

Trustees' Report and
Financial Statements
for the Year Ended 31 August 2020
for
Oldfield School

MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Oldfield School

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for the Year Ended 31 August 2020

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Oldfield School

Reference and Administrative Details
for the Year Ended 31 August 2020

| | |
|----------------------------------|--|
| MEMBERS: | T Darr N Regan K Ward S Weatherall |
| TRUSTEES | M Crook (Parent Governor) T Darr (Vice Chair of Governors) T Davies D Giles R Henry (Staff Governor) V Jackson C Lander V Lewis (Staff Governor) S Mackay (Headteacher) M O'Doherty K Ogden (Parent Governor) N Regan A Russell J Symons K Ward S Weatherall (Chair of Governors) |
| COMPANY SECRETARY | I Tovey |
| SENIOR MANAGEMENT TEAM: | S Mackay (Headteacher) J Reeves (Deputy Headteacher) S Mills (Assistant Headteacher) L James (Assistant Headteacher) J Lobbett (Assistant Headteacher) G Nash (Assistant Headteacher & Head of 6th Form) |
| REGISTERED OFFICE | Kelston Road Bath BA1 9AB |
| REGISTERED COMPANY NUMBER | 07495165 (England and Wales) |
| INDEPENDENT AUDITORS | MHA Monahans Statutory Auditor Chartered Accountants Fortescue House Court Street Trowbridge Wiltshire BA14 8FA |
| SOLICITORS | Stone King LLP 13 Queen Square Bath BA1 2HJ |
| BANKERS | Lloyds Bank Milsom Street Bath BA1 1DN |

Oldfield School
Trustees' Report
for the Year Ended 31 August 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Bath and North East Somerset and the surrounding authorities e.g. South Gloucestershire and Bristol. The academy pupil capacity number is 1,216 and has a roll of 1,249 pupils in the school census in October 2019.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The academy trust's objectives are to provide an environment that challenges all students and fosters ambition. To inspire - to learn - to succeed.

The academy trust's strategic aims are to provide a high quality education for all students, as an 11-18 comprehensive school. Our students will have respect for themselves, each other and their school and are well prepared to face the world as compassionate, confident and resilient young people.

Significant activities

The academy trust's main objectives for the coming year are to ensure that Oldfield School provides a genuinely outstanding education for our students and a fulfilling place for our staff to work. The Oldfield Long Term Plan sets the strategic direction for the school against which short term objectives will be set. Objectives for the year are:

- Improve academic performance
- Ensuring the long term financial viability of the trust

Public benefit

We have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission in relation to public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

STRATEGIC REPORT

Achievement and performance

Key financial performance indicators

A key performance indicator for the Academy Trust is exam results throughout the school.

Exams Information 2020

| GCSE Results (Year 11) | | A Level Results (Year 13) | |
|-------------------------------|------|----------------------------------|----------|
| 4+ English & maths | 80% | Pass rate (A*-E) | 98% |
| 5+ English & maths | 56% | Pass rate (A*-B) | 54% |
| Grades 9-7 | 34% | Average points score | 38.6 (B) |
| Progress 8 | 0.49 | | |

Financial review

Investment policy and objectives

The Academy Trust has an Investment Policy which has been approved by the Finance and Audit Committee. Regular cash flows are prepared and monitored to identify any surplus cash, after taking account of all payroll related commitments and outstanding supply creditors that are due for payment, which may be invested in interest bearing deposit accounts or fixed rate bonds, whichever the trustees see fit. The policy allows the Headteacher to authorise any money placed and documentation regarding the investment is signed by two authorised signatories.

All investments are made in accordance with the policy of the trust. The trust's policy on investments is one of minimum risk with all investments being held with the trust's bankers. The trust will nevertheless seek to maximise interest receipts within this arrangement. Investments are made with regard to Charity Commission guidance in relation to investments.

Oldfield School
Trustees' Report
for the Year Ended 31 August 2020

STRATEGIC REPORT

Financial review

The net income for the year for the year was £304,139 (2019: £10,399).

Reserves policy

The range of reserves to be held, as stated in our Financial Regulations Policy, is between 10 and 40 days running costs. This allows greater flexibility to take advantage of opportunities and adapt to the changing educational landscape. The level of reserves as at 31 August 2020 are in excess of the 10-40 day ranges because they include an unspent capital funding allocation (transferred from our revenue) for the SEND base, which was planned to have been spent in 2019-20 and will now be spent in 2020-21. On this basis, the Trustees consider the current levels to be adequate.

Reserves as at 31 August 2020 were £939,000 (2019: £494,000) after deductions had been made for fixed assets of £16,575,000 (2019: £16,520,000) and long term LGPS pension deficit of £1,676,000 (2019: £1,414,000): comprising £716,000 (2019: £331,000) restricted funds and £223,000 (2019: £163,000) of unrestricted general funds.

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.

Fundraising

The School encourages students to actively involve themselves in fundraising activities to raise funds for national and local charities. The School does not work with commercial participators or professional fundraisers.

Principal risks and uncertainties

The Academy Trust monitors the principal risks and has drawn up a risk register which is reviewed on an annual basis.

Liquidity risk - the Academy Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for borrowing. Surplus cash is invested so as to maximise interest income.

Interest rate risk - the Academy Trust earns interest on cash deposits and with interest rates currently low, the Academy Trust will take appropriate action to ensure income from deposits is maximised.

Cash flow risks are managed through regular cash flow monitoring by the trustees.

Financial and risk management objectives and policies

The major risks to which the academy trust is exposed have been identified on the academy's Risk Register. Trustees have reviewed the risks to which the academy trust is exposed and systems and procedures have been put in place.

Future plans

The Academy Trust's plans for the future are included in the Strategic Improvement Plan which is reviewed on an annual basis. Annual planning for the year ahead will be contained in the School Improvement Plan which reflects the strategic aims and priorities set out in the strategic plan. As an Academy Trust we can innovate to raise standards.

The Academy Trust will continue to strive to improve the performance of its students at all levels. The OLTP is underpinned by the following 'Pillars', which the whole school objectives of the annual school improvement plan are structured around:

- Curriculum
- Pastoral Care and Inclusion
- Community Relationships
- Planned Development
- Academic Excellence
- Working Relationships

The annual school improvement plan is the vehicle for bringing about improvements in teaching and learning, pastoral care and in school systems and procedures and for moving the school towards the aims of the school's longer term, strategic plan.

