

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisors	1
Trustees' report	2 - 10
Governance statement	11 - 13
Statement on regularity, propriety and compliance	14
Statement of Trustees' responsibilities	15
Independent auditors' report on the financial statements	16 - 17
Independent reporting accountant's assurance report on regularity	18 - 19
Statement of financial activities	20
Balance sheet	21
Statement of cash flows	22
Notes to the financial statements	23 - 41

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Trustees

Clayton Ainger (resigned 18 November 2015)¹
Adam Barber, Headteacher^{1,2,3}
David Cooper²
Annabel Corbett³
Roger Garrett (resigned 25 September 2016)^{2,3}
Tomasin James^{1,2}
Adrian Jones, Vice Chair²
Sylvie Jones, Staff Trustee³
Ainslie Levy (resigned 31 August 2016)³
Jonathan Rees, Chair¹
Nicola O'Brien, Staff Trustee^{1,2}
Sarah-Jane Ribeiro³
John Worthington^{1,3}

¹ Finance and Premises and Health and Safety Committee

² Staff and Wellbeing Committee

³ Pupil Progress and Curriculum Committee

Company registered number 07763421

Company name Henleaze Junior School

Principal and Registered office Park Grove
Henleaze
Bristol
BS9 4LG

Company secretary Nicola O'Brien

Accounting Officer Adam Barber

Senior leadership team A Barber, Headteacher
J Parr, Deputy Headteacher
N O'Brien, Business Manager

Senior management team A Barber, Headteacher
J Parr, Deputy Headteacher
M Dash, Teacher
S Mumford, Teacher
S Spaargaren, SENCO
S Jones, Teacher
N O'Brien, Business Manager

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 7 to 11 in Henleaze, Bristol. It has a pupil capacity of 360 and had a roll of 381 in the school census on 31 January 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Trustees of Henleaze Junior School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Henleaze Junior School.

Details of the Trustees who served throughout the year, except as noted, 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 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 they ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

On 1 October 2011, the Trustees appointed all those Governors that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy, does not exceed one third of the total number of Trustees) and up to 3 other Trustees.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

The Academy shall have the following Trustees as set out in its Articles of Association and funding agreement:

- Up to 7 Trustees who are appointed by members;
- A minimum of 2 and a maximum of 5 Parent Trustees who are elected by Parents of registered pupils at the Academy;
- Staff Trustees appointed by Governing Body;
- Up to 3 Community Trustees who are appointed by the Governing Body; and,
- The Headteacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

A Trustees' day is organised each year when all Trustees spend the day in school to gain a better understanding of how the school operates and the impact of their roles and responsibilities.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 3 committees as follows:

- **Finance and Premises and Health and Safety Committee** - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget including setting staffing levels. It incorporates the role of an audit committee. It is responsible for the repair and maintenance of the premises. This committee will also monitor, evaluate and review Academy policy, practice and performance in relation to Health and Safety;
- **Pupil Progress and Curriculum Committee** - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral and welfare issues; and,
- **Staffing and Wellbeing Committee** – responsible for overseeing policies relating to HR, pay and conditions, recruitment, training, performance management and working conditions.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The SLT consists of the Headteacher, Deputy Headteacher, the Assistant Headteacher and the Academy Business Manager.

The SMT consists of the SLT plus the SENCO and three School Development Leaders.

The Trustees and Governing body have devolved responsibility for day to day management of the Academy to the Headteacher and the SMT. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Academy Business Manager and Finance, Health & Safety and Premises Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders, which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee.

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year in respect of their role as Trustee.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with School Teachers' Pay and Conditions guidance and National Joint Council pay award for school support staff.

Connected Organisations, including Related Party Relationships

The Academy has strong collaborative links with Henleaze Infant School and Claremont Special School, with a Campus Collaboration Committee comprised of governors from all three schools overseeing matters of common interest.

The Academy administers the income and expenditure of the NW24 Teaching and Learning Partnership, an informal collective arrangement including local schools.

There are no related parties which either control or significantly influence the decisions and operations of Henleaze Junior School.

HENSA (Henleaze Junior School Parent Teacher Association) is associated with the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Henleaze Junior School to provide free education and care for pupils of different abilities between the ages of 7 and 11.

