994</u>	<u>30,775</u>
Total funds/(deficit) carried forward at 31 August 2021		<u>387</u>	<u>(7,229)</u>	<u>35,047</u>	<u>28,205</u>	<u>29,994</u>

# The Oak Trust

(Registration number: 09150568)  
Balance Sheet as at 31 August 2021

	Note	2021 £ 000	2020 £ 000
<b>Fixed assets</b>			
Tangible assets	12	33,961	33,989
<b>Current assets</b>			
Debtors	13	1,258	1,382
Cash at bank and in hand		<u>2,107</u>	<u>1,570</u>
		3,365	2,952
Creditors: Amounts falling due within one year	14	<u>(884)</u>	<u>(764)</u>
Net current assets		<u>2,481</u>	<u>2,188</u>
Total assets less current liabilities		<u>36,442</u>	<u>36,177</u>
Net assets excluding pension liability		36,442	36,177
Pension scheme liability	23	<u>(8,237)</u>	<u>(6,183)</u>
Net assets including pension liability		<u>28,205</u>	<u>29,994</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		1,008	683
Restricted fixed asset fund		35,047	34,960
Restricted pension fund		<u>(8,237)</u>	<u>(6,183)</u>
		27,818	29,460
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>387</u>	<u>534</u>
Total funds		<u>28,205</u>	<u>29,994</u>

The financial statements on pages 39 to 63 were approved by the Trustees, and authorised for issue on 1/12/2021 and signed on their behalf by:



.....  
Mr I Windeatt (appointed Chair 7 July 2021)  
Trustee

## The Oak Trust

### Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £ 000	2020 £ 000
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	18	635	(1,101)
<b>Cash flows from investing activities</b>	19	<u>(98)</u>	<u>1,034</u>
<b>Change in cash and cash equivalents in the year</b>		537	(67)
Cash and cash equivalents at 1 September		<u>1,570</u>	<u>1,637</u>
Cash and cash equivalents at 31 August	20	<u><u>2,107</u></u>	<u><u>1,570</u></u>

## **The Oak Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **1 Accounting policies**

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

##### ***Basis of preparation***

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

##### ***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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### ***Income***

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

##### ***Grants***

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### ***Donations***

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

## **The Oak Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

#### **1 Accounting policies (continued)**

##### ***Other income***

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

##### ***Transfer on conversion***

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

##### ***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.

All resources expended are inclusive of irrecoverable VAT.

##### ***Expenditure on raising funds***

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

##### ***Charitable activities***

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

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 1 Accounting policies (continued)

##### **Tangible fixed assets**

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	35 - 125 years
Fixtures and Fittings	10 - 40 years
Motor Vehicles	5 years
Computer Equipment	3 years

##### **Liabilities**

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

##### **Provisions**

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

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

##### **Leased assets**

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

##### **Financial Instruments**

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

## **The Oak Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

#### **1 Accounting policies (continued)**

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

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

#### **Stock**

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

#### **Taxation**

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

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

#### **Pension benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, 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 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.

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 1 Accounting policies (continued)

##### Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

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

##### 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

#### 2 Donations and capital grants

	Unrestricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total 2020 £000
Educational trips and visits	6	-	6	106
Capital grants	-	631	631	1,055
Other donations	13	-	13	29
	<u>19</u>	<u>631</u>	<u>650</u>	<u>1,190</u>



## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 3 Funding for Academy's educational operations

	Restricted funds £ 000	Total 2021 £ 000	Total 2020 £000
<b>DfE/EFA revenue grants</b>			
General Annual Grant (GAG)	9,666	9,666	8,968
Other DfE/EFA grants	<u>1,130</u>	<u>1,130</u>	<u>1,095</u>
	<u>10,796</u>	<u>10,796</u>	<u>10,063</u>
<b>Other government grants</b>			
Local authority grants	619	619	712
<b>Exceptional government funding</b>			
Coronavirus exceptional support	<u>180</u>	<u>180</u>	<u>49</u>
<b>Total grants</b>	<u><u>11,595</u></u>	<u><u>11,595</u></u>	<u><u>10,824</u></u>

The academy trust has been eligible to receive additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding."