The curriculum on offer to the students will continue to be reviewed to ensure that what is on offer specifically meets the needs of the Academy Trust students. Guidance to students is provided to ensure they access an appropriate curriculum.

The School Improvement Plan incorporates the implications of existing initiatives at national level as applicable to academies. It also provides for ongoing reviews of the curriculum to ensure that this meets the needs of all students.

Oldfield School
Trustees' Report
for the Year Ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The academy trust is a company limited by guarantee (Registration Number: 07495165) and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trust adopted new articles to reflect the ESFA's by deed of variation on 9 December 2015. All trustees are also directors of the charitable company for the purposes of company law. The charitable company is known as Oldfield School.

Details of the trustees who served during the year except as noted are included in the Reference and Administrative Details page.

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.

The Members of the Academy Trust comprise

- a. the chairman of the Trustees;
- b. the vice-chairman of the Trustees;
- c. the chairman of the personnel committee (or its replacement committee) where he elects to be a Member;
- d. the chairman of the curriculum committee (or its replacement committee) where he elects to be a Member;
- e. the chairman of the finance and audit committee (or its replacement committee) where he elects to be a Member;

Trustees' Indemnities

The academy provides indemnity insurance to cover the liability of trustees which, by virtue of any rule of law, would otherwise attach to them in negligence, default, breach of duty which they may be guilty of in relation to the academy, provided that any such insurance shall not extend to any claim arising from any act of omission which the trustees knew to be a breach of trust or breach of duty, or which was committed by the trustees in reckless disregard of such breaches and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustee in their capacity as trustees.

Recruitment and appointment of new trustees

Members of the academy trust may appoint up to 12 trustees. Up to 2 staff trustees are elected from whole staff body. The Principal is treated as an ex officio trustee. Other trustees are recruited from SGOSS, direct approach, word of mouth and from the local community.

Not less than 2 of the 12 trustees shall be parent trustees; they are elected by parents of registered students at the academy. New parent trustees are recruited from notices in the academy trust's monthly newsletter and at the new intake parents' evening. A parent trustee must be a parent of a student at the academy at the time when they are elected. Any election of parent trustees which is contested shall be held by secret ballot. Every person entitled to vote in the election will have the opportunity to do so by post, or if they prefer, by having their ballot paper returned to the academy trust by a registered student at the academy. In appointing a parent trustee Members of the trust shall appoint a person who is a parent of a registered student at the academy, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Members may appoint co-opted Trustees. The Members may not co-opt an employee of the academy trust as a co-opted trustee if thereby the number of trustees who are employees of the academy trust exceeds one third of the total number of trustees including the Principal.

The Secretary of State may appoint additional trustees if he has given trustees a warning notice in accordance with Article 60 of the model funding agreement and the trustees have failed to comply, or secure compliance, with the notice of the Secretary of State's satisfaction within the compliance period.

Oldfield School

Trustees' Report for the Year Ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Principal is the Accounting Officer for the Academy Trust. Trustees appoint the Headteacher. Trustees, via the Dismissal Committee, can dismiss employees including the Headteacher. Trustees can suspend and subsequently end the suspension of the Headteacher. Trustees review and approve the staff disciplinary procedures. They also review and approve the appraisal and capability policy for teachers and the capability procedures for support staff policy. Trustees determine the staff complement and ensure appropriate checks are carried out in line with DfE guidance. The Headteacher has responsibility for the appointment of the Leadership Team (but not the Deputy Headteacher) and all teaching and support staff, with Trustees being involved in the selection panels where appropriate. The Headteacher can suspend and subsequently end the suspension of any other member of staff.

Trustees have the statutory responsibility to ensure an appropriate curriculum is taught to all students, to review and approve the Sex and Relationship Education, Behaviour and the Special Educational Needs Policy. Trustees have the responsibility to set the dates of school terms and holidays, to provide information to be published by the board of trustees, to confirm permanent exclusions through the Governor Discipline Committee and to re-instate a permanently excluded student, as appropriate, through the Governor Discipline Committee. The Principal has responsibility for implementing the Curriculum Policy, for standards of Teaching and Learning, to ensure appropriate Religious Education is provided and to discharge duties in respect of students with special educational needs and difficulties by appointing a 'responsible person'.

Trustees have the responsibility to ensure the grant from the DfE is only used for purposes intended, of approving the annual budget, reviewing the Internal Audit reports, authorising changes to the academy trust staffing structure if large financial implications are involved, appoint or reappoint the auditors for the academy trust and receive reports and recommendations from the auditor's report findings, approve a Charging and Remissions Policy and Financial Regulations and overall strategic planning for building developments. The Finance and General Purposes Committee have the responsibility of ensuring the annual accounts are produced in accordance with the requirement of any relevant Company Acts and DfE guidance, ensuring the aims detailed in the School Development Plan are adhered to, monitor and review income and expenditure on a regular basis, liaise with and receive reports from Remuneration and Curriculum Committees as appropriate, have overall strategic planning e.g. risk register, asbestos management, asset management. The Headteacher has responsibility of authorising contracts between £6,001 and £25,000, Finance and General Purposes Committee have the responsibility of authorising contracts over £25,000 and contracts over £75,000 should be subject to a formal tendering process and should be agreed by the Full Governing Body. The Headteacher also has the responsibility of signing cheques in conjunction with other authorised signatories and day to day responsibility for Health and Safety.

Induction and training of new trustees

When appointed trustees are provided with the Code of Conduct for the Academy Trustees, a handbook and a copy of the Strategic Improvement Plan, they have an induction meeting with the Chair of Trustees and if they are a member of the Finance and Audit Committee a further induction meeting with the Finance, Facilities and HR Manager. Most trustees are linked to a specific area of the academy trust and they are invited to the Annual Review for this area as well as other events/activities these specific areas are involved with throughout the academic year. The Academy Trust provides training for governors through a variety of providers. All trustees complete safeguarding and other training as required by their role specification.