The aims of the Academy during the year ended 31 August 2016 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils;
- To provide a broad and balanced curriculum, including extra-curricular activities;
- To develop students as more effective learners;
- To develop the Academy site so that it enables students to achieve their full potential;
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements; and,
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Henleaze Junior School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment, where they can all enjoy learning together.

Objectives, Strategies and Activities

- To have a broad and balanced curriculum that reflects our concern for the progress of every individual;
- To have high expectations for all;
- To equip children with the tools and attitudes that will enable them to become confident individuals, responsible citizens and lifelong learners;
- To value the environment and to use it with care as a tool for learning;
- To work with our school community and the community at large in order to improve opportunities for all;
- To be a fair employer with commitment to equal opportunities and to the professional development of all staff, recognising and celebrating their dedication and commitment;
- To work with others in the education community in mutual support for the improvement of children's learning; and,
- To enrich the learning of all those with whom we work.

Goals

These are our key focus areas for development in the three year period 2013-2016:

Ongoing Priorities

These have been and will continue to be the means by which Henleaze Junior School establishes itself as a distinctive, outstanding school serving its local community:

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- Maintain high standards of attainment in core subjects;
- Deliver an exciting, relevant, broad, enriched curriculum;
- Recognise achievement in all its manifestations;
- All teaching should be good or better, with an increasing consistency of outstanding teaching resulting in outstanding progress;
- Identification of and provision for children with special educational needs (including the more able) should be smart, responsive and transparent;
- Maintain high levels of pupil involvement in all aspects of school life;
- Continue to develop community links and extended services; and,
- Enhance pupil and staff wellbeing and pastoral care.

New Priorities

Key activities and targets were identified in the School Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

- Ensure a smooth transition to the new National Curriculum, strengthening links between curriculum teams and their KS1 and KS3 colleagues;
- Focus on quality first teaching, including attention to stretch and challenge and specific support strategies;
- Monitor, evaluate, review and refine our approach to assessment; and,
- Assist all staff in achieving outstanding outcomes through appropriate training, and productive partnerships.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

As an Academy we have a duty to support other schools. The Academy is a member of a number of groups throughout Bristol and in particular a member of NW24 Teaching and Learning Partnership. We work collaboratively with other schools in these groups by sharing best practice across a wide range of areas.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its fifth year of operation. The total number of students in the year ended 31 August 2016 was 381. The Academy is full in all year groups and has a waiting list in operation.

All children continue to make very good progress, as endorsed by an OFSTED inspection in May 2013. Teachers set challenging targets, and many children exceed the targets set in each year group.

Most of the children in the school have participated in extra-curricular activities or inter-school competition. The school's teams regularly compete in and win tournaments in a range of sports.

During this year, the school has used capital funds to enhance our ICT equipment and outdoor space.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In period under review, £177,166 was carried forward representing 13% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2016 were 381. It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2016, this was 85%, compared to 83% in 2015.

The following KPI's were set at the start of the year. Please note that due to the Department for Education changes to the assessment framework for 2015-16, no comparisons can be drawn with previous years SATS results:

KPI	Target	Actual
Student attendance %	97%	97%
SATS 2015-16		Target
Reading/Writing/Maths combined	meeting standards	73%
	not meeting standards	27%
Reading	meeting standards	86%
	not meeting standards	14%
Writing	meeting standards	87%
	not meeting standards	13%
Maths	meeting standards	81%
	not meeting standards	19%

No targets were set for SATS 2015-16, as the national framework for assessing children's work changed significantly from the previous year and is in transition to a new framework. In this interim period no school level targets have been set.

We have developed a new approach to reporting to parents during this interim period, so that parents continue to have clear information about their child's progress during the year.

The school continues to see very high levels of attendance which contributes to our children becoming successful learners.

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 it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

accounting policies.

During the year ended 31 August 2016, the Academy received total income of £1,680,518 and incurred total expenditure of £1,605,766 (excluding fixed assets funds). The surplus of income over expenditure for the year was £74,752.

At 31 August 2016 the net book value of fixed assets was £2,845,112 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 21 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Trustees have adopted an internal assurance Policy and appointed Bishop Fleming to undertake a programme of internal checks on the financial controls. During the year, the Trustees received 3 reports from internal assurance which contained no matters of significance.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be approximately £150,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted pension fund) is £401,436.

