

Company Registration Number: 10654345 (England & Wales)

OAK LEARNING TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

OAK LEARNING TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

J Moore (resigned 9 December 2020)
A Bathan
T Lillie
R Thoburn (appointed 9 December 2020)

Trustees

P Best^{2,3}
F Carroll^{1,3}
Councillor G Miller^{2,3}
Dr A.M. Taylor, Chief Executive Officer^{1,2,3}
Reverend J Wing, Vice Chair^{2,3}
T Lillie, Chair¹
R Skeoch²
M Dixon²
D Fenton¹

- ¹ Finance, Estates and Audit
² Standards and Wellbeing Committee
³ Personnel Committee

Company registered number

10654345

Company name

Oak Learning Trust

Principal and registered office

George Washington Primary School
Well Bank Road
Washington
Tyne and Wear
NE37 1NL

Chief executive officer

Dr A M Taylor

Senior management team

Dr A.M. Taylor, CEO
Mrs L. McArdle, Deputy CEO
Ms V. Mellor, Head of School
Mrs J. Hayden, Trust Business Manager

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Independent auditors

Ryecroft Glenton
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

Bankers

Lloyds Bank plc
54 Fawcett Street
Sunderland
SR1 1SF

Solicitors

Watson Burton LLP
1 St James' Gate
Newcastle upon Tyne
NE99 1UQ

Internal Auditors

Azets
4 Douro Terrace
Sunderland
SR2 7DX

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates two primary academies for pupils aged 4 to 11 serving catchment areas in Washington: George Washington Primary School and John F Kennedy Primary School. Its academies have a combined pupil capacity of 870 in the school census in October 2020, with 828 on roll.

Structure, governance and management

● **Constitution**

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

The charitable company's Trust deed is the primary governing document of the academy.

The Trustees of Oak Learning Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Oak Learning Trust.

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

● **Members' liability**

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

● **Trustees' indemnities**

Every trustee of the Trust shall be indemnified out of the assets of the Trust against liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust

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

The management of the academy is the responsibility of the Trustees who are elected and co opted under the terms of the Trust deed.

Membership is determined in accordance with the composition set out in Article 12 onwards. This states that the Trust Board is comprised as follows:

9 trustees (1 of whom is the Chair of directors and one of whom shall be the CEO of the Trust).

The term of office of any director shall be 4 years. The limit shall not apply to the CEO. Notwithstanding this, any director may be reappointed or re elected.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

● **Policies adopted for the induction and training of Trustees**

New Trustees have a meeting with the CEO and training and induction is then provided dependent on existing experience. Where required induction will provide training on charity, educational, legal and financial matters. All directors are provided with copies of policies, accounts, budgets, articles of association, scheme of delegation and other documents they need to carry out their role

● **Organisational structure**

The Trust is a multi-academy model. The Board of Trustees have overall responsibility and are ultimately accountable for all of the academies within the trust. The Board of Trustees meet at least 4 times per year to discuss strategic objectives and to hold to account the CEO who is the Accounting Officer of the Trust. The board has sub-committees who meet regularly to scrutinise the work and progress of the trust and feed this back to the board. The board also appoint local governing bodies who hold the school to account for performance and school development at a local level. These LGBs also feed into the board on a termly basis.

The CEO is responsible for developing and leading the strategic vision of the Trust and all of the schools within it. The newly appointed deputy CEO has added capacity and expertise at a senior level and is responsible for leadership of teaching and learning, ECT and learning related recruitment across the trust. The Trust business manager leads the Trust business team and is responsible for leading finance, health and safety, HR and premises across the Trust. Each school has a Head of School who is responsible for the day-to-day leadership and management of the school. They are supported by the individual schools' senior leadership team.

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

The remuneration of the key management personnel is reviewed annually by the personnel and CEO pay review subcommittees of the Board of Directors from which the CEO is excluded in relation to discussion of their own remuneration.

A range of criteria are used in setting remuneration levels: nature of the role and corresponding responsibilities, national pay awards and guidance, the sector average for comparable positions. Robust performance management policies and procedures are in place and are reviewed regularly. These form the basis of continuously improving performance and of performance related pay awards.

The committee is guided by an external HR partner who supports the Trust to ensure that legislative obligations as well as internal differentials, proposed costs and the ability to pay are considered and by an independent, suitable qualified education advisor in regards to the CEO pay review.

● **Related parties and other connected charities and organisations**

Trustees have declared any business interests and these are displayed on the academy website. The Trust has adopted a policy that if there are any interests declared, the directors would remove themselves from the decision making process.

The Trust is committed to partnership working and uses this commitment to ensure excellent opportunities for its pupils and to share good practice within and without the Trust. We have a range of strategic partners including Local Authority, feeder secondary academies, other schools, local universities and a range of cultural partners. During the academic year 2020-2021 our partnerships have strengthened both internally and externally as we have worked collegiately during the pandemic for the benefit of pupils in our own schools and in all schools.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

● **Objects and aims**

The principle aim and objective of the Trust is to provide the highest possible quality of education to the pupils in its schools. The Trust is committed to delivering this by ensuring that its schools provides a broad, balanced and enriched curriculum focusing not only on academic success but in developing resilience and a sense of moral purpose. The Trust aims for children to leave its schools able to make their way successfully in the world, achieving their full potential and contributing to the society in which they live.

● **Objectives, strategies and activities**

In the current period the trust's main objectives have been:

- To maintain and improve on the standard of educational achievement for all children despite working during a pandemic and through periods of school and bubble closure.
- To develop and deliver a strong online, remote educational offer to continue to educate and support our pupils when they were not able to attend school in person
- To ensure that all children within Trust schools have access to an enjoyable curriculum which is balanced and reflects and meets the differing needs of children, allowing everyone to achieve, including adapting for remote learning and the return to school and catch up curricula
- To ensure that staff development is of high quality, building capacity within the Trust continues despite the impacts of the pandemic on normal school operations
- To maintain a safe working environment with robust policies and procedures in place to best protect pupils and staff
- To support children and families wellbeing, both physical and mental wellbeing throughout the year
- To support staff wellbeing, both physical and mental wellbeing throughout the year
- To provide value for money
- To comply with all statutory and curriculum requirements
- To continue to work collaboratively with other schools

● **Public benefit**

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Charitable activities are undertaken to improve the standard of education offered to all children within the Trust.

Within the current period these have included supporting our pupils not only educationally, through strong in school and remote learning offers, but with their mental wellbeing and physical needs during a challenging academic year which saw many of our families struggling financially.

We continued our joint work with Sunderland City Council and opened an additionally resourced provision to support children with ASD. The provision, The Treehouse at JFK, opened in January 2021 and remained open for all pupils on roll throughout lockdowns and school closures.

The upgrading of the old buildings and facilities at John F Kennedy Primary school continued with the use of a CIF grant to replace all of the boilers in the school. This has improved the heating capacity and reliability, and also the energy efficiency of the school.