Oldfield School
Trustees' Report
for the Year Ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key management remuneration

Pay and remuneration for key management personnel is based on salary scales advised by the DfE School Teachers' Pay and Conditions. Progression for teaching staff is determined by the Remuneration Committee. The Headteacher makes recommendations to the committee based on evidence of performance against their objectives. The Headteacher's appraisal is undertaken by a separate Appraisal Committee which considers advice from an external education advisor. The Appraisal Committee reports on the Headteacher's performance against his annual objectives to inform the Remuneration Committee's determination of the Headteacher's salary.

Trade union facility time

Relevant union officials

| | |
|--|--------------------------------------|
| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
| 2 | 0.04 FTE |

Percentage of time spent on facility time

| | |
|--------------------|---------------------|
| Percentage of time | Number of employees |
| 0% | 0 |
| 1%-50% | 2 |
| 51%-99% | 0 |
| 100% | 0 |

Percentage of pay bill spent on facility time

| | |
|--|------------|
| Total cost of facility time | £3,200 |
| Total pay bill | £3,853,670 |
| % of pay bill spent on facilities time | 0.07% |

Risk management

Major risks to which the Academy Trust is exposed, as identified by trustees, have been reviewed and included in the School's risk register. Major risks will be monitored throughout the year by members of the Senior Leadership Team and through the Governors committee structure, with committees being tasked with the monitoring of specific risk items from the register. The risk register will be reviewed by the Full Governing Body on an annual basis.

Bath & NE Somerset Council's Internal Audit Service (Audit West) has undertaken a review of purchasing, budgetary control and value for money / contracts and leases. VFM/ contracts and leases and purchasing were assessed at Level 4 (The systems of internal control are good and reasonable assurance can be provided. Only minor weaknesses have been identified) and purchasing as Level 5 (The systems of internal control are excellent with a number of strengths and reasonable assurance can be provided over all the areas). Only minor weaknesses have been identified). The overall assessment in the Audit Summary Report was Level 4 (The systems of internal control are good with a number of strengths evident and substantial assurance can be provided as detailed within the Assurance Summary). A total of 5 audit recommendations are detailed in the Action Plan.

Connected Organisations, including Related Party Transactions

There are no connected organisations to Oldfield School.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

AUDITORS

The auditors, MHA Monahans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 10 December 2020 and signed on the board's behalf by:

T Darr - Chair of Governors

Oldfield School

Governance Statement for the Year Ended 31 August 2020

Scope of Responsibility

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

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

Governance

The Full Governing Body has formally met five times during the year. Attendance during the year at meetings of the Full Governing Body was as follows:

| Trustee | Meetings attended | Out of a possible |
|---|--------------------------|--------------------------|
| S Mackay (Headteacher) | 5 | 5 |
| S Weatherall (Chair of Board of Trustees) | 4 | 5 |
| T Darr (Vice Chair of Board of Trustees) | 5 | 5 |
| D Giles | 4 | 5 |
| K Ward | 5 | 5 |
| N Reagan | 4 | 5 |
| M O'Doherty | 2 | 5 |
| R Henry | 4 | 5 |
| V Jackson | 3 | 5 |
| M Crook | 1 | 5 |
| T Davies | 3 | 5 |
| C Lander | 4 | 5 |
| A Russell | 5 | 5 |
| V Lewis | 3 | 5 |
| K Odgen | 5 | 5 |

The Finance and Audit Committee is a sub-committee of the main Governing Body. Its main purpose is to consider the school's indicative funding, notified annually by the DfE, and to assess its implications for the school, in consultation with the Headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the Full Governing Body. It also incorporates the responsibilities of an Audit Committee.

Attendance at meetings in the year at the Finance and Audit Committee was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------|--------------------------|--------------------------|
| K Ward (Chair) | 6 | 6 |
| S Mackay | 6 | 6 |
| T Darr | 6 | 6 |
| S Weatherall | 2 | 6 |
| M Crook | 3 | 6 |
| T Davies | 6 | 6 |
| I Tovey | 6 | 6 |

Review of Value for Money

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

- Performance is benchmarked against national data provided by MHA Monahans Chartered Accountants
- Contracts are routinely competed
- The Finance, Facilities and HR Manager collaborates with other BET school managers' on opportunities for collaborative procurement

Oldfield School

Governance Statement for the Year Ended 31 August 2020

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 charitable company 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 Oldfield School for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy 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 and Audit Committee of reports which indicates financial performance against forecasted position and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and operational performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

Major risks to which the Academy Trust is exposed, as identified by trustees, have been reviewed and included in the School's risk register. Major risks will be monitored throughout the year by members of the Senior Leadership Team and through the Governors committee structure, with committees being tasked with the monitoring of specific risk items from the register. The risk register will be reviewed by the Full Governing Body on an annual basis.

The board of trustees has considered the need for a specific and internal audit function and has appointed the services of Bath & NE Somerset Councils' Internal Audit Service (Audit West) to undertake 3 reviews per annum of the Internal Processes of Oldfield School.

Bath & NE Somerset Council's Internal Audit Service (Audit West) has undertaken a review of purchasing, budgetary control and value for money / contracts and leases. VFM/ contracts and leases and purchasing were assessed at Level 4 (The systems of internal control are good and reasonable assurance can be provided. Only minor weaknesses have been identified) and purchasing as Level 5 (The systems of internal control are excellent with a number of strengths and reasonable assurance can be provided over all the areas). Only minor weaknesses have been identified). The overall assessment in the Audit Summary Report was Level 4 (The systems of internal control are good with a number of strengths evident and substantial assurance can be provided as detailed within the Assurance Summary). A total of 5 audit recommendations are detailed in the Action Plan; specifically relating to:

Budgetary control

- To produce management accounts on a monthly basis and share these with the Chair of Trustees.
- To raise official purchase orders for all contracts/ leases and SLAs.

Value for Money / Contracts and Leases

- To have a signed contract in place for the current ground's maintenance provider.
- To ensure that contracts and lease approval is captured within governance minutes.

Purchasing

- To have the monthly reconciliations for business credit cards reviewed independently.

These actions are in hand.

Oldfield School

Governance Statement
for the Year Ended 31 August 2020

Review of Effectiveness

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control.