The Trustees have reviewed the future plans of the Academy and plan to spend at least £70,000 of the surplus free reserves on additional planned maintenance whilst investigating funding options for critical infrastructure projects.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect. On a daily basis this is achieved by automatic transfer of surplus funds to overnight deposit. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Business Manager within strict guidelines approved by the Board of Trustees.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy is reliant on Government funding through the EFA. There is more uncertainty regarding Government Policy and funding streams. Pressure on school budgets is increasing due to funding cuts and increased staffing costs.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy's internal assurance carries out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated by the Trustees on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, significant reductions in funding for high needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 21 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community and continue to support and participate in NW24 Teaching & Learning Partnership.

Full details of our plans for the future are given in our Academy Development Plan, which is available on our website or from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITORS

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 30/11/2016 and signed on the board's behalf by:



**Jonathan Rees
Chair of Trustees**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, 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 Henleaze Junior School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 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
Clayton Ainger	0	1
Adam Barber, Headteacher	6	6
David Cooper	5	6
Annabel Corbett	6	6
Roger Garrett	0	1
Tomasin James	4	6
Adrian Jones, Vice Chair	4	6
Sylvie Jones, Staff Trustee	4	6
Ainslie Levy	5	6
Jonathan Rees, Chair	5	6
Nicola O'Brien, Staff Trustee	5	6
Sarah-Jane Ribeiro	6	6
John Worthington	5	6

Roger Garrett and Clayton Ainger resigned in Term 1 2015-16.

Governors developed the Governors Development Plan for 2015-16, to be reviewed by committees during 2016-17.

Governors reviewed the Risk Register and the approach to risk management taken by the school.

Finance and Premises and Health and Safety Committee

The Finance and Premises and Health and Safety is a sub-committee of the main Board of Trustees.

Purpose

To assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. The Finance and Premises and Health and Safety Committee also act as the Audit Committee.

Membership

The committee will be at least three Trustees, one of whom ideally will be the Chair of Trustees. The Headteacher will be an automatic member. The School Business Manager to attend meetings as an advisor. Additional non-voting members may be co-opted as considered necessary. Associate members have the right to attend any meeting in a non-voting capacity. Each committee has the power to co-opt associate members as it sees fit.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Quorum

The quorum for each meeting shall be three, of which the Headteacher must be one.

Meetings

Meetings to be at least once per seasonal term and otherwise as required, using the terms of reference as a guide to agenda setting. These will generally be in the two weeks prior to the Full Board of Trustees Meetings. Notice of at least one week must be given when convening a meeting.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Clayton Ainger	0	1
Adam Barber	5	6
Nicola O'Brien	6	6
Tomasin James	6	6
Jonathan Rees	4	6
John Worthington	6	6

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher 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:

- Ensuring that financial governance is strong, supported by regular Responsible Officer checks;
- Ensuring that the Trustees review expenditure against budget each term;
- Ensuring that plans for expenditure are linked to the School Development Plan, are costed and presented to Trustees/Senior Leaders for debate;
- Ensuring that the Scheme of Delegation is adhered to, so that appropriate quotes/tenders are obtained. For example, a written tendering process was undertaken to appoint contractors to build the tree house;
- Ensuring that procurement of goods and services benefits from economies of scale and group discounts wherever possible; and,
- Cashflow forecasts are used to identify and invest surplus cash balances to maximise bank interest receivable.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Premises and Health and Safety 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; and,
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Bishop Fleming LLP, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Three times a year, the auditors report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

No matters of significance have been reported to the Board of Trustees.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the Board of Trustees on 30/11/2016 and signed on their behalf, by:



**Jonathan Rees
Chair of Trustees**



**Adam Barber
Accounting Officer**


**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Adam Barber
Accounting Officer

Date: 30/11/2016

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

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

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

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

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

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



**Jonathan Rees
Chair of Trustees**

Date: 30/11/2016

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES
OF HENLEAZE JUNIOR SCHOOL**

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

This report is made solely to the 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES
OF HENLEAZE JUNIOR SCHOOL**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Bishop Fleming LLP

Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

15/12/16

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HENLEAZE JUNIOR SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Henleaze Junior School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF HENLEAZE JUNIOR SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Henleaze Junior School's funding agreement with the Secretary of State for Education dated 12 October 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HENLEAZE
JUNIOR SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

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

Joseph Scaife

Joseph Scaife FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date: 15/12/16