#### 4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Total 2021 £ 000	Total 2020 £000
Hire of facilities	45	-	45	37
Catering income	43	-	43	212
Other sales	<u>32</u>	<u>45</u>	<u>77</u>	<u>97</u>
	<u><u>120</u></u>	<u><u>45</u></u>	<u><u>165</u></u>	<u><u>346</u></u>

#### 5 Investment income

	Unrestricted funds £ 000	Total 2021 £ 000	Total 2020 £000
Interest received	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>5</u></u>

# **The Oak Trust**

## **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

### **6 Expenditure**

	<b>Non Pay Expenditure</b>			<b>Total 2021 £ 000</b>	<b>Total 2020 £000</b>
	<b>Staff costs £ 000</b>	<b>Premises £ 000</b>	<b>Other costs £ 000</b>		
Expenditure on raising funds	-	-	6	6	112
<b>Academy's educational operations</b>					
Direct costs	8,135	758	642	9,535	9,370
Allocated support costs	<u>2,234</u>	<u>520</u>	<u>494</u>	<u>3,248</u>	<u>3,234</u>
	<u>10,369</u>	<u>1,278</u>	<u>1,142</u>	<u>12,789</u>	<u>12,716</u>

Net income/(expenditure) for the year includes:

	<b>2020/21 £ 000</b>	<b>2019/20 £ 000</b>
Operating leases - plant and machinery	32	32
Fees payable to auditor - audit	14	8
- other audit services	6	5
Depreciation of tangible fixed assets	<u>740</u>	<u>815</u>

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 7 Charitable activities

		Total 2021 £ 000	Total 2020 £000
Direct costs - educational operations		9,535	9,370
Support costs - educational operations		<u>3,248</u>	<u>3,234</u>
		<u>12,783</u>	<u>12,604</u>
	Educational operations £ 000	Total 2021 £ 000	Total 2020 £000
<b>Analysis of support costs</b>			
Support staff costs	2,234	2,234	2,120
Technology costs	70	70	82
Premises costs	520	520	494
Other support costs	398	398	511
Governance costs	<u>26</u>	<u>26</u>	<u>27</u>
Total support costs	<u>3,248</u>	<u>3,248</u>	<u>3,234</u>

#### 8 Staff

##### Staff costs

	2021 £ 000	2020 £000
<b>Staff costs during the year were:</b>		
Wages and salaries	7,328	6,981
Social security costs	740	695
Pension costs	<u>2,077</u>	<u>2,002</u>
	10,145	9,678
Supply teacher costs	160	159
Staff restructuring costs	<u>63</u>	<u>45</u>
	<u>10,368</u>	<u>9,882</u>

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 8 Staff (continued)

	2021 £ 000	2020 £ 000
<b>Staff restructuring costs comprise:</b>		
Redundancy payments	<u>63</u>	<u>45</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £63,000.

#### Staff numbers

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

	2021 No	2020 No
<b>Charitable Activities</b>		
Teachers	118	127
Administration and support	113	109
Management	<u>16</u>	<u>13</u>
	<u>247</u>	<u>249</u>

#### Higher paid staff

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

	2021 No	2020 No
£60,001 - £70,000	12	4
£70,001 - £80,000	7	2
£80,001 - £90,000	4	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£110,001 - £120,000	<u>1</u>	<u>-</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,379,516 (2020: £1,139,797).

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 9 Central services

The academy trust has provided the following central services to its academies during the year:

- Payroll
- Financial Services
- Human Resources
- Educational Support Services
- Governance
- Partial IT Support Services
- Centrally Managed Print Service

The academy trust charges for these services on the following basis:

- Fir Bank, Thorp Park and North Chadderton were all charged a flat rate of 3% of their total income.