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Objectives and activities (continued)

The Trust has continued to support another school during this academic year by providing consultant executive leadership and seconding a senior member of staff into the school to act as head teacher for the full academic year. The Trust also worked with the school to support its journey to become an academy school and part of the Oak Learning Trust family of schools.

The Trust continues to work with other schools in the region and with the local council and Together for Children to support education beyond itself. It has also been engaged by the DfE as partner in the Trust and School Improvement Offer programme to support schools facing individual challenges.

Strategic report**Achievements and performance****● Key performance indicators**

The Trust KPI's are:

1. All schools have a good or better Ofsted judgement.
2. Academic achievement across Trust schools is in line with or better than national averages by the end of KS2.
3. Those pupils entitled to pupil premium are supported to achieve their potential in all areas and their academic performance by the end of KS2 is in line with national and approaching national other performance.
4. Pupil attendance is above 95% and approaching 96%.
5. All schools have a balanced in year budget with no end of year deficits.
6. Trust reserves are invested to produce additional income to further the Trust charitable purposes.

Our analysis shows:

1. Both schools are currently rated as good by Ofsted.
2. Academic achievement in both schools was predicted to be above national averages by the end of KS2 again this year however the Covid pandemic meant that no statutory assessment took place so no data is available.
3. Throughout the academic year, although the wider curriculum offer was reduced, or schools worked hard to support those entitled to pupil premium both through a bespoke remote learning offer (including remote 1:1 sessions and wellbeing and mindfulness sessions) and by promoting and ensuring engagement with enrichment clubs once schools were fully open from March 2021.
4. Due to the Covid 19 pandemic, we do not have a figure for annual attendance for the academic year. Both schools within the trust were badly affected by Covid 19 at different times and this led to significant impacts on attendance. A small proportion of families within trust schools were nervous throughout the year about sending their children into school due to the perceived risk at school from Covid 19. The work to support these families to allow their children to attend school was significant and took up a large amount of senior leadership time in discussions and meetings with them as well as practical help in some cases to get pupils in to school.
5. The accounts show that Trust finances are healthy and that both schools had balanced in year budgets with no deficits.
6. Trust reserves have generated additional income for the Trust over the financial year as detailed in the accounts. This is despite the uncertainty in the financial markets and the low interest rates paid by most deposit accounts. Our income from reserves outperformed simple savings deposit accounts.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

● **Going concern**

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies. The directors have considered the coronavirus pandemic and it has no impact on the going concern basis of accounting.

● **Promoting the success of the company - Achievements and performance**

This has been an unprecedented year for schools, and the schools within the Trust have responded rapidly and effectively to changing circumstances to support the education of their pupils and the wellbeing of children and staff.

A catch-up curriculum was implemented in September 2020 for all year groups in both schools. This curriculum was supported by the Trust releasing an experienced teacher to support catch-up intervention across both schools. Over the autumn term this support allowed pupils in years 5 and 6 across the trust to fill gaps that were created by the national lockdown and school closures in from March – July 2020.

John F Kennedy Primary school was badly affected by Covid 19 in the autumn term with significant numbers of bubble closures and staff absences linked to Covid 19. During this time, the school developed a remote learning offer to allow education to continue even when staff, individual pupils or whole classes were unable to attend school in person.

Senior trust staff were involved in supporting the school during this challenging term and ensuring that the minimum number of children were sent home and that the school could remain open and in person education continue as far as possible.

Cross trust work developing remote learning during the first term meant that when the national lockdown was announced, after our schools had re-opened for the first day of term in January 2021, our schools were ready with a remote learning offer that was live, comprehensive and covered all areas of the curriculum. Based on this work, the Trust also took part in delivering school led CPD on remote learning across the region in January 2021.

Children received daily live lessons from teachers and these were supported with small group and 1:1 follow up where this was assessed (by teachers and parents) to be needed. All live lessons were carefully scheduled in both schools so that children who were sharing devices did not miss live sessions.

Live lessons were not restricted to English and maths but included lessons across the curriculum. Daily differentiated phonics sessions were provided along with reading for pleasure sessions which included staff reading stories to our younger children at scheduled times during the school day.

PE lessons and physical challenges were also provided to children to try and ensure they kept physically active whilst out of school. Remote mindfulness sessions were also offered across both schools to support and promote improved mental wellbeing during lockdowns.

Prior to the return to full opening in March 2021, school leaders from across the trust worked to develop a Sunshine Curriculum to help staff to address gaps in learning that had emerged not only during the winter lockdown, but over the previous year.

The additionally resourced mainstream provision for pupils with autism at John F Kennedy, The Treehouse,

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Strategic report (continued)**Achievements and performance (continued)**

opened to pupils in January 2021. The Treehouse serves pupils from 5 to 11 with a diagnosis of autism who need some extra support to learn and grow successfully in mainstream primary environment. Smaller class sizes means a very bespoke curriculum can be provided for each child allowing access to specialist familiarise and staff as well as high quality supported integrating into mainstream classes where appropriate. The Treehouse remained fully open during the national lockdown between January and March 2021 allowing all pupils to access full time on site education. Monitoring by trust senior staff and trustees recognised the excellent education on offer and the improved outcomes for pupils since joining the Treehouse.

Trust schools also implemented a wellbeing return to work curriculum for the weeks between the return in March and the Easter holidays. This saw a focus, partly based on pupil surveys, on play (both structured and unstructured), forest school opportunities, sport, and a wide range of after school clubs. The purpose of this was to support children with returning to a school environment and catching up on the social and emotional learning they had missed during the national lockdown.

Throughout the year our schools were adversely affected by Covid 19 - JFK primary in the autumn and George Washington Primary in the late summer term; and while internal assessments were completed during the summer term, these were to inform future curriculum planning and transition to new year groups and were not used as a summative assessment. The work children had missed varied so much that the Trust felt that this type of assessment was not appropriate or helpful at this time.

Throughout the year both schools continued to develop their curriculum offer and their approaches to assessment across the curriculum. This was allied with continued staff CPD so that in the new academic year both schools could continue their development journeys.

Financial review

The Academy achieved a net surplus of £543,401 before accounting for actuarial surpluses on pension schemes. This figure comprises net income of £314,773 within the Academy's unrestricted and restricted income funds and a net surplus of £228,628 within its fixed asset funds.

At the year end, the Academy's free reserves totalled £2,574,057 (last year £2,010,190). Reserves are defined as the Academy's restricted income funds excluding pension reserve, plus unrestricted funds. This level of reserves is discussed further within the Reserves Policy section below.

Many of the Academy's non teaching staff are members of a local government pension scheme. Accounting regulations require the Academy to record its share of that pension scheme liability within its balance sheet. This year, the Academy's share of that liability increased from £2,389,000 to £2,570,000. If this liability were to be included within the reserves figure, then reserves would fall to £4,507.