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	8,057	102,429	-	110,486	90,615
Charitable activities	3	33,875	1,473,131	-	1,507,006	1,642,252
Other trading activities	4	62,320	-	-	62,320	68,862
Investments	5	706	-	-	706	481
TOTAL INCOME		104,958	1,575,560	-	1,680,518	1,802,210
EXPENDITURE ON:						
Charitable activities		68,310	1,537,456	102,088	1,707,854	1,777,324
TOTAL EXPENDITURE	6	68,310	1,537,456	102,088	1,707,854	1,777,324
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	16	36,648	38,104	(102,088)	(27,336)	24,886
		-	(35,246)	35,246	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		36,648	2,858	(66,842)	(27,336)	24,886
Actuarial losses on defined benefit pension schemes	21	-	(221,000)	-	(221,000)	(16,000)
NET MOVEMENT IN FUNDS		36,648	(218,142)	(66,842)	(248,336)	8,886
RECONCILIATION OF FUNDS:						
Total funds brought forward		187,622	(209,692)	2,911,954	2,889,884	2,880,998
TOTAL FUNDS CARRIED FORWARD		224,270	(427,834)	2,845,112	2,641,548	2,889,884

The notes on pages 23 to 41 form part of these financial statements.


HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07763421

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	13		2,845,112		2,911,954
CURRENT ASSETS					
Debtors	14	70,823		49,918	
Cash at bank and in hand		388,015		348,931	
		<u>458,838</u>		<u>398,849</u>	
CREDITORS: amounts falling due within one year	15	(57,402)		(63,919)	
NET CURRENT ASSETS			<u>401,436</u>		<u>334,930</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,246,548</u>		<u>3,246,884</u>
Defined benefit pension scheme liability	21	(605,000)		(357,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>2,641,548</u>		<u>2,889,884</u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	16	177,166		147,308	
Fixed asset funds	16	2,845,112		2,911,954	
		<u>3,022,278</u>		<u>3,059,262</u>	
Restricted funds excluding pension liability					
Pension reserve	21	(605,000)		(357,000)	
		<u></u>		<u></u>	
Total restricted funds			<u>2,417,278</u>		<u>2,702,262</u>
Unrestricted funds	16		<u>224,270</u>		<u>187,622</u>
TOTAL FUNDS			<u>2,641,548</u>		<u>2,889,884</u>

The financial statements were approved by the Trustees, and authorised for issue, on 30/11/2016 and are signed on their behalf, by:


Adam Barber, Headteacher


Jonathan Rees, Chair

The notes on pages 23 to 41 form part of these financial statements.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>65,360</u>	<u>156,092</u>
Cash flows from investing activities:			
Interest received		706	468
Purchase of tangible fixed assets		(35,246)	(39,002)
Capital grants from DfE/EFA		8,264	8,253
Net cash used in investing activities		<u>(26,276)</u>	<u>(30,281)</u>
Change in cash and cash equivalents in the year		39,084	125,811
Cash and cash equivalents brought forward		<u>348,931</u>	<u>223,120</u>
Cash and cash equivalents carried forward	19	<u><u>388,015</u></u>	<u><u>348,931</u></u>

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

First time adoption of FRS 102

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

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

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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

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

1.4 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.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

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

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold buildings	-	50 years straight line
Long term leasehold land	-	Over the life of the lease
Office equipment	-	8 to 10 years straight line
Computer equipment	-	4 years straight line

1.6 OPERATING LEASES

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

1.7 INTEREST RECEIVABLE

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

1.8 TAXATION

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

1.9 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.10 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 and cash on deposit that has a notice period of less than 30 days.

1.11 LIABILITIES AND PROVISIONS

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.12 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

1.13 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.14 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 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 and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.15 AGENCY ARRANGEMENTS

The Academy acts as an agent in managing the income and expenditure of the NW24 Teaching and Learning Partnership. Payments received from local schools and subsequent expenditure from the Partnership are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The funds received, paid and any balances held at period end are disclosed in Note 27.

1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Academy trust obtains use of fixed assets as a lessee. The classification of such leases requires the Academy trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	8,057	94,165	-	102,222	82,362
Capital Grants	-	8,264	-	8,264	8,253
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	8,057	102,429	-	110,486	90,615

In 2015, of the total income from donations and capital grants, £4,130 was unrestricted, £78,232 was restricted and £8,253 was in relation to restricted fixed asset funds.