During the year in question the review has been informed by:

- the work of the Reviewer;
- 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 and General Purposes Committee.

Approved by order of the members of the board of trustees on 10 December 2020 and signed on its behalf by:

T Darr – Chair of Governors

S Mackay - Accounting Officer

Oldfield School

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2020**

As accounting officer of Oldfield School I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company 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 2019.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2019.

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.

S Mackay - Accounting Officer

Date: 22 January 2021

Oldfield School

Statement of Trustees' Responsibilities
for the Year Ended 31 August 2020

The trustees (who act as governors of Oldfield School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Approved by order of the board of trustees on 10 December 2020 and signed on its behalf by:

T Darr – Chair of Governors

Report of the Independent Auditors to the Members of Oldfield School

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

Opinions 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

**Report of the Independent Auditors to the Members of
Oldfield School**

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

James Gare (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 26 January 2021

**Independent Reporting Accountant's Assurance Report on Regularity to
Oldfield School and the Education and Skills Funding Agency**

In accordance with the terms of our engagement 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 Oldfield School during the period 1 September 2019 to 31 August 2020 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 Oldfield School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Oldfield School 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 Oldfield School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Oldfield School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Oldfield School's funding agreement with the Secretary of State for Education 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 period 1 September 2019 to 31 August 2020 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 2019 to 2020 issued by the 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.
- Consideration of governance issues.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA Monahans
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 26 January 2021

Oldfield School

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2020**

| | | | | 2020 | 2019 | |
|---|-------|----------------------------|--------------------------|---|--------------------------|--------------------------|
| | Notes | Unrestricted funds £ | Restricted funds £ | Restricted fixed asset fund £ | Total funds £ | Total funds £ |
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and capital grants | 2 | 4,044 | - | 196,956 | 201,000 | 77,633 |
| Charitable activities | | | | | | |
| Funding for the academy's educational operations | 3 | 243,264 | 6,701,573 | - | 6,944,837 | 6,070,495 |
| Other trading activities | 4 | 46,969 | 23,547 | - | 70,516 | 50,639 |
| Investment income | 5 | 467 | - | - | 467 | 365 |
| Total | | 294,744 | 6,725,120 | 196,956 | 7,216,820 | 6,199,132 |
| EXPENDITURE ON | | | | | | |
| Raising funds | | 7,057 | - | - | 7,057 | 2,280 |
| Charitable activities | | | | | | |
| Academy's educational operations | 3 | 227,724 | 6,282,080 | 395,820 | 6,905,624 | 6,186,453 |
| Total | 6 | 234,781 | 6,282,080 | 395,820 | 6,912,681 | 6,188,733 |
| NET INCOME/(EXPENDITURE) | | 59,963 | 443,040 | (198,864) | 304,139 | 10,399 |
| Transfers between funds | 18 | - | (253,865) | 253,865 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains/(losses) on defined benefit schemes | | - | (66,000) | - | (66,000) | (476,000) |
| Net movement in funds | | 59,963 | 123,175 | 55,001 | 238,139 | (465,601) |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 162,741 | (1,083,107) | 16,520,514 | 15,600,148 | 16,065,749 |
| TOTAL FUNDS CARRIED FORWARD | | <u>222,704</u> | <u>(959,932)</u> | <u>16,575,515</u> | <u>15,838,287</u> | <u>15,600,148</u> |

The notes form part of these financial statements

Oldfield School (Registered number: 07495165)

Balance Sheet
31 August 2020

| | Notes | 2020 £ | 2019 £ |
|--|-------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Tangible assets | 12 | 16,575,515 | 16,520,514 |
| CURRENT ASSETS | | | |
| Debtors | 13 | 231,825 | 213,081 |
| Cash at bank and in hand | | <u>1,172,942</u> | <u>557,507</u> |
| | | 1,404,767 | 770,588 |
| CREDITORS | | | |
| Amounts falling due within one year | 14 | (465,995) | (276,954) |
| | | <u>938,772</u> | <u>493,634</u> |
| NET CURRENT ASSETS | | | |
| | | 17,514,287 | 17,014,148 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | |
| PENSION LIABILITY | 19 | (1,676,000) | (1,414,000) |
| | | <u>15,838,287</u> | <u>15,600,148</u> |
| NET ASSETS | | | |
| FUNDS | 18 | | |
| Unrestricted funds: | | | |
| General fund | | 222,704 | 162,741 |
| Restricted funds: | | | |
| General Annual Grant | | 716,068 | 328,827 |
| Other DfE/ESFA Grants | | - | 2,066 |
| Pension reserve | | (1,676,000) | (1,414,000) |
| Restricted fixed asset fund | | <u>16,575,515</u> | <u>16,520,514</u> |
| | | <u>15,615,583</u> | <u>15,437,407</u> |
| TOTAL FUNDS | | <u>15,838,287</u> | <u>15,600,148</u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 10 December 2020 and were signed on its behalf by:

T Darr – Chair of Governors

Oldfield School

Cash Flow Statement
for the Year Ended 31 August 2020

| | Notes | 2020 £ | 2019 £ |
|---|-------|------------------|------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 23 | <u>868,833</u> | <u>318,275</u> |
| Net cash provided by operating activities | | <u>868,833</u> | <u>318,275</u> |
| | | | |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (450,821) | (199,530) |
| Capital grants from DfE/EFA | | 196,956 | 76,326 |
| Interest received | | <u>467</u> | <u>365</u> |
| Net cash used in investing activities | | <u>(253,398)</u> | <u>(122,839)</u> |
| | | | |
| Change in cash and cash equivalents in the reporting period | | 615,435 | 195,436 |
| Cash and cash equivalents at the beginning of the reporting period | | <u>557,507</u> | <u>362,071</u> |
| | | | |
| Cash and cash equivalents at the end of the reporting period | | <u>1,172,942</u> | <u>557,507</u> |

The notes form part of these financial statements

Oldfield School

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Oldfield School meets the definition of a public benefit entity under FRS 102.

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.

The presentational currency of the financial statements is (£) Sterling.

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 income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received 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 recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the charity which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Oldfield School

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Donated fixed assets

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

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.

