

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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

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**HENLEAZE JUNIOR SCHOOL
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2015. 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 379 in the school census on January 2015.

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 Trustees of 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 cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust'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 Trust, 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 Trust. The limit of this indemnity is £5,000,000.

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 1 October 2011, the Trustees appointed all those Trustees 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 Trust, does not exceed one third of the total number of Trustees) and up to 3 other Trustees.

**HENLEAZE JUNIOR SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Trustees

Adam Barber, Headteacher^{1,2,3}
David Cooper³
Adrian Jones^{2,3}
Ainslie Levy³
Jonathan Rees, Chair¹
Nicola O'Brien, Staff Trustee^{1,2}
Clayton Ainger¹
Sarah-Jane Ribeiro³
Roger Garrett (resigned 25 September 2015)^{2,3}
Sylvie Jones, Staff Trustee³
Tomasin James¹
Annabel Corbett (appointed 22 September 2015)
John Worthington (appointed 22 September 2015)

- 1 Finance and Premises Committee
2 Staff and Wellbeing Committee
3 Pupil Progress and Curriculum Committee

**Company registered
number** 07763421

**Principal and Registered
office** Park Grove
Henleaze
Bristol
BS9 4LG

Company secretary Nicola O'Brien

Accounting Officer Adam Barber

**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

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Academy Trust 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 Co-opted 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.

There is a Trustees' away day organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on 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 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
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

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.

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.

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.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The aims of the Academy during the year ended 31 August 2015 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

- 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 well-being and pastoral care.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

New Priorities

These are new priorities in response both to external changes and in our increased capacity to move on.

Key activities and targets were identified in the Academy Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status. 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. Improve quality/consistency of lesson plans, and demonstrate how effective good planning can be in securing pupil progress;
- Decide what needs to be assessed. Decide what assessments need to be recorded and in what format. Decide what systems to use for formal assessments, so that information can be transferred with pupil data and reported to parents; and,
- Review pastoral care arrangements and policies for children.

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. 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 fourth year of operation. The total number of students in the year ended 31 August 2015 was 378. 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..

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 - the amount of carry forward restriction was removed in the prior year.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2015 were 379.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2015 this was 83%, compared to 86% in 2014.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The following non-financial KPI targets were set at the start of the year:

KPI	Target	Actual	Actual TA	Actual SATS Test
Student attendance %	97%	97%		
SATS and Teacher Assessment (TA) Results 2014-15				
English				
Level 4+	96%		97%	
Level 5	68%		54%	
Writing				
Level 4+	86%		85%	
Level 5	37%		40%	
Reading				
Level 4+	90%		98%	92%
Level 5	71%		70%	66%
Level 6	-		-	-
Spelling & Grammar (SPAG)				
Level 4+	-			87%
Level 5	-			75%
Level 6	-			9%
Maths				
Level 4+	95%		92%	87%
Level 5	52%		60%	49%
Level 6	12%		12%	12%

No target was set for Level 6 Reading.

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

We set very ambitious targets for English and Maths and we are proud of the close correlation between the targets set and the results achieved.

Going Concern

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

FINANCIAL REVIEW

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 2015 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 accounting policies.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

During the year ended 31 August 2015, the Academy received total income of £1,802,210 and incurred total expenditure of £1,774,324. The excess of income over expenditure for the year was £27,886.

At 31 August 2015 the net book value of fixed assets was £2,911,954 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 19 September 2012 at £2,584,721. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

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 23 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 (unrestricted and restricted funds) is £334,930.

The Trustees have reviewed the future plans of the Academy and plan to use reserves to contribute towards the funding of identified future capital projects whilst continuing with the careful management of expenditure and prudent budget setting.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust'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 Trust.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most 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 has considerable reliance on continued Government funding through the EFA. In the last year 94% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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, changes in funding arrangements for special educational 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

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

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.

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 23 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.

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 2 Dec 15 and signed on the board's behalf by:



**Jonathan Rees
Chair of Trustees**

**HENLEAZE JUNIOR SCHOOL
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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 Trustees' responsibilities statement. 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
Adam Barber, Headteacher	5	6
David Cooper (Responsible Officer)	5	6
Adrian Jones	5	6
Ainslie Levy	5	6
Jonathan Rees, Chair	5	6
Nicola O'Brien, Staff Trustee	6	6
Clayton Ainger	2	6
Sarah-Jane Ribeiro	6	6
Roger Garrett	3	6
Sylvie Jones, Staff Trustee	5	6
Tomasin James	5	6

We continue to seek a trustee with accountancy skills/experience, to enhance the Finance & Premises Committee skill set.