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	1,338,032	1,338,032	1,447,433
Other DfE/EFA grants	-	53,560	53,560	52,072
	<u>-</u>	<u>1,391,592</u>	<u>1,391,592</u>	<u>1,499,505</u>
Other government grants				
High Needs	-	81,014	81,014	105,880
Other Government grants: non capital	-	525	525	525
	<u>-</u>	<u>81,539</u>	<u>81,539</u>	<u>106,405</u>
Other funding				
Income for hosting trainee teachers	3,000	-	3,000	11,696
Other	3,319	-	3,319	5,620
School club income	16,166	-	16,166	16,039
Consultancy income	11,390	-	11,390	2,987
	<u>33,875</u>	<u>-</u>	<u>33,875</u>	<u>36,342</u>
	<u>33,875</u>	<u>1,473,131</u>	<u>1,507,006</u>	<u>1,642,252</u>

In 2015, of the total income from charitable activities, £36,342 was unrestricted and £1,605,910 was restricted.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	2,306	-	2,306	2,930
Catering income	60,014	-	60,014	65,932
	<u>62,320</u>	<u>-</u>	<u>62,320</u>	<u>68,862</u>

In 2015, the total income from other trading activities was unrestricted.

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income - local cash	706	-	706	481

In 2015, total investment income was unrestricted.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Education:					
Direct costs	1,055,465	93,776	198,619	1,347,860	1,412,932
Support costs	95,577	124,428	139,989	359,994	364,391
	<u>1,151,042</u>	<u>218,204</u>	<u>338,608</u>	<u>1,707,854</u>	<u>1,777,323</u>

In 2016, of total expenditure, £68,310 (2015: £108,686) was unrestricted, £1,537,456 (2015: £1,560,935) was restricted and £105,088 (2015: £104,703) was in relation to restricted fixed assets.

7. DIRECT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	10,500	13,000
Educational supplies	176,254	181,990
Staff development	7,129	7,563
Other costs	4,736	2,764
Wages and salaries	835,061	909,553
National insurance	64,526	58,555
Pension cost	155,878	143,624
Depreciation	93,776	95,883
	<u>1,347,860</u>	<u>1,412,932</u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

8. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	2,500	-
Maintenance of premises and equipment	39,107	31,292
Cleaning	31,414	29,258
Rent and rates	11,064	4,575
Energy costs	14,523	15,853
Insurance	31,137	26,384
Security and transport	761	1,442
Catering	63,887	68,637
Office overheads	28,320	53,537
Legal and professional	22,362	14,859
Bank interest and charges	455	-
Governance	10,575	11,870
Wages and salaries	80,044	84,105
National insurance	3,944	3,119
Pension cost	11,589	10,639
Depreciation	8,312	8,821
	<u>359,994</u>	<u>364,391</u>

9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charity	102,088	104,704
Fees payable to auditor for: - audit	6,650	6,125
- other services	4,375	3,515
	<u>113,113</u>	<u>114,344</u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	911,327	974,968
Social security costs	68,470	61,674
Operating costs of defined benefit pension schemes	167,467	154,263
	1,147,264	1,190,905
Supply teacher costs	3,778	18,690
	1,151,042	1,209,595

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

	2016	2015
	No.	No.
Teachers	20	21
Teaching Assistants	19	24
Administration and Support	2	3
Management	3	3
	44	51

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Teachers	15	15
Teaching Assistants	12	12
Administration and Support	2	3
Management	3	4
	32	34

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

	2016	2015
	No.	No.
In the band £60,001 - £70,000	1	1

Contributions of £11,200 (2015: - £9,488) were made to the Teachers' Pension Scheme (TPS) in respect of the above employee.

The key management personnel of the Academy Trust comprise the trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £177,183 (2015: £170,341).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the senior leadership team other than in their role as trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 3 trustees (2015: 3) in respect of defined benefit pension schemes.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: A Barber, Remuneration £65,000 - £70,000 (2015: £65,000 - £70,000), Employer's Pension Contributions £10,000 - £15,000 (2015: £5,000 - £10,000); S Jones, Remuneration £40,000 - £45,000 (2015: £40,000 - £45,000), Employer's Pension Contributions £5,000 - £10,000 (2015: £5,000 - £10,000); N O'Brien, Remuneration £30,000 - £35,000 (2015: £30,000 - £35,000), Employer's Pension Contributions £0 - £5,000 (2015: £0 - £5,000).

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

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

Other related party transactions involving the trustees are set out in note 23.