Cash resources held by the Academy total £2,354,895 a net increase of £797,439 over the previous year.

The Academy's financial management policies are set out in sections below relating to its level of reserves and its investment of surplus funds.

Most of the Trust's income is received from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period 1 September 2020 to 31st August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities on pages 27 and 28. Details of all grants and income received can be found in the notes to the financial statements two to five.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

During the period 1 September 2020 to 31 August 2021 expenditure amounting to £4,585,712 was incurred or accrued, including depreciation. This was offset by grants receivable from the ESFA, the Local Authority and income from lettings, parents and fundraising.

At 31 August 2021 the net book value of fixed assets was £9,727,500. The assets were used exclusively to provide education and associated services to the pupils of the Academies and other Schools and organisations who hired our facilities. Investments held at the year-end amounted to £789,997.

● **Reserves policy**

The value of free reserves held by the Academy, including the GAG and excluding the pension reserve, amount to £2,574,057 and details of how this figure is derived are provided within the financial review section.

The Trustees have a reserves policy and are responsible for determining the level of financial reserves to be carried forward at the end of any financial period. They have delegated the monitoring of potential period end reserves to the finance & general purposes committee as part of its terms of reference.

The Trustees will ensure that the level of reserves carried forward is in line with the guidance received from the DfE and ESFA on the treatment of General Annual Grant income and other grants.

The Trustees will always try to match income with expenditure in the current period and will only carry forward a reserve that it considers necessary for future expenditure as identified in the school improvement plan for capital developments. They may accumulate reserve funds raised from private sources to meet expenditure for the benefit of the Trust in future years.

The Trust recognises that it holds significant reserves. The Trustees have agreed that a minimum of the equivalent of 1 month's GAG is available at all times to ensure continuity of financial performance in case of unforeseen circumstances. For funds in excess of this the Trustees intend to seek investments to maximise the benefit to the Trust.

During 2018 the trustees completed a strategic review of reserves and having built up a significant cash balance it was decided to draft a new Investment Policy, a summary of which was as follows: to retain £200,000 in cash to be readily available at all time; to invest £200,000 in short term (up to 1 year) deposit accounts; to invest £600,000 from cash into a long term investment portfolio to be managed on a discretionary basis by Rathbone Investment Management.

These sums have been invested in line with the Trust investment policy and have earned additional income for the Trust during the year (see accounts). These short term deposits and long term investments will continue during the coming year.

● **Investment policy**

The Trust constructs budgets and cash flow forecasts as required by legislation to ensure viability and sustainability of its activities. Reserves are currently held within the main school bank account and in two fixed term deposit accounts.

When substantial cash balances at the bank are evident over a sustained period, the Trust business manager and financial consultant will identify the situation and an investment will be made in accordance with the academy's financial handbook. Prior to recommending an investment to the Board of Trustees, the CEO and Finance and Estates committee must be satisfied that the amount and time period of the investment will not compromise the viability and sustainability of the activities of the school.

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As detailed within the reserves policy above £200,000 has been invested in short term deposit accounts and £600,000 was transferred to Rathbone Investment Management for investment into a long term investment portfolio.

The primary objective of the investment portfolio is to preserve and grow the real value of the asset ahead of inflation in order to protect its long term purchasing power. It is anticipated that the trustees' will not need to draw from the investment portfolio for several years but the position will be reviewed annually with a formal review of strategy at least every 5 years. As the time horizon for investment is long it was agreed that a higher level of risk is appropriate, particularly as the remaining balance of reserves will remain in cash. In addition, the trustees conducted a review of ethical policy and the following restrictions apply: no investment in companies associated with the production of armaments, alcohol, pornography or tobacco.

Investment performance is monitored against the following benchmarks: MSCI WMA Growth Total Return Index as a short term market linked measure; Inflation (CPI) +4% as a long term measure.

● **Principal risks and uncertainties**

The Trust maintains a financial risk management plan which is reviewed by the finance committee, to ensure satisfactory arrangements are in place to manage risk. There is an ongoing review in response to situations, new legislation or information.

The Trust aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the value of any surplus balances. Surplus balances are currently held in the main school bank account, two deposit accounts and in an investment account.

In view of the nature of the Trust's business, its regular income from ESFA and considerable reserves, it is considered that the financial risks are not of a material nature. However, Trustees are aware of the need to maintain a good reputation locally to ensure that pupils numbers, and associated funding, remain buoyant.

The Trustees work within the Guidance of the Academies Financial handbook and have adopted the following policies relating to finance and governance and these are reviewed on a regular basis:

Finance Policy
Scheme of Delegation
Treasury Management Policy
Reserves Policy
Anti-Fraud, Corruption and Bribery Policy
Risk Management Assessment
Risk Management Policy
Business Continuity Plan
Assets Policy
Whistleblowing Policy
Investment Policy

The charity Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks. The key identified risks for the coming year are ameliorated by:

- Covid 19 related risks, including infection control, ability to operate schools due to staff absence levels, cost associated with increased hygiene and risk controls being implemented – ameliorated by thorough risk assessments and clear financial planning to allow implementation of mitigations.
- Systems of internal financial control monitored by senior staff and independent auditors who report to

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Finance, Audit and Estates committee.

- Risks associated with Brexit which may have an impact on the Trust and its ability to provide its core functions, including but not limited to, food supply, staff supply, supply of resources. These are ameliorated by forward planning and working closely with partners to ensure supply chains for essential resources are robust.
- Working with local community to maintain good standing of schools to maintain pupil numbers.
- Strategies to continue to develop leadership and support succession planning.

The uncertain future funding of schools remains a risk for the Trust and prudent financial planning allied with careful management of school funds has allowed the Trust to build reserves to support schools through this uncertain financial landscape.

● Investment returns

The financial year to 31st August 2021 was a strong one for the Oak Learning Trust portfolio with the investments posting a gain of 20.4% for the period. The first 6 months of the financial year saw a sharp recovery in the sectors that had been hit hardest by the COVID pandemic as economies reopened, although equities remained volatile as uncertainty regarding the implementation, pace and efficacy of vaccination programmes grew. However, the mood across markets remained generally positive, primarily because some Central Banks remained committed to the monetary and fiscal support programmes which were swiftly put into place immediately after the onset of the pandemic. The second half of the year was also positive with equity markets supported by a majority of companies which posted forecast-beating earnings while the success of vaccination programmes in developed economies became apparent. However, as the year came to a close the recovery entered a new phase as some support measures began to unwind and the global economy now wrestles a range of risks, including the threat of COVID variants, a slowdown in China and of immediate concern, spiralling inflation, supply shortages and rising energy prices. The short-term outlook is uncertain but the OLT portfolio remains invested in line with the long-term strategic asset allocation and within the portfolio there remains a preference for good quality, global businesses with strong balance sheets and low levels of debt. The investments have performed relatively well during throughout the last three years and it remains well-diversified for the long-term.