The actual amounts charged during the year were as follows:

	2021/20 £ 000
North Chadderton School	288
Fir Bank Primary School	33
Thorp Primary School	31
	<hr/>
	352

#### 10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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 role as trustees. The value of trustees' remuneration and other benefits was as follows:

Miss J Clark (Staff Trustee) :

Remuneration: £105,000 - £110,000 (2020 - £100,000 - £105,000)

Employer's pension contributions: £Nil (2020 - £Nil)

Mr I Windeatt (appointed Chair 7 July 2021) (Staff Trustee) :

Remuneration: £15,000 - £20,000 (2020 - £15,000 - £20,000)

Employer's pension contributions: £Nil (2020 - £Nil)

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020 - £Nil) were reimbursed or paid directly to 0 trustees (2020 - 0).

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

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 11 Trustees' and officers' insurance

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

#### 12 Tangible fixed assets

	Leasehold land and buildings £ 000	Assets under construction £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Motor vehicles £ 000	Total £ 000
<b>Cost</b>						
At 1 September 2020	34,970	-	1,170	868	3	37,011
Additions	36	461	27	196	10	730
Disposals	-	-	-	(18)	-	(18)
At 31 August 2021	<u>35,006</u>	<u>461</u>	<u>1,197</u>	<u>1,046</u>	<u>13</u>	<u>37,723</u>
<b>Depreciation</b>						
At 1 September 2020	1,766	-	521	732	3	3,022
Charge for the year	464	-	119	173	2	758
Eliminated on disposals	-	-	-	(18)	-	(18)
At 31 August 2021	<u>2,230</u>	<u>-</u>	<u>640</u>	<u>887</u>	<u>5</u>	<u>3,762</u>
<b>Net book value</b>						
At 31 August 2021	<u>32,776</u>	<u>461</u>	<u>557</u>	<u>159</u>	<u>8</u>	<u>33,961</u>
At 31 August 2020	<u>33,204</u>	<u>-</u>	<u>649</u>	<u>136</u>	<u>-</u>	<u>33,989</u>

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 13 Debtors

	2021 £ 000	2020 £ 000
Trade debtors	8	44
VAT recoverable	115	35
Other debtors	117	206
Prepayments	127	110
Accrued grant and other income	891	987
	<u>1,258</u>	<u>1,382</u>

#### 14 Creditors: amounts falling due within one year

	2021 £ 000	2020 £ 000
Trade creditors	180	98
Other taxation and social security	183	167
Other creditors	62	37
Accruals	137	113
Deferred income	143	177
Pension scheme creditor	179	172
	<u>884</u>	<u>764</u>
	<b>2021</b>	<b>2020</b>
	<b>£ 000</b>	<b>£ 000</b>

#### Deferred income

Deferred income at 1 September 2020	177	150
Resources deferred in the period	143	177
Amounts released from previous periods	<u>(177)</u>	<u>(150)</u>
Deferred income at 31 August 2021	<u>143</u>	<u>177</u>

At the balance sheet date the academy trust was holding grants received in advance for Universal Infant FSM, Rates Relief and Trip income for 2021/22.

# The Oak Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 15 Funds

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	683	9,666	(9,127)	(214)	1,008
Other DfE/EFA grants	-	1,310	(1,310)	-	-
Local authority grants	-	619	(619)	-	-
Other trading activities	-	45	(45)	-	-
	<u>683</u>	<u>11,640</u>	<u>(11,101)</u>	<u>(214)</u>	<u>1,008</u>
<b>Restricted pension funds</b>					
LGPS Fund	<u>(6,183)</u>	<u>-</u>	<u>(643)</u>	<u>(1,411)</u>	<u>(8,237)</u>
<b>Total restricted general funds</b>	<u>5,500</u>	<u>(11,640)</u>	<u>11,744</u>	<u>1,625</u>	<u>7,229</u>
<b>Restricted fixed asset funds</b>					
Restricted fixed asset fund	<u>34,960</u>	<u>631</u>	<u>(758)</u>	<u>214</u>	<u>35,047</u>
<b>Total restricted funds</b>	<u>29,460</u>	<u>12,271</u>	<u>(12,502)</u>	<u>(1,411)</u>	<u>27,818</u>
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>534</u>	<u>140</u>	<u>(287)</u>	<u>-</u>	<u>387</u>
<b>Total funds</b>	<u>29,994</u>	<u>12,411</u>	<u>(12,789)</u>	<u>(1,411)</u>	<u>28,205</u>



## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 15 Funds (continued)

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

	Balance at 1 September 2019 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	504	8,968	(8,680)	(109)	683
Other DfE/EFA grants	-	1,144	(1,144)	-	-
Local authority grants	-	712	(712)	-	-
Other trading activities	-	30	(30)	-	-
	<u>504</u>	<u>10,854</u>	<u>(10,566)</u>	<u>(109)</u>	<u>683</u>
<b>Restricted fixed asset funds</b>					
Restricted fixed asset fund	34,778	1,055	(982)	109	34,960
<b>Restricted pension funds</b>					
LGPS Fund	<u>(5,134)</u>	<u>-</u>	<u>(619)</u>	<u>(430)</u>	<u>(6,183)</u>
Total restricted funds	30,148	11,909	(12,167)	(430)	29,460
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>627</u>	<u>456</u>	<u>(549)</u>	<u>-</u>	<u>534</u>
Total funds	<u>30,775</u>	<u>12,365</u>	<u>(12,716)</u>	<u>(430)</u>	<u>29,994</u>

#### Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021 £ 000	2020 £ 000
North Chadderton School	1,195	1,065
Fir Bank Primary School	77	104
Thorp Primary School	63	24
Central services	<u>60</u>	<u>24</u>
Total before fixed assets and pension reserve	1,395	1,217
Restricted fixed asset fund	35,047	34,960
LGPS Fund	<u>(8,237)</u>	<u>(6,183)</u>
Total	<u>28,205</u>	<u>29,994</u>

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 15 Funds (continued)

##### Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2021 £ 000
North Chadderton School	6,436	922	479	97	7,934
Fir Bank Primary School	806	155	51	69	1,081
Thorp Primary School	793	549	73	372	1,787
Central services	-	220	13	79	312
Academy Trust	<u>8,035</u>	<u>1,846</u>	<u>616</u>	<u>617</u>	<u>11,114</u>
					<b>Total 2020 £ 000</b>
North Chadderton School					7,934
Fir Bank Primary School					1,082
Thorp Primary School					1,787
Central services					<u>312</u>
Academy Trust					<u>11,115</u>

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	33,961	33,961
Current assets	387	1,892	1,086	3,365
Current liabilities	-	(884)	-	(884)
Pension scheme liability	-	(8,237)	-	(8,237)
Total net assets	<u>387</u>	<u>(7,229)</u>	<u>35,047</u>	<u>28,205</u>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	33,989	33,989
Current assets	534	1,447	971	2,952
Current liabilities	-	(764)	-	(764)
Pension scheme liability	-	(6,183)	-	(6,183)
Total net assets	<u>534</u>	<u>(5,500)</u>	<u>34,960</u>	<u>29,994</u>

#### 17 Financial commitments

##### *Operating leases*

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

	2021 £ 000	2020 £ 000
Amounts due within one year	31	23
Amounts due between one and five years	<u>-</u>	<u>24</u>
	<u>31</u>	<u>47</u>

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 18 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2021 £ 000	2020 £000
Net expenditure	(378)	(351)
Depreciation	758	815
Capital grants from DfE and other capital income	(631)	(1,055)
Interest receivable	(1)	(5)
Defined benefit pension scheme cost less contributions payable	533	522
Defined benefit pension scheme finance cost	110	97
Decrease in stocks	-	1
Decrease/(increase) in debtors	124	(1,083)
Increase/(decrease) in creditors	120	(42)
Net cash inflow/(outflow) from operating activities	<u>635</u>	<u>(1,101)</u>

#### 19 Cash flows from investing activities

	2020/21 £ 000	2019/20 £ 000
Dividends, interest and rents from investments	1	5
Purchase of tangible fixed assets	(730)	(194)
Proceeds from sale of tangible fixed assets	-	168
Capital funding received from sponsors and others	631	1,055
Net cash (used in)/provided by investing activities	<u>(98)</u>	<u>1,034</u>

#### 20 Analysis of cash and cash equivalents

	2021 £ 000	2020 £ 000
Cash at bank and in hand	<u>2,107</u>	<u>1,570</u>
Total cash and cash equivalents	<u>2,107</u>	<u>1,570</u>

#### 21 Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash	<u>1,570</u>	<u>537</u>	<u>2,107</u>
Total	<u>1,570</u>	<u>537</u>	<u>2,107</u>

## **The Oak Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

#### **22 Members' liability**

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

#### **23 Pension and similar obligations**

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

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

Contributions amounting to £(179,122) (2020 - £(171,677)) were payable to the schemes at 31 August and are included within creditors.