12. TRUSTEES' AND OFFICERS' INSURANCE

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

13. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2015	2,894,932	268,813	92,471	3,256,216
Additions	29,351	-	5,895	35,246
At 31 August 2016	<u>2,924,283</u>	<u>268,813</u>	<u>98,366</u>	<u>3,291,462</u>
DEPRECIATION				
At 1 September 2015	184,233	108,676	51,353	344,262
Charge for the year	48,523	33,036	20,529	102,088
At 31 August 2016	<u>232,756</u>	<u>141,712</u>	<u>71,882</u>	<u>446,350</u>
NET BOOK VALUE				
At 31 August 2016	<u>2,691,527</u>	<u>127,101</u>	<u>26,484</u>	<u>2,845,112</u>
At 31 August 2015	<u>2,710,699</u>	<u>160,137</u>	<u>41,118</u>	<u>2,911,954</u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

14. DEBTORS

	2016	2015
	£	£
Trade debtors	4,684	8,474
VAT recoverable	38,587	26,064
Other debtors	1,200	-
Prepayments and accrued income	26,352	15,380
	<u>70,823</u>	<u>49,918</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	13,741	23,758
Other taxation and social security	19,928	17,341
Other creditors	17,733	16,821
Accruals and deferred income	6,000	5,999
	<u>57,402</u>	<u>63,919</u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

16. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General Funds	187,622	104,958	(68,310)	-	-	224,270
RESTRICTED FUNDS						
	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	134,033	1,341,412	(1,281,297)	(16,982)	-	177,166
High Needs Funding	-	81,539	(81,539)	-	-	-
Donations	13,275	84,165	(97,440)	-	-	-
Pupil Premium	-	40,285	(40,285)	-	-	-
Tree House Donation	-	10,000	-	(10,000)	-	-
Devolved Formula Capital	-	8,264	-	(8,264)	-	-
Other DfE/EFA grants	-	9,895	(9,895)	-	-	-
Pension reserve	(357,000)	-	(27,000)	-	(221,000)	(605,000)
	<u>(209,692)</u>	<u>1,575,560</u>	<u>(1,537,456)</u>	<u>(35,246)</u>	<u>(221,000)</u>	<u>(427,834)</u>
RESTRICTED FIXED ASSET FUNDS						
	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Restricted Fixed Asset Funds	2,867,499	-	(100,529)	-	-	2,766,970
Fixed assets purchased from GAG and other funds	44,455	-	(1,559)	35,246	-	78,142
	<u>2,911,954</u>	<u>-</u>	<u>(102,088)</u>	<u>35,246</u>	<u>-</u>	<u>2,845,112</u>
Total restricted funds	<u>2,702,262</u>	<u>1,575,560</u>	<u>(1,639,544)</u>	<u>-</u>	<u>(221,000)</u>	<u>2,417,278</u>
Total of funds	<u><u>2,889,884</u></u>	<u><u>1,680,518</u></u>	<u><u>(1,707,854)</u></u>	<u><u>-</u></u>	<u><u>(221,000)</u></u>	<u><u>2,641,548</u></u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

16. STATEMENT OF FUNDS (continued)

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

RESTRICTED FUNDS

General Annual Grant (GAG) - This represents funding received from the Education Funding Agency (EFA) during the period in order to fund the continuing activities of the school.

High needs funding - This is received from the Local Authority to cater for pupils with learning difficulties and other disabilities.

Donations represent monies received from parents in respect of educational outings and trips in the year. A further donation of £10,000 was also received to contribute to the purchase of a tree house.

Devolved formula capital - This represents funding from the EFA to cover maintenance and purchase of the Academy's assets.

Other DfE/EFA grants - These are grants received from the EFA to cover the costs of completion of other statutory procedures during the year.

Pension reserve - This represents the School's share of the assets and liabilities in the Local Government Pension Scheme.