Fundraising

The majority of fundraising within the Trust has been from school events which have become remote. These have included sponsored events, "non-uniform" days and Christmas and summer fundraisers.

Plans for future periods

Due to the pandemic which led to periods of restricted school access ("closure") as well as staffing absence due to Covid or required isolation as a contact, some of our priorities for the year 2020 - 2021 were not completed or fully addressed. As they are priorities for us these have been carried into the new academic year for completion.

The Trust intends to continue to provide a very high standard of education to all pupils including by implementing our Sunshine Curriculum to ensure thorough coverage of areas of the curriculum missed by restricted school opening and by bubble closures. These curriculums are implemented in all schools but in a way that is bespoke to every year group in every school as we are aware that what was missed will be different for different cohorts and schools.

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TRUSTEES' REPORT (CONTINUED)
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Plans for future periods (continued)

The curriculum over the coming year the Trust will be designed to be relevant to all children to allow them to start to fill the academic gaps but also to help them address the negative impact on their physical, emotional and mental wellbeing. We will utilise our forest school programme to ensure all children have time in nature to simply be, alone and with their friends and peers; we will use mental health support staff and wellbeing activities to give pupils the opportunities to reflect on and recover from their lockdown experience in an individually appropriate manner. When risk assessments allow, we will also reintroduce trips and visitors, including hopefully residential trips, to begin to provide the breadth and depth of learning that we so value.

To purchase and implement a new approved phonics programme across Trust schools with high quality CPD and purchase of associated resources.

The Trust will continue to work to improve attendance to at least 96% and to decrease the proportion of persistent absence.

To welcome more children in to the Treehouse at JFK and ensure that the curriculum and outcomes remain strong as pupil numbers increase. We will also continue to work with Sunderland council to ensure that 16 places provides them with sufficient capacity.

The Trust will continue its buildings and site improvements across its schools in the coming year. There are plans to upgrade staff toilets at JFK and GWPS and to replace outdoor play equipment for KS1 and KS2 at GWPS. The Trust will also use CIF funding to replace all flat roofs at JFK.

To welcome our third school into the Trust ensuring support for high quality integration of systems and staff.

To review and update leadership structure and role descriptors in light of changes within the Trust to ensure it is fit for purpose.

The Trust will continue to develop leadership at all levels. We will encourage leaders to take part in the NPQ programmes on offer.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2021 and signed on its behalf by:

DocuSigned by:
Frank carroll
274E521E326945E.....
F Carroll
Trustee

DocuSigned by:
Ailsa Taylor
C14D348EB29045D.....
Dr A.M. Taylor
Chief Executive Officer

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Oak Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 4 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
P Best	4	4
F Carroll	3	4
Councillor G Miller	1	4
Dr A M Taylor, Executive Head Teacher	4	4
Reverend J Wing, Vice Chair	4	4
T Lillie, Chair	3	4
R Skeoch	1	3
M Dixon	3	4
D Fenton	4	4

The board has continued to meet regularly though remotely throughout the academic year. Where possible some link visits have taken place, particularly to the new ASD provision, The Treehouse at JFK which has been visited by members of the FEA and S&W committees. Oversight of funds is managed by presentation at board and FEA committees (7 meetings per year) and through presentation of monthly finance reports to all trustees.

The local governing bodies of both schools have met remotely again with some remote and in person monitoring having taken place in line with our risk assessments.

The Standards and Wellbeing Committee is also a subcommittee of the main Board of Trustees. Its purpose is to monitor academic and holistic performance in individual schools across the Trust. Trustees from this committee visit the schools on a regular basis to meet with children, school councils and staff so they gain an independent picture of the schools as well as receiving information from the Trust senior leadership team. Trustees from this committee continued their engagement with the schools and their monitoring role during the national lockdown and periods of bubble closures. They were closely informed about curriculum plans and adaptations over the year in response to changing circumstances.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Dr A. M Taylor	3	3
P Best	3	3
Reverend J Wing, Vice Chair	1	3
Councillor G Miller	3	3
R Skeoch	3	3
M Dixon	1	1

The Finance, Estates and Audit Committee is a subcommittee of the main Board of Trustees. Its purpose is to monitor budgets and the Trust's financial spending and wellbeing, act as an audit committee to receive and scrutinise reports from external auditors and act as an authoriser of payments within the financial scheme of spending delegation. This committee is also responsible for investigating and recommending to the full Trust Board opportunities for financial investment of the Trust's surplus balances. During the current year the committee received and scrutinised audit reports and reports from the trust's investment bankers to ensure that the highest financial standards were being maintained. The committee were also involved in overseeing larger expenditures this year associated with building refurbishment works.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Dr A M Taylor	3	3
F Carroll	3	3
T Lillie	1	1
D Fenton	3	3
M Dixon	2	2

The personnel committee is a subcommittee of the main board of Trustees. Its purpose is to deal with all issues relating to staffing and human resources. The personnel committee reviews annual performance related pay recommendations and approves them where it thinks this is appropriate (except for CEO pay which is reviewed by the CEO performance review Trustees). The committee reviews all policies related to HR before these are considered by the Trust board. The committee will review any restructure plans and will meet to consider any requests made from staff for flexible working or other decisions delegated to it in the scheme of delegation.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Dr A M Taylor	1	2
F Carroll	2	2
P Best	2	2
M Dixon	2	2
Reverend J Wing	1	2

OAK LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- utilising financial resources effectively to fund excellence in academic achievement.
- utilising financial resources effectively to fund development of premises
- successfully utilising CIF funding to improve trust premises
- review of contracts to ensure competitive quotes across the Trust schools and best value principles consistently applied including ICT and staff absence insurance at JFK primary
- improving income to the Trust for CEO external work
- monitoring investments monthly to ensure good returns are being achieved and reporting this to trustees termly
- ensured high academic and remote education performance in schools within the Trust, developing consistency between schools

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Oak Learning Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Azets, who were appointed by the FEA, have provided internal audit services.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees at every FEA committee meeting and at full board meeting and in between these meetings if required.

OAK LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- monthly meeting between the CEO and the chair of the Trust to review financial performance
- monthly management accounts and financial updates on performance provided to all Trustees
- regular reviews by the Governors of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to employ Azets as internal auditor.

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

Controls around payroll processes
Controls around self generated income
Cash and treasury management
Control and recording of fixed asset controls
Effective management of resources
Correct application of financial considerations to the decisions of the trust board

On a termly basis, the internal auditor reports to the board of Trustees through the Finance, Estates and Audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned with no material control issues arising as a result of the work undertaken.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Estates and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

OAK LEARNING TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on their behalf by:

DocuSigned by:

Frank carroll

.....
274E521E326945E.....