Raising funds

This includes all expenditure incurred by the charity 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 charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs

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

Tangible fixed assets

Assets costing £2,500 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives. Where an asset comprises of two or more components which have substantially different lives each component is depreciated separately over its useful economic life. This is a change from the prior year where buildings were depreciated over 50 years. The expected useful lives are as follows:

Land and buildings

| | |
|----------------------------|-----------------------------|
| Land | Nil |
| Main fabric | Straight line over 90 years |
| Roof | Straight line over 50 years |
| Windows and external doors | Straight line over 10 years |
| Gas boiler / fires | Straight line over 15 years |
| Bathrooms | Straight line over 20 years |
| Kitchens | Straight line over 30 years |
| Mechanical systems | Straight line over 30 years |
| Electrics | Straight line over 40 years |

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

Other fixed assets

| | |
|---------------------------------|-----------------------------|
| Fixtures and fittings | Straight line over 25 years |
| Computer equipment and software | Straight line over 5 years |

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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.

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:

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.

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.

Taxation

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

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 funders where the asset acquired or created is held for a specific purpose.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement 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.

Oldfield School

Notes to the Financial Statements - continued for the Year Ended 31 August 2020

1. **ACCOUNTING POLICIES - continued**

Pension costs and other post-retirement benefits

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 gains and losses.

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 19, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

There are no critical areas of judgement.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust has not used any of the allocation towards its own administrative costs. The funds received and paid and any balances held are disclosed in note 22.

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

2. DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds £ | Restricted funds £ | 2020 Total funds £ | 2019 Total funds £ |
|-----------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Donations | 4,044 | - | 4,044 | 1,307 |
| Grants | - | 196,956 | 196,956 | 76,326 |
| | <u>4,044</u> | <u>196,956</u> | <u>201,000</u> | <u>77,633</u> |

Grants received, included in the above, are as follows:

| | 2020 £ | 2019 £ |
|---------------|----------------|---------------|
| Capital grant | <u>196,956</u> | <u>76,326</u> |

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds £ | Restricted funds £ | 2020 Total funds £ | 2019 Total funds £ |
|--------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Grants | - | 6,701,573 | 6,701,573 | 5,807,895 |
| Other income | 243,264 | - | 243,264 | 262,600 |
| | <u>243,264</u> | <u>6,701,573</u> | <u>6,944,837</u> | <u>6,070,495</u> |

An analysis of grants received is given below:

| | Unrestricted funds £ | Restricted funds £ | 2020 Total funds £ | 2019 Total funds £ |
|-------------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| DfE/ESFA revenue grant | | | | |
| General Annual Grant(GAG) | - | 5,928,390 | 5,928,390 | 5,381,608 |
| Other ESFA grants | - | 619,623 | 619,623 | 280,937 |
| | - | 6,548,013 | 6,548,013 | 5,662,545 |
| Other government grant | | | | |
| Local authority grants | - | 162,056 | 162,056 | 145,350 |
| | - | 6,710,069 | 6,710,069 | 5,807,895 |

4. OTHER TRADING ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | 2020 Total funds £ | 2019 Total funds £ |
|--------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Hire of facilities | 16,650 | - | 16,650 | 28,906 |
| Sales to students | 4,937 | - | 4,937 | 1,763 |
| Other income | 25,382 | 23,547 | 48,929 | 19,970 |
| | <u>46,969</u> | <u>23,547</u> | <u>70,516</u> | <u>50,639</u> |

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

5. INVESTMENT INCOME

| | Unrestricted funds £ | Restricted funds £ | 2020 Total funds £ | 2019 Total funds £ |
|--------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Deposit account interest | <u>467</u> | <u>-</u> | <u>467</u> | <u>365</u> |

6. EXPENDITURE

| | Non-pay expenditure | | | 2020 | 2019 |
|--|---------------------|----------------|---------------------|------------------|------------------|
| | Staff costs £ | Premises £ | Other costs £ | Total £ | Total £ |
| Raising funds | | | | | |
| Costs incurred by trading for a fundraising purpose | | | | | |
| Direct costs | - | - | 7,057 | 7,057 | 2,280 |
| Charitable activities | | | | | |
| Academy's educational operations | | | | | |
| Direct costs | 4,501,997 | - | 515,333 | 5,017,330 | 4,430,195 |
| Allocated support costs | <u>764,264</u> | <u>821,862</u> | <u>302,168</u> | <u>1,888,294</u> | <u>1,756,258</u> |
| | <u>5,266,261</u> | <u>821,862</u> | <u>824,558</u> | <u>6,912,681</u> | <u>6,188,733</u> |

Net income/(expenditure) is stated after charging/(crediting):

| | 2020 £ | 2019 £ |
|---|--------------|---------------|
| Auditors' remuneration | 11,061 | 10,500 |
| Auditors' remuneration for non audit work | 1,604 | 2,993 |
| Depreciation - owned assets | 395,820 | 362,566 |
| Other operating leases | <u>7,074</u> | <u>16,161</u> |

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds £ | Restricted funds £ | 2020 Total funds £ | 2019 Total funds £ |
|---------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Direct costs | 224,900 | 4,792,430 | 5,017,330 | 4,430,195 |
| Support costs | <u>2,824</u> | <u>1,885,470</u> | <u>1,888,294</u> | <u>1,756,258</u> |
| | <u>227,724</u> | <u>6,677,900</u> | <u>6,905,624</u> | <u>6,186,453</u> |

| | 2020 Total £ | 2019 Total £ |
|----------------------------------|--------------------|--------------------|
| Analysis of support costs | | |
| Support staff costs | 764,264 | 638,812 |
| Depreciation | 62,068 | 34,778 |
| Technology costs | 83,386 | 77,317 |
| Premises costs | 820,313 | 806,492 |
| Other support costs | 144,049 | 182,341 |
| Governance costs | <u>14,214</u> | <u>16,518</u> |
| Total support costs | <u>1,888,294</u> | <u>1,756,258</u> |

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

8. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' gross remuneration for the year to 31 August 2020 was as follows:

S Mackay (Headteacher):

Remuneration: £95,000 - £100,000 (2019: £90,000 - £95,000)

Employer's pension contributions: £20,000 - £25,000 (2019: £15,000 - £20,000)

R Henry (Staff trustee):

Remuneration: £20,000 - £25,000 (2019: £20,000 - £25,000)

Employer's pension contributions: £0 - £5,000 (2019: £0 - £5,000)

V Lewis (Staff trustee):

Remuneration: £25,000 - £30,000 (2019: £20,000 - £25,000)

Employer's pension contributions: £5,000 - £10,000 (2019: £0 - £5,000)

Related party transactions involving the trustees are set out in note 20.