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	2,845,112	2,845,112	2,911,953
Current assets	224,270	234,568	-	458,838	398,850
Creditors due within one year	-	(57,402)	-	(57,402)	(63,919)
Pension scheme liability	-	(605,000)	-	(605,000)	(357,000)
	<u>224,270</u>	<u>(427,834)</u>	<u>2,845,112</u>	<u>2,641,548</u>	<u>2,889,884</u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(27,336)	24,886
Adjustment for:		
Depreciation charges	102,088	104,704
Interest received	(706)	(468)
(Increase)/decrease in debtors	(20,905)	7,239
Decrease in creditors	(6,517)	(1,016)
Capital grants from DfE and other capital income	(8,264)	(8,253)
Defined benefit pension scheme cost less contributions payable	14,000	16,000
Defined benefit pension scheme finance cost	13,000	13,000
Net cash provided by operating activities	65,360	156,092

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	337,631	298,822
Notice deposits (less than 3 months)	50,384	50,109
Total	388,015	348,931

20. FINANCIAL INSTRUMENTS

	2016 £	2015 £
Financial assets measured at amortised cost	380,033	357,405
Financial liabilities measured at amortised cost	37,444	29,757

Financial assets measured at amortised cost comprise of trade debtors and cash at bank and in hand.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

21. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £nil were payable to the schemes at 31 August 2016 (2015: 12,421) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £104,489 (2015: £90,664).

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

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

21. PENSION COMMITMENTS (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £63,000 (2015: £60,000) of which employer's contributions totalled £48,000 (2015: £45,000) and employees' contribution was £15,000 (2015: £15,000) The agreed contribution rates for future years are 13.2% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	4.00 %
Expected return on scheme assets at 31 August	2.10 %	4.00 %
Rate of increase in salaries	3.30 %	3.80 %
Rate of increase for pensions in payment / inflation	1.90 %	2.30 %
Inflation assumption (CPI)	1.80 %	2.30 %

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

	2016	2015
Retiring today		
Males	23.5 years	23.4 years
Females	26.0 years	25.9 years
Retiring in 20 years		
Males	25.9 years	25.8 years
Females	28.9 years	28.8 years

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	134,000	107,000
Government bonds	33,000	17,000
Other bonds	26,000	21,000
Property	26,000	15,000
Cash/liquidity	(1,000)	4,000
Other	50,000	26,000
	<hr/>	<hr/>
Total market value of assets	268,000	190,000
	<hr/> <hr/>	<hr/> <hr/>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

21. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(62,000)	(61,000)
Net interest cost	(13,000)	(13,000)
Total	<u>(75,000)</u>	<u>(74,000)</u>
Actual return on scheme assets	<u>32,000</u>	<u>2,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	547,000	441,000
Current service cost	62,000	61,000
Interest cost	21,000	18,000
Contributions by employees	15,000	15,000
Actuarial losses	244,000	12,000
Benefits paid	(16,000)	-
Closing defined benefit obligation	<u>873,000</u>	<u>547,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	190,000	129,000
Interest income	9,000	6,000
Actuarial gains and (losses)	23,000	(4,000)
Contributions by employer	48,000	45,000
Contributions by employees	15,000	15,000
Benefits paid	(16,000)	-
Administration expenses	(1,000)	(1,000)
Closing fair value of scheme assets	<u>268,000</u>	<u>190,000</u>

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

22. OPERATING LEASE COMMITMENTS

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

	2016	2015
	£	£
AMOUNTS PAYABLE:		
Within 1 year	1,406	2,589
Between 1 and 5 years	3,515	-
Total	4,921	2,589

23. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of Trustees being drawn from local public and private sector organisation, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No such transactions have occurred during the period.

24. CONTROLLING PARTY

The academy is under the joint control of the Trustees.

25. 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.

26. GENERAL INFORMATION

Henleaze Junior School is a company limited by guarantee, incorporated in England and Wales. The registered office is Park Grove, Henleaze, Bristol, BS9 4LG.

27. AGENCY ARRANGEMENTS

The Academy administers the income and expenditure of the NW24 Teaching and Learning Partnership, an informal collective arrangement including local schools. In the year ended 31 August 2016 the Academy received £46,990 (2015: £nil) and spent £29,287 (2015: £nil) from the fund. As at the balance sheet date £17,703 (2015: £nil) of remaining funds are included in other creditors.

**HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

28. FIRST TIME ADOPTION OF FRS 102

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

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		2,880,998	2,889,884
Total funds reported under FRS 102		<u>2,880,998</u>	<u>2,889,884</u>

Reconciliation of net income/ (expenditure)	Notes	31 August 2015 £
Net income previously reported under UK GAAP		27,886
Interest cost on FRS17 pension liability	1	(3,000)
Net movement in funds reported under FRS 102		<u>24,886</u>

Explanation of changes to previously reported funds and net income/expenditure:

1 Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in expenditure. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to income by £3,000 and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.