F Carroll
Trustee

DocuSigned by:

Ailsa Taylor

.....
C14D348EB29045D.....

Dr A M Taylor, Chief Executive Officer
Accounting Officer


OAK LEARNING TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Oak Learning Trust I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2020.

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

DocuSigned by:

C14D348EB29045D...

Dr A M Taylor, Chief Executive Officer
Accounting Officer
Date: 8 December 2021

OAK LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on its behalf by:

DocuSigned by:
Frank carroll
.....274E521E326945E.....
F Carroll
Trustee

DocuSigned by:
Ailsa Taylor
.....C14D348EB29045D.....
Dr A.M. Taylor
Chief Executive Officer

OAK LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAK LEARNING TRUST

Opinion

We have audited the financial statements of Oak Learning Trust (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

OAK LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAK LEARNING TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which 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.

OAK LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAK LEARNING TRUST (CONTINUED)

Responsibilities of trustees

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

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

OAK LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAK LEARNING TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Academy through discussions with management, and from our commercial knowledge and experience of the Academies sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Academy, including relevant legislation such as the Companies Act 2006, Charities Act 2011 et seq., and The Academies Financial Handbooks and Accounts Directions issued by the Education and Skills Funding Agency (ESFA) and the funding agreement agreed with the Secretary of State for Education and other legislation identified as being of significance in the context of the entity e.g. taxation legislation, data protection, anti-bribery and employment laws.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

OAK LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OAK LEARNING TRUST (CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to: -

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators (ESFA) and the Academy's legal advisors.


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

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

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

Use of our report

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

DocuSigned by:

BE1AD9174D594BA...

Detlev Anderson (Senior statutory auditor)

for and on behalf of
Ryecroft Glenton
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

8 December 2021

OAK LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OAK LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Oak Learning Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Oak Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Oak Learning Trust's funding agreement with the Secretary of State for Education dated 29 March 2017 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Enquiry with the Accounting Officer of her work done to support her statement on regularity, proprietary and compliance;
- Review of finance policies in place;
- Review of minutes for any significant items that may affect our conclusion;
- Enquiry into whether there have been any payments or write offs incurred under delegated authority which should be disclosed to the ESFA;
- Inspection of the register of pecuniary interests of the Trustees and a review of transactions to disclose

OAK LEARNING TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OAK LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

- any related or connected party transactions;
- Review of connected and related party transactions to ensure that correct procedures had been followed and that these were appropriate transactions for the Academy to enter into;
- Review of income streams for any activities which may be outside the Academy's charitable objectives;
- Inspection of BACS payment reports to ensure that correct procedures and authorisations had been observed;
- Review of cashbook transactions for significant or unusual transactions in the year and confirmed that these related to applicable charitable purposes;
- Review of credit card expenditure for indicators of purchases being made for personal use;
- Inspection of a number of purchase invoices during the year to ensure that the correct purchasing and procurement procedures had been followed;
- Review of expenditure to confirm that this has been applied in line with the grant terms;
- Enquiry with finance staff as to whether any borrowing has been entered into and whether this breaches the borrowing limits imposed by the funding agreement;
- Inspection of payroll reports for the year and confirmed that these have been suitably authorised;
- Review of a sample of employees from the monthly payroll reports to confirm existence and agree remuneration to supporting documentation; and
- Inspection of a sample of journals in the year to ensure that the correct authorisation procedures have been followed and that the adjustments relate to applicable charitable activities.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

DocuSigned by:

Ryecroft Glenton

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Reporting Accountant
Ryecroft Glenton

Date: 8 December 2021

OAK LEARNING TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Charitable activities	3	-	4,240,336	430,632	4,670,968	3,980,157
Investments	4	12,915	-	-	12,915	15,595
Other income	5	147,503	175,482	-	322,985	288,274
Total income		160,418	4,415,818	430,632	5,006,868	4,284,026
Expenditure on:						
Raising funds		6,429	-	-	6,429	5,559
Charitable activities		153,941	4,223,338	202,004	4,579,283	4,147,186
Total expenditure		160,370	4,223,338	202,004	4,585,712	4,152,745
Net income before net gains on investments						
		48	192,480	228,628	421,156	131,281
Net gains on investments		122,245	-	-	122,245	30,706
Net income/ (expenditure)		122,293	192,480	228,628	543,401	161,987
Transfers between funds	18	-	(40,905)	40,905	-	-
Net movement in funds before other recognised gains/(losses)		122,293	151,575	269,533	543,401	161,987
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	109,000	-	109,000	(434,000)
Net movement in funds		122,293	260,575	269,533	652,401	(272,013)

OAK LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Note					
Total funds brought forward	1,099,819	(1,478,630)	9,653,460	9,274,649	9,546,662
Net movement in funds	122,293	260,575	269,533	652,401	(272,013)
Total funds carried forward	1,222,112	(1,218,055)	9,922,993	9,927,050	9,274,649
18					

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 32 to 60 form part of these financial statements.

OAK LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10654345

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	9,727,500	9,620,540
Investments	14	789,997	662,536
		<u>10,517,497</u>	<u>10,283,076</u>
Current assets			
Debtors	15	177,426	116,014
Cash at bank and in hand		2,354,895	1,557,456
		<u>2,532,321</u>	<u>1,673,470</u>
Creditors: amounts falling due within one year	16	(552,768)	(292,897)
		<u>1,979,553</u>	<u>1,380,573</u>
Total assets less current liabilities		<u>12,497,050</u>	<u>11,663,649</u>
Net assets excluding pension liability		<u>12,497,050</u>	<u>11,663,649</u>
Defined benefit pension scheme liability	24	(2,570,000)	(2,389,000)
Total net assets		<u><u>9,927,050</u></u>	<u><u>9,274,649</u></u>

OAK LEARNING TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10654345

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Funds of the academy			
Restricted funds:			
Fixed asset funds	18	9,922,993	9,653,460
Restricted income funds	18	1,351,946	910,370
Restricted funds excluding pension asset	18	11,274,939	10,563,830
Pension reserve	18	(2,570,000)	(2,389,000)
Total restricted funds	18	8,704,939	8,174,830
Unrestricted income funds	18	1,222,111	1,099,819
Total funds		9,927,050	9,274,649

The financial statements on pages 27 to 60 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:

DocuSigned by:

Frank carroll

274E521E326945E...

F Carroll
Trustee

DocuSigned by:

Ailsa Taylor

C14D348EB29045D...

Dr A.M. Taylor
Chief Executive Officer

The notes on pages 32 to 60 form part of these financial statements.

OAK LEARNING TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	662,856	531,378
Cash flows from investing activities	21	134,582	(53,996)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		797,438	477,382
Cash and cash equivalents at the beginning of the year		1,557,457	1,080,075
Cash and cash equivalents at the end of the year	22, 23	2,354,895	1,557,457
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 32 to 60 form part of these financial statements

OAK LEARNING TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

General information

Oak Learning Trust is a charitable company incorporated in England and Wales (company number 10654345). The address of its registered office and principal place of business is George Washington Primary School, Well Bank Road, Washington, Tyne and Wear, NE37 1NL.