Trustees' expenses

During the year ended 31 August 2020, travel and subsistence expenses totalling £nil (2019: £nil) were reimbursed to governors. Related party transactions involving the governors are set out in the related party note.

9. STAFF COSTS

| | 2020 | 2019 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 3,853,670 | 3,478,009 |
| Social security costs | 361,748 | 325,463 |
| Operating costs of defined benefit pension schemes | <u>1,047,861</u> | <u>710,331</u> |
| | 5,263,279 | 4,513,803 |
| Supply teacher costs | <u>2,982</u> | <u>49,794</u> |
| | <u><u>5,266,261</u></u> | <u><u>4,563,597</u></u> |

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

| | 2020 | 2019 |
|----------------------------|-------------------|-------------------|
| Teachers | 77 | 72 |
| Administration and support | 60 | 54 |
| Management | <u>6</u> | <u>6</u> |
| | <u><u>143</u></u> | <u><u>132</u></u> |

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

| | 2020 | 2019 |
|--------------------|-----------------|-----------------|
| £60,001 - £70,000 | 1 | 1 |
| £90,001 - £100,000 | <u>1</u> | <u>1</u> |
| | <u><u>2</u></u> | <u><u>2</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) received by key management personnel for their services to the academy trust was £607,263 (2019: £564,175).

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim. The costs of this insurance forms part of the total insurance costs of the academy and is not separately identifiable. The cost of this insurance is therefore included in the total insurance cost.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Restricted fixed asset fund £ | Total funds £ |
|---|----------------------------|--------------------------|---|---------------------|
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations and capital grants | 1,307 | - | 76,326 | 77,633 |
| Charitable activities | | | | |
| Funding for the academy's educational operations | 224,983 | 5,845,512 | - | 6,070,495 |
| Other trading activities | 50,635 | 4 | - | 50,639 |
| Investment income | 365 | - | - | 365 |
| Total | 277,290 | 5,845,516 | 76,326 | 6,199,132 |
| EXPENDITURE ON | | | | |
| Raising funds | 2,280 | - | - | 2,280 |
| Charitable activities | | | | |
| Academy's educational operations | 233,468 | 5,590,419 | 362,566 | 6,186,453 |
| Total | 235,748 | 5,590,419 | 362,566 | 6,188,733 |
| NET INCOME/(EXPENDITURE) | 41,542 | 255,097 | (286,240) | 10,399 |
| Transfers between funds | - | (123,204) | 123,204 | - |
| Other recognised gains/(losses) | | | | |
| Actuarial gains/(losses) on defined benefit schemes | - | (476,000) | - | (476,000) |
| Net movement in funds | 41,542 | (344,107) | (163,036) | (465,601) |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | 121,199 | (739,000) | 16,683,550 | 16,065,749 |
| TOTAL FUNDS CARRIED FORWARD | 162,741 | (1,083,107) | 16,520,514 | 15,600,148 |

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

12. TANGIBLE FIXED ASSETS

| | Freehold property £ | Fixtures and fittings £ | Computer equipment £ | Totals £ |
|-----------------------|---------------------------|----------------------------------|----------------------------|-------------------|
| COST | | | | |
| At 1 September 2019 | 18,535,305 | 618,687 | 218,902 | 19,372,894 |
| Additions | <u>298,187</u> | <u>53,227</u> | <u>99,407</u> | <u>450,821</u> |
| At 31 August 2020 | <u>18,833,492</u> | <u>671,914</u> | <u>318,309</u> | <u>19,823,715</u> |
| DEPRECIATION | | | | |
| At 1 September 2019 | 2,627,648 | 96,662 | 128,070 | 2,852,380 |
| Charge for year | <u>333,752</u> | <u>26,877</u> | <u>35,191</u> | <u>395,820</u> |
| At 31 August 2020 | <u>2,961,400</u> | <u>123,539</u> | <u>163,261</u> | <u>3,248,200</u> |
| NET BOOK VALUE | | | | |
| At 31 August 2020 | <u>15,872,092</u> | <u>548,375</u> | <u>155,048</u> | <u>16,575,515</u> |
| At 31 August 2019 | <u>15,907,657</u> | <u>522,025</u> | <u>90,832</u> | <u>16,520,514</u> |

Included in cost or valuation of land and buildings is freehold land of £2,146,000 (2019 - £2,146,000) which is not depreciated.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 £ | 2019 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 16,772 | 7,005 |
| VAT | 73,856 | 50,091 |
| Prepayments and accrued income | <u>141,197</u> | <u>155,985</u> |
| | <u>231,825</u> | <u>213,081</u> |

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 £ | 2019 £ |
|---------------------------------|----------------|----------------|
| Trade creditors | 266,684 | 101,037 |
| Social security and other taxes | 88,151 | 81,682 |
| Other creditors | 1,367 | - |
| Accruals and deferred income | <u>109,793</u> | <u>94,235</u> |
| | <u>465,995</u> | <u>276,954</u> |

Deferred income

| | 2020 £ | 2019 £ |
|----------------------------------|-----------------|-----------------|
| Deferred income brought forward | 67,940 | 10,690 |
| Resources deferred in the period | 38,777 | 67,940 |
| Amounts released in the year | <u>(67,940)</u> | <u>(10,690)</u> |
| Deferred income carried forward | <u>38,777</u> | <u>67,940</u> |

At the balance sheet date the academy trust was holding funds received in advance for ESFA rate relief grants of £Nil (2019: £14,700) and other income relating to school trips of £38,777 (2019: £53,240).