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

#### **The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

#### **Valuation of the Teachers' Pension Scheme**

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

## **The Oak Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)**

#### **23 Pension and similar obligations (continued)**

##### **Scheme Changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the period amounted to £1,108,000 (2020: £1,051,000).

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

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

##### **Local government pension scheme**

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

As described in the notes the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 23 Pension and similar obligations (continued)

##### Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.70	3.10
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.70</u>

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

	2021	2020
<b>Retiring today</b>		
Males retiring today	20.50	20.50
Females retiring today	23.30	23.10
<b>Retiring in 20 years</b>		
Males retiring in 20 years	21.90	22.00
Females retiring in 20 years	<u>25.30</u>	<u>25.00</u>

##### Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.5%	-2,120.00	-1,686.00
Discount rate -0.5%	2,120.00	1,686.00
CPI rate +0.5%	1,840.00	1,435.00
CPI rate -0.1%	<u>-1,840.00</u>	<u>-1,435.00</u>

The academy trust's share of the assets in the scheme were:

	2021 £ 000	2020 £ 000
Equities	6,375	4,800
Corporate bonds	1,347	1,129
Property	628	494
Cash and other liquid assets	<u>628</u>	<u>635</u>
Total market value of assets	<u>8,978</u>	<u>7,058</u>

The actual return on scheme assets was £1,447,000 (2020 - (£196,000)).

## The Oak Trust

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 23 Pension and similar obligations (continued)

##### Amounts recognised in the statement of financial activities

	2021 £ 000	2020 £ 000
Current service cost	(970)	(947)
Interest income	124	126
Interest cost	(234)	(223)
Total amount recognised in the SOFA	<u>(1,080)</u>	<u>(1,044)</u>

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

	2020/21 £ 000	2019/20 £ 000
At start of period	13,242	11,923
Current service cost	970	947
Interest cost	234	223
Employee contributions	135	130
Actuarial (gain)/loss	2,734	108
Benefits paid	(100)	(89)
At 31 August	<u>17,215</u>	<u>13,242</u>

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

	2020/21 £ 000	2019/20 £ 000
At start of period	7,059	6,789
Interest income	124	126
Actuarial gain/(loss)	1,323	(322)
Employer contributions	437	425
Employee contributions	135	130
Benefits paid	(100)	(89)
At 31 August	<u>8,978</u>	<u>7,059</u>

#### 24 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have 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.

There were no related party transactions in the year other than those disclosed at notes 8 and 9.



# The Oak Trust

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 25 Statement of Financial Activities for the Year Ended 31 August 2020

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2019/20 Total £ 000
<b>Income and endowments from:</b>					
Voluntary income					
Donations and capital grants	2	135	-	1,055	1,190
Transfer from local authority on conversion		-	-	-	-
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	10,824	-	10,824
Other trading activities	4	316	30	-	346
Investments	5	5	-	-	5
<b>Total</b>		<b>456</b>	<b>10,854</b>	<b>1,055</b>	<b>12,365</b>
<b>Expenditure on:</b>					
Raising funds	6	108	4	-	112
<i>Charitable activities:</i>					
Academy trust educational operations	7	441	11,181	982	12,604
<b>Total</b>		<b>549</b>	<b>11,185</b>	<b>982</b>	<b>12,716</b>
Net (expenditure)/income		(93)	(331)	73	(351)
Transfers between funds		-	(109)	109	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	24	-	(430)	-	(430)
Net movement in (deficit)/funds		(93)	(870)	182	(781)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2019		627	(4,630)	34,778	30,775
Total funds/(deficit) carried forward at 31 August 2020		534	(5,500)	34,960	29,994