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The Trustees have considered the coronavirus pandemic and this has no effect on the going concern basis of accounting.

1.3 Income

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

• **Grants**

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

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

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1. Accounting policies (continued)

1.3 Income (continued)

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.

- **Donations**

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

- **Other income**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

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1. Accounting policies (continued)

1.6 Tangible fixed assets

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

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

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 life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- Straight line over 15 / 50 years
Furniture and fixtures	- Straight line over 7 years
Plant and machinery	- Straight line over 25 years
Computer equipment	- Straight line over 3 years

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.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.10 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 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.

1.11 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement bases 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 15. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.12 Pensions

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

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

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1. Accounting policies (continued)

1.12 Pensions (continued)

Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

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3. Funding for the academy's direct costs

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General annual grant (GAG)	3,192,112	3,192,112	3,057,680
Other DfE/ESFA grants			
Pupil premium	327,030	327,030	321,260
Teachers' pay and pension grant	148,777	148,777	147,809
Universal Infant Free School Meals grant	118,679	118,679	104,900
Capital grants	430,632	430,632	36,045
Other DfE / ESFA grants	57,009	57,009	38,710
	<u>4,274,239</u>	<u>4,274,239</u>	<u>3,706,404</u>
Other Government grants			
Early Years Funding	181,072	181,072	198,508
SEN Funding	91,951	91,951	63,885
Other Government grants	12,071	12,071	11,360
Covid local support	33,007	33,007	-
Furlough income	16,228	16,228	-
	<u>334,329</u>	<u>334,329</u>	<u>273,753</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	62,400	62,400	-
	<u>62,400</u>	<u>62,400</u>	<u>-</u>
Total 2021	<u><u>4,670,968</u></u>	<u><u>4,670,968</u></u>	<u><u>3,980,157</u></u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

COVID-19 Catch-up Premium funding received during the year was fully spent in the year.

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NOTES TO THE FINANCIAL STATEMENTS
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4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment income - local cash	1,132	1,132	4,121
Investment income - other investments	11,783	11,783	11,474
Total 2021	<u>12,915</u>	<u>12,915</u>	<u>15,595</u>

5. Other incoming resources

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Other self generated income	41,613	125,982	167,595
Lettings and out of school club	28,345	-	28,345
Trips and music lessons income	9,735	-	9,735
Other income	450	49,500	49,950
Lunch income	36,581	-	36,581
Supply teacher insurance income	30,779	-	30,779
	<u>147,503</u>	<u>175,482</u>	<u>322,985</u>

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Other self generated income	19,173	72,240	91,413
Lettings and out of school club	83,648	-	83,648
Trips and music lesson income	23,624	-	23,624
Lunch income	27,023	-	27,023
Supply teacher insurance income	62,566	-	62,566
	<u>216,034</u>	<u>72,240</u>	<u>288,274</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on investment management	-	-	6,429	6,429
Direct costs - Educational Operations				
Direct costs	2,766,015	158,469	467,056	3,391,540
Allocated support costs	732,633	306,260	148,850	1,187,743
Total 2021	3,498,648	464,729	622,335	4,585,712
	<i>Staff Costs 2020 £</i>	<i>Premises 2020 £</i>	<i>Other 2020 £</i>	<i>Total 2020 £</i>
Expenditure on investment management:	-	-	5,559	5,559
Direct costs - Educational Operations				
Direct costs	2,424,146	157,724	453,019	3,034,889
Allocated support costs	700,798	274,733	136,766	1,112,297
<i>Total 2020</i>	3,124,944	432,457	595,344	4,152,745

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational Operations	3,391,540	1,187,743	4,579,283

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NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Educational Operations	3,034,889	1,112,297	4,147,186

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Pension interest	40,000	40,000	32,000
Staff costs	2,766,015	2,766,015	2,424,146
Depreciation	202,004	202,004	182,047
Educational Operations	181,819	181,819	135,181
Technology costs	2,147	2,147	337
Professional services	12,427	12,427	14,886
Other staff costs	9,957	9,957	9,241
Other direct costs	712	712	4,619
Transport costs	2,010	2,010	10,304
Catering	174,449	174,449	222,128
Total 2021	3,391,540	3,391,540	3,034,889

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**NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	732,633	732,633	700,797
Technology costs	42,536	42,536	30,476
Premises costs	306,260	306,260	277,523
Other support costs	88,738	88,738	88,336
Support costs - Governance	17,576	17,576	15,165
Total 2021	<u>1,187,743</u>	<u>1,187,743</u>	<u>1,112,297</u>

Governance costs (Support) consist of:

	2021 £	<i>2020 £</i>
Auditors' remuneration	7,385	7,635
Accountancy and other services	7,791	4,143
Internal audit services	2,400	3,387
	<u>17,576</u>	<u>15,165</u>

8. Net income

Net income for the year includes:

	2021 £	<i>2020 £</i>
Operating lease rentals	13,196	13,196
Depreciation of tangible fixed assets	202,005	182,045
Governance internal audit costs	2,400	3,387
Fees paid to auditors for:		
- audit	7,385	7,365
- other services	7,791	5,730
	<u>220,677</u>	<u>198,623</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	2,375,972	2,188,429
Social security costs	224,320	201,362
Pension costs	782,841	663,588
	<u>3,383,133</u>	<u>3,053,379</u>
Agency staff costs	104,515	69,766
Staff restructuring costs	11,000	1,799
	<u>3,498,648</u>	<u>3,124,944</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	11,000	1,799
	<u>11,000</u>	<u>1,799</u>

b. Staff numbers

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

	2021 No.	2020 No.
Management	18	17
Teaching	27	24
Administration and support	51	56
	<u>96</u>	<u>97</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2021	<i>2020</i>
	No.	<i>No.</i>
Management	17	<i>16</i>
Teaching	24	<i>22</i>
Administration and support	40	<i>39</i>
	81	<i>77</i>

c. Higher paid staff

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

	2021	<i>2020</i>
In the band £60,001 - £70,000	2	<i>2</i>
In the band £110,001 - £120,000	-	<i>1</i>
In the band £120,000 - £125,000	1	<i>-</i>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2021 employer's pension contributions for these staff amounted to £60,747 (2020: £49,358).

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £418,707 (2020: £374,959).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. Central services

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

- Human resources
- Professional services
- Audit and accountancy
- Investment management services
- Staffing including finance, management and CEO services

The academy charges for these services on the following basis:

The charge is 6% of GAG and nursery income.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
George Washington Primary School	95,398	96,432
John F Kennedy Primary School	107,066	98,465
Total	202,464	194,897

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021 £	2020 £
Dr A M Taylor	Remuneration	120,000 - 125,000	115,000 - 120,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000

During the year, retirement benefits were accruing to 1 Trustee (2020 - 1) in respect of defined contribution pension schemes.