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2020 | 2019 |
|----------------------------|---------------|---------------|
| | £ | £ |
| Within one year | 14,868 | 14,109 |
| Between one and five years | <u>27,729</u> | <u>5,758</u> |
| | <u>42,597</u> | <u>19,867</u> |

16. 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.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds | Restricted funds | Restricted fixed asset fund | 2020 Total funds |
|---------------------|--------------------|------------------|-----------------------------|---------------------|
| | £ | £ | £ | £ |
| Fixed assets | - | - | 16,575,515 | 16,575,515 |
| Current assets | 222,704 | 1,182,063 | - | 1,404,767 |
| Current liabilities | - | (465,995) | - | (465,995) |
| Pension liability | - | (1,676,000) | - | (1,676,000) |
| | <u>222,704</u> | <u>(959,932)</u> | <u>16,575,515</u> | <u>15,838,287</u> |

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

| | Unrestricted funds | Restricted funds | Restricted fixed asset fund | 2019 Total funds |
|---------------------|--------------------|--------------------|-----------------------------|---------------------|
| | £ | £ | £ | £ |
| Fixed assets | - | - | 16,520,514 | 16,520,514 |
| Current assets | 162,741 | 607,847 | - | 770,588 |
| Current liabilities | - | (276,954) | - | (276,954) |
| Pension liability | - | (1,414,000) | - | (1,414,000) |
| | <u>162,741</u> | <u>(1,083,107)</u> | <u>16,520,514</u> | <u>15,600,148</u> |

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

18. MOVEMENT IN FUNDS

| | At 1.9.19 £ | Net movement in funds £ | Transfers between funds £ | At 31.8.20 £ |
|-----------------------------|-------------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 162,741 | 59,963 | - | 222,704 |
| Restricted funds | | | | |
| General Annual Grant | 328,827 | 649,707 | (262,466) | 716,068 |
| Other DfE/ESFA Grants | 2,066 | (10,667) | 8,601 | - |
| Pension reserve | (1,414,000) | (262,000) | - | (1,676,000) |
| Restricted fixed asset fund | <u>16,520,514</u> | <u>(198,864)</u> | <u>253,865</u> | <u>16,575,515</u> |
| | <u>15,437,407</u> | <u>178,176</u> | <u>-</u> | <u>15,615,583</u> |
| TOTAL FUNDS | <u>15,600,148</u> | <u>238,139</u> | <u>-</u> | <u>15,838,287</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|-----------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 294,744 | (234,781) | - | 59,963 |
| Restricted funds | | | | |
| General Annual Grant | 5,928,390 | (5,278,683) | - | 649,707 |
| Other DfE/ESFA Grants | 598,761 | (609,428) | - | (10,667) |
| Other revenue grants | 174,422 | (174,422) | - | - |
| Other income | 23,547 | (23,547) | - | - |
| Pension reserve | - | (196,000) | (66,000) | (262,000) |
| Restricted fixed asset fund | <u>196,956</u> | <u>(395,820)</u> | <u>-</u> | <u>(198,864)</u> |
| | <u>6,922,076</u> | <u>(6,677,900)</u> | <u>(66,000)</u> | <u>178,176</u> |
| TOTAL FUNDS | <u>7,216,820</u> | <u>(6,912,681)</u> | <u>(66,000)</u> | <u>238,139</u> |

Comparatives for movement in funds

| | At 1.9.18 £ | Net movement in funds £ | Transfers between funds £ | At 31.8.19 £ |
|-----------------------------|-------------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 121,199 | 41,542 | - | 162,741 |
| Restricted funds | | | | |
| General Annual Grant | - | 452,031 | (123,204) | 328,827 |
| Other DfE/ESFA Grants | - | 2,066 | - | 2,066 |
| Pension reserve | (739,000) | (675,000) | - | (1,414,000) |
| Restricted fixed asset fund | <u>16,683,550</u> | <u>(286,240)</u> | <u>123,204</u> | <u>16,520,514</u> |
| | <u>15,944,550</u> | <u>(507,143)</u> | <u>-</u> | <u>15,437,407</u> |
| TOTAL FUNDS | <u>16,065,749</u> | <u>(465,601)</u> | <u>-</u> | <u>15,600,148</u> |

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|-----------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 277,290 | (235,748) | - | 41,542 |
| Restricted funds | | | | |
| General Annual Grant | 5,381,612 | (4,929,581) | - | 452,031 |
| Other DfE/ESFA Grants | 280,937 | (278,871) | - | 2,066 |
| Other revenue grants | 145,350 | (145,350) | - | - |
| Other income | 37,617 | (37,617) | - | - |
| Pension reserve | - | (199,000) | (476,000) | (675,000) |
| Restricted fixed asset fund | <u>76,326</u> | <u>(362,566)</u> | <u>-</u> | <u>(286,240)</u> |
| | <u>5,921,842</u> | <u>(5,952,985)</u> | <u>(476,000)</u> | <u>(507,143)</u> |
| TOTAL FUNDS | <u>6,199,132</u> | <u>(6,188,733)</u> | <u>(476,000)</u> | <u>(465,601)</u> |

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

General Annual Grant (GAG) - Relates to the funding provided to the academy by the ESFA and expenditure incurred by the academy spent in line with the terms of the Funding Agreement. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/ESFA grants - Relates to additional government funding received in the period to be used on specific purposes.

Pension Reserve - This deficit represents the net shortfall in funds in the Local Government Pension Scheme in relation to employees past and present.

Fixed assets - This represents the costs of fixed assets purchased from capital funding, GAG and other funds less depreciation.

Transfers between funds

Transfers of £123,204 were made during the year to reflect capital expenditure made using GAG funds.

19. 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 Avon Pension Fund. 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' pension scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

19. PENSION AND SIMILAR OBLIGATIONS - continued

Valuation of the teachers' pension scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to TPS in the period amounted to £691,751 (2019: £421,391).

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

Under the definitions set out in 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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £230,000 (2019: £145,000), of which employer's contributions totalled £182,000 (2019: £105,000) and employees' contributions totalled £48,000 (2019: £40,000). The agreed contribution rates for future years are 16.8 per cent from 1 April 2021, and increasing to 17.5 per cent in 2022 for employers and between 5.5 per cent and 10.5 per cent for employees.