During the year, retirement benefits were accruing to no Trustees (2020 - 1) in respect of defined benefit pension schemes.

During the year, no Trustee expenses have been incurred (2020 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Trustees' and Officers' insurance

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

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2020	10,004,177	169,166	-	21,372	10,194,715
Additions	-	34,893	254,208	19,863	308,964
At 31 August 2021	<u>10,004,177</u>	<u>204,059</u>	<u>254,208</u>	<u>41,235</u>	<u>10,503,679</u>
Depreciation					
At 1 September 2020	529,693	37,173	-	7,309	574,175
Charge for the year	158,469	26,086	6,779	10,670	202,004
At 31 August 2021	<u>688,162</u>	<u>63,259</u>	<u>6,779</u>	<u>17,979</u>	<u>776,179</u>
Net book value					
At 31 August 2021	<u>9,316,015</u>	<u>140,800</u>	<u>247,429</u>	<u>23,256</u>	<u>9,727,500</u>
At 31 August 2020	<u>9,474,484</u>	<u>131,993</u>	<u>-</u>	<u>14,063</u>	<u>9,620,540</u>

The land and buildings were valued by the Estate and Valuation Manager (MRICS) for Sunderland City Council.

George Washington Primary School was valued on 1 April 2013 at £4,851,000 which included land of £1,469,730.

John F Kennedy Primary School was valued on 31 March 2017 at £5,051,000 which included land of £849,400.

Included within the figures above is land of £2,139,130 which is not depreciated.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Fixed asset investments

	Listed investments £	Cash held for re- investment £	Total £
Cost or valuation			
At 1 September 2020	633,099	29,437	662,536
Additions	139,460	-	139,460
Disposals	(109,456)	(24,788)	(134,244)
Revaluations	122,245	-	122,245
At 31 August 2021	<u>785,348</u>	<u>4,649</u>	<u>789,997</u>
Net book value			
At 31 August 2021	<u>785,348</u>	<u>4,649</u>	<u>789,997</u>
At 31 August 2020	<u>633,099</u>	<u>29,437</u>	<u>662,536</u>

15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	30,141	8,178
Other debtors	101,836	64,411
Prepayments and accrued income	45,449	43,425
	<u>177,426</u>	<u>116,014</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	404,824	182,261
Other creditors	60,929	86,064
Accruals	87,015	24,572
	<u>552,768</u>	<u>292,897</u>

Other creditors include deferred income as detailed per the note below. At the balance sheet date the academy trust was holding funds received in advance in relation to universal infant free school meals.

Deferred income

	2021 £	2020 £
Deferred income at 1 September 2020	83,255	61,946
Resources deferred during the period	57,725	81,207
Amounts released from previous years	(83,255)	(60,798)
Deferred income at 31 August 2021	<u>57,725</u>	<u>82,355</u>

17. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>789,997</u>	<u>662,536</u>
	2021 £	2020 £
Financial liabilities		
Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals	<u>(486,840)</u>	<u>(208,400)</u>

Financial assets measured at fair value through income and expenditure comprise listed investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	1,099,819	160,418	(160,371)	-	122,245	1,222,111
Restricted general funds						
General Annual Grant (GAG)	909,550	3,192,114	(2,709,633)	(40,905)	-	1,351,126
Pupil premium	-	327,030	(327,030)	-	-	-
Universal Infant free school meals	-	118,679	(118,679)	-	-	-
Teachers' pay and pension grant	-	148,776	(148,776)	-	-	-
Covid catch up	-	62,400	(62,400)	-	-	-
Other DfE / ESFA grants	-	57,009	(57,009)	-	-	-
Other government grants	-	334,329	(334,329)	-	-	-
Staff secondment charges	-	125,982	(125,982)	-	-	-
Local authority - Set up income	-	49,500	(49,500)	-	-	-
Hardship fund	820	-	-	-	-	820
Pension reserve	(2,389,000)	-	(290,000)	-	109,000	(2,570,000)
	(1,478,630)	4,415,819	(4,223,338)	(40,905)	109,000	(1,218,054)

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18. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Restricted fixed asset funds	9,653,460	430,632	(202,004)	40,905	-	9,922,993
Total Restricted funds	8,174,830	4,846,451	(4,425,342)	-	109,000	8,704,939
Total funds	9,274,649	5,006,869	(4,585,713)	-	231,245	9,927,050

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

General Annual Grant - General Annual Grant must be used for the normal running of the Academy. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2021.

Pupil premium is funding to improve education outcomes for disadvantaged pupils.

Teachers pay and pension grant - To assist with the increase in employers contributions to the teachers' pension scheme and to support teachers' pay awards.

Covid catch up - To assist with helping pupils catch up on missed education due to Covid.

UIFSM grant - To enable free school meals to be provided to pupils in reception year 1 and year 2.

Other DfE / ESFA revenue grants - Includes PE Sports grant and other non material grants.

The Hardship fund comprises money received from Holy Trinity Church High Usworth to help families in need.

Staff secondment relates to funds received for the secondment of a staff member.

Other government grants relate to nursery provision, special educational needs, Covid local support and furlough income.

Local Authority Set up income - This relates to funding in respect of the Treehouse facility at John F Kennedy Primary School.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General Funds	<u>1,053,910</u>	<u>231,630</u>	<u>(216,427)</u>	<u>-</u>	<u>30,706</u>	<u>1,099,819</u>
Restricted general funds						
General Annual Grant (GAG)	549,037	3,057,680	(2,434,119)	(263,048)	-	909,550
Pupil premium	-	321,260	(321,260)	-	-	-
Universal Infant free school meals	-	104,900	(104,900)	-	-	-
Teachers' pay and pension grant	-	147,809	(147,809)	-	-	-
Other DfE / ESFA grants	-	38,710	(38,710)	-	-	-
Other government grants	-	273,751	(273,751)	-	-	-
Staff secondment charges	-	72,240	(72,240)	-	-	-
Hardship fund	2,300	-	(1,480)	-	-	820
Pension reserve	(1,768,000)	-	(360,000)	173,000	(434,000)	(2,389,000)
	<u>(1,216,663)</u>	<u>4,016,350</u>	<u>(3,754,269)</u>	<u>(90,048)</u>	<u>(434,000)</u>	<u>(1,478,630)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	<u>9,709,414</u>	<u>36,045</u>	<u>(182,047)</u>	<u>90,048</u>	<u>-</u>	<u>9,653,460</u>
Total Restricted funds	<u>8,492,751</u>	<u>4,052,395</u>	<u>(3,936,316)</u>	<u>-</u>	<u>(434,000)</u>	<u>8,174,830</u>
Total funds	<u><u>9,546,661</u></u>	<u><u>4,284,025</u></u>	<u><u>(4,152,743)</u></u>	<u><u>-</u></u>	<u><u>(403,294)</u></u>	<u><u>9,274,649</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
George Washington Primary School	1,203,898	992,322
John F Kennedy Primary School	1,162,345	903,044
Oak Learning Trust - Central Services	207,814	114,823
	<u>2,574,057</u>	<u>2,010,189</u>
Total before fixed asset funds and pension reserve	2,574,057	2,010,189
Restricted fixed asset fund	9,922,993	9,653,460
Pension reserve	(2,570,000)	(2,389,000)
	<u>(2,570,000)</u>	<u>(2,389,000)</u>
Total	9,927,050	9,274,649