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

The amounts recognised in the Balance Sheet are as follows:

| | Defined benefit pension plans | |
|---------------------------------------|----------------------------------|--------------------|
| | 2020 | 2019 |
| | £ | £ |
| Present value of funded obligations | (3,393,000) | (2,918,000) |
| Fair value of plan assets | <u>1,717,000</u> | <u>1,504,000</u> |
| | (1,676,000) | (1,414,000) |
| Present value of unfunded obligations | <u>-</u> | <u>-</u> |
| Deficit | <u>(1,676,000)</u> | <u>(1,414,000)</u> |
| Net liability | <u>(1,676,000)</u> | <u>(1,414,000)</u> |

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

19. PENSION AND SIMILAR OBLIGATIONS - continued

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

| | Defined benefit pension plans | |
|--|----------------------------------|----------------|
| | 2020 | 2019 |
| | £ | £ |
| Current service cost | 324,000 | 203,000 |
| Net interest from net defined benefit asset/liability | 24,000 | 20,000 |
| Past service cost | <u>25,000</u> | <u>78,000</u> |
| | <u>373,000</u> | <u>301,000</u> |
| | | |
| Actual return on plan assets | <u>7,000</u> | <u>92,000</u> |

Changes in the present value of the defined benefit obligation are as follows:

| | Defined benefit pension plans | |
|---|----------------------------------|------------------|
| | 2020 | 2019 |
| | £ | £ |
| Opening defined benefit obligation | 2,918,000 | 2,020,000 |
| Current service cost | 324,000 | 203,000 |
| Past service cost | 25,000 | 78,000 |
| Contributions by scheme participants | 48,000 | 40,000 |
| Interest cost | 53,000 | 58,000 |
| Benefits paid | (19,000) | (11,000) |
| Remeasurements: | | |
| Actuarial (gains)/losses from changes in financial assumptions | (3,000) | 530,000 |
| Remeasurement experience gain | <u>47,000</u> | <u>-</u> |
| | <u>3,393,000</u> | <u>2,918,000</u> |

Changes in the fair value of scheme assets are as follows:

| | Defined benefit pension plans | |
|--------------------------------------|----------------------------------|------------------|
| | 2020 | 2019 |
| | £ | £ |
| Opening fair value of scheme assets | 1,504,000 | 1,281,000 |
| Contributions by employer | 182,000 | 105,000 |
| Contributions by scheme participants | 48,000 | 40,000 |
| Interest on plan assets | 29,000 | 38,000 |
| Remeasurements (assets) | (22,000) | 54,000 |
| Benefits paid | (19,000) | (11,000) |
| Administration expenses | <u>(5,000)</u> | <u>(3,000)</u> |
| | <u>1,717,000</u> | <u>1,504,000</u> |

The amounts recognised in other recognised gains and losses are as follows:

| | Defined benefit pension plans | |
|---|----------------------------------|------------------|
| | 2020 | 2019 |
| | £ | £ |
| Actuarial (gains)/losses from changes in financial assumptions | 3,000 | (530,000) |
| Remeasurement experience gain | <u>(47,000)</u> | <u>-</u> |
| | <u>(44,000)</u> | <u>(530,000)</u> |

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

19. PENSION AND SIMILAR OBLIGATIONS - continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

| | Defined benefit pension plans | |
|------------------|----------------------------------|----------------|
| | 2020 | 2019 |
| Equities | 44.20% | 46.80% |
| Government bonds | 7.20% | - |
| Bonds | 2.70% | 10.90% |
| Property | 8.80% | 5.50% |
| Cash | 3.00% | 1.20% |
| Other | <u>34.10%</u> | <u>35.60%</u> |
| | <u>100.00%</u> | <u>100.00%</u> |

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

| | 2020 | 2019 |
|--------------------------|-------|-------|
| Discount rate | 1.80% | 1.80% |
| Future salary increases | 3.90% | 3.60% |
| Future pension increases | 2.50% | 2.20% |
| CPI inflation | 2.40% | 2.10% |

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

| | At 31 August 2020 | At 31 August 2019 |
|--------------------|----------------------|----------------------|
| Current pensioners | | |
| Males | 23.2 years | 23.7 years |
| Females | 25.3 years | 26.2 years |
| Future pensioners* | | |
| Males | 24.7 years | 26.3 years |
| Females | 27.3 years | 29.0 years |

* Figures assume members aged 45 as at the last formal valuation date.

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

| | Approximate monetary amount (£000) |
|---|---------------------------------------|
| Change in assumption at 31 August 2020 | |
| 0.1% increase in Real Discount Rate | (67) |
| 0.1% increase in Inflation | 68 |
| 0.1% increase in the Salary Increase Rate | 2 |
| 1 year increase in Life expectancy | 96 |

20. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the year ended 31 August 2020, other than certain trustees' remuneration and expenses already disclosed in note 8.

Oldfield School

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

21. POST BALANCE SHEET EVENTS

There are no material adjusting or non adjusting events arising after the balance sheet date.

22. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the trust received £9,862 (2019: £5,959) and disbursed £9,469 (2019: £5,959) from the fund. £393 (2019: £nil) of funds were undistributed at 31 August 2020 and these are held in the academy trust's bank account.

23. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2020 | 2019 |
|---|----------------|------------------|
| | £ | £ |
| Net income for the reporting period (as per the Statement of Financial Activities) | 304,139 | 10,399 |
| Adjustments for: | | |
| Depreciation charges | 395,820 | 362,566 |
| Capital grants from DfE/ESFA | (196,956) | (76,326) |
| Interest received | (467) | (365) |
| DB pension scheme cost less contribution | 172,000 | 179,000 |
| DB pension scheme finance cost | 24,000 | 20,000 |
| Increase in debtors | (18,744) | (71,758) |
| Increase/(decrease) in creditors | <u>189,041</u> | <u>(105,241)</u> |
| Net cash provided by operations | <u>868,833</u> | <u>318,275</u> |

24.. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.9.19 | Cash flow | At 31.8.20 |
|--------------------------|----------------|----------------|------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank and in hand | <u>557,507</u> | <u>615,435</u> | <u>1,172,942</u> |
| | <u>557,507</u> | <u>615,435</u> | <u>1,172,942</u> |
| Total | <u>557,507</u> | <u>615,435</u> | <u>1,172,942</u> |