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
George Washington Primary School	1,373,397	290,006	75,536	365,136	2,104,075
John F Kennedy Primary School	1,397,643	262,695	92,438	292,290	2,045,066
Oak Learning Trust - Central Services	92,172	82,733	-	59,662	234,567
	<u>2,863,212</u>	<u>635,434</u>	<u>167,974</u>	<u>717,088</u>	<u>4,383,708</u>
Academy	2,863,212	635,434	167,974	717,088	4,383,708

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Statement of funds (continued)

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

	<i>Teaching and educational support staff costs</i> £	<i>Other support staff costs</i> £	<i>Educational supplies</i> £	<i>Other costs excluding depreciation</i> £	<i>Total 2020</i> £
George Washington Primary School	1,267,875	320,858	82,491	345,576	2,016,800
John F Kennedy Primary School	1,161,245	223,410	79,001	288,917	1,752,573
Oak Learning Trust - Central Services	72,045	79,511	2,400	47,369	201,325
Academy	<u>2,501,165</u>	<u>623,779</u>	<u>163,892</u>	<u>681,862</u>	<u>3,970,698</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	9,727,500	9,727,500
Fixed asset investments	789,997	-	-	789,997
Current assets	437,114	1,899,714	195,493	2,532,321
Creditors due within one year	(5,000)	(547,768)	-	(552,768)
Provisions for liabilities and charges	-	(2,570,000)	-	(2,570,000)
Total	1,222,111	(1,218,054)	9,922,993	9,927,050

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	9,620,540	9,620,540
Fixed asset investments	662,536	-	-	662,536
Current assets	730,180	910,371	32,920	1,673,471
Creditors due within one year	(292,897)	-	-	(292,897)
Provisions for liabilities and charges	-	(2,389,000)	-	(2,389,000)
Total	1,099,819	(1,478,629)	9,653,460	9,274,650

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NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of financial activities)	543,401	161,987
Adjustments for:		
Depreciation	202,004	182,045
Capital grants from DfE and other capital income	(430,632)	(36,045)
Interest receivable	(12,915)	(15,595)
Defined benefit pension scheme cost less contributions payable	250,000	155,000
Defined benefit pension scheme finance cost	40,000	32,000
(Increase)/decrease in debtors	(61,413)	1,677
Increase in creditors	259,871	87,038
Income retained within investments	(11,644)	(11,622)
Expenditure within investments	6,429	5,599
Gain on investments	(122,245)	(30,706)
Net cash provided by operating activities	662,856	531,378

21. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	12,915	15,595
Purchase of tangible assets	(308,965)	(105,636)
Capital grants from DfE Group	430,632	36,045
Net cash provided by/(used in) investing activities	134,582	(53,996)

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	2,354,895	1,557,457
Total cash and cash equivalents	2,354,895	1,557,457

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,557,457	797,438	2,354,895
	<u>1,557,457</u>	<u>797,438</u>	<u>2,354,895</u>

24. Pension commitments

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Sunderland City Council. 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 2019.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Pension commitments (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 employer's pension costs paid to TPS in the year amounted to £376,577 (2020 - £336,804).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 2021 was £208,000 (2020 - £216,000), of which employer's contributions totalled £160,000 (2020 - £173,000) and employees' contributions totalled £ 48,000 (2020 - £43,000). The agreed contribution rates for future years are 25.2 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Principal actuarial assumptions

	2021	<i>2020</i>
	%	%
Rate of increase in salaries	4.1	3.8
Rate of increase for pensions in payment/inflation	2.6	2.3
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.6	2.3

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

	2021	<i>2020</i>
	Years	Years
<i>Retiring today</i>		
Males	21.9	21.8
Females	25.1	25
<i>Retiring in 20 years</i>		
Males	23.6	23.5
Females	26.9	26.8

Sensitivity analysis

	2021	<i>2020</i>
	£000	£000
Discount rate +0.1%	5,994	5,149
Discount rate -0.1%	6,308	5,418
Mortality assumption - 1 year increase	5,921	5,091
Mortality assumption - 1 year decrease	6,382	5,471
Rate of general increase in salaries +0.1%	6,185	5,313
Rate of general increase in salaries -0.1%	6,111	5,249

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	1,990,000	1,548,000
Corporate bonds	719,000	662,000
Property	286,000	266,000
Cash and other liquid assets	143,000	55,000
Government bonds	75,000	69,000
Other	365,000	292,000
Total market value of assets	3,578,000	2,892,000

The actual return on scheme assets was £560,000 (2020 - £16,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	410,000	394,000
Interest cost	40,000	39,000
Total amount recognised in the Statement of financial activities	450,000	433,000

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

	2021 £	2020 £
At 1 September	5,281,000	4,455,000
Current service charge	410,000	328,000
Interest cost	90,000	85,000
Employee contributions	48,000	43,000
Actuarial losses	401,000	397,000
Benefits paid	(82,000)	(27,000)
At 31 August	6,148,000	5,281,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Pension commitments (continued)

Changes in the fair value of the academy's share of scheme assets were as follows:

	2021 £	2020 £
At 1 September	2,892,000	2,687,000
Interest income	50,000	53,000
Actuarial gains/(losses)	510,000	(37,000)
Employer contributions	160,000	173,000
Employee contributions	48,000	43,000
Benefits paid	(82,000)	(27,000)
At 31 August	3,578,000	2,892,000

25. Operating lease commitments

At 31 August 2021 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	3,299	3,299

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2021 £	2020 £
Operating lease rentals	13,196	13,196
Changes in lease payments arising from COVID-19 related rent concessions	-	-

26. Members' liability

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

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NOTES TO THE FINANCIAL STATEMENTS
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27. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees 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's financial regulations and normal procurement procedures relating to connected and related party transactions.

In the year to 31 August 2021, school improvement services to the individual schools have been purchased from Mrs Moira Fitzpatrick, the mother of the Executive Head amounting to £4,800 (2020: £3,200) at cost.

28. Post balance sheet events

On 1 November 2021, Springview Village Primary School, Westfield Crescent, Gateshead, NE9 7RX has become part of the multi academy trust. All assets and liabilities were transferred to Oak Learning Trust.