Governance reviews:

- In Term 5, the Governing Body conducted survey to identify governors' skills;
- The survey informed a review and evaluation of the skills of the governing body in Term 6; and,
- Governors developed a draft Governors Development Plan 2015-16 in Term 6, to be reviewed by committees during 2015-16.

The Finance and Premises Committee 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 recommendation on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for ratification. The Finance and Premises Committee also act as the Audit Committee.

Membership

The committee will be at least three governors, one of whom ideally will be the Chair of Governors. 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.

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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 Governing Body Meetings. Notice of at least one week must be given when convening a meeting.

Terms of Reference

Subject to the requirements of the Companies Act 1985 and the Charity Commission SORP Accounting and Reporting 1985, the committee is authorised:

- To consider the academy's indicative funding, notified annually by the YPLA, and to assess its implications for the academy, in consultation with the headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the governing body;
- To consider and recommend acceptance/non-acceptance of the academy's budget, at the start of each financial year;
- To contribute to the formulation of the school development plan, through the consideration of financial priorities and proposals, in consultation with the headteacher, with the stated and agreed aims and objectives of the academy;
- To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan;
- To liaise with and receive reports from the staffing and premises committees, to make recommendations to those committees about the financial aspects of matters being considered by them;
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the governing body;
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement;
- To prepare the financial statement to form part of the annual report of the governing body to parents and for filing in accordance with Companies Act and Charity Commission requirements;
- To receive auditors' reports and to recommend to the full governing body action as appropriate in response to audit findings; and,
- To recommend to the full governing body the appointment or reappointment of the auditors of the academy.

Attendance at meetings in the year was as follows:

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

REVIEW OF VALUE FOR MONEY

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

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

GOVERNANCE STATEMENT (continued)

- Ensuring that financial governance is strong, supported by regular internal assurance checks;
- The Trustees review the budget termly;
- Plans for expenditure are linked to the School Development Plan, are costed and presented to Trustees/Senior Leaders for debate;
- We have a Scheme of Delegation that is adhered to and ensures that appropriate quotes/tenders are obtained to ensure Value for Money. For example, a written tendering process was undertaken to appoint contractors to build tree house;
- Our Business Manager is a member of a group of Business Managers in 13 local primary/junior schools that regularly review existing service contracts and procure services and goods as a group, benefitting from economies of scale and group discounts. This approach ensures contracts remain fit for purpose and provide value for money; 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 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 Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed 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.

On a quarterly basis, the auditors report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (continued)

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 Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on ¹⁵/₂ December 2015 and signed on its 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 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 and the Secretary of State. 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 Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook.

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: 02/12/15

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

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

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 Trustees' report (including the Strategic 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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: 2/12/15

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENLEAZE JUNIOR SCHOOL

We have audited the financial statements of Henleaze Junior School for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 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 Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 2015 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 TO THE MEMBERS 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.



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: 10/12/15

**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 2014 to 2015, 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 2014 to 31 August 2015 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 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Joseph Scaife FCA DChA (Reporting Accountant)

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

Date:

10/12/15

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	4,130	78,232	-	82,362	66,479
Activities for generating funds	3	68,862	-	-	68,862	67,372
Investment income	4	481	-	-	481	342
Incoming resources from charitable activities		36,342	1,614,163	-	1,650,505	1,453,881
TOTAL INCOMING RESOURCES		109,815	1,692,395	-	1,802,210	1,588,074
RESOURCES EXPENDED						
Charitable activities	7,8	108,686	1,549,064	104,703	1,762,453	1,627,599
Governance costs	9	-	11,871	-	11,871	7,405
TOTAL RESOURCES EXPENDED	6	108,686	1,560,935	104,703	1,774,324	1,635,004
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS						
		1,129	131,460	(104,703)	27,886	(46,930)
Gross transfers between funds	17	-	(39,001)	39,001	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR						
		1,129	92,459	(65,702)	27,886	(46,930)
Actuarial gains and losses on defined benefit pension schemes		-	(19,000)	-	(19,000)	(74,000)
NET MOVEMENT IN FUNDS FOR THE YEAR						
		1,129	73,459	(65,702)	8,886	(120,930)
Total funds at 1 September		186,493	(283,151)	2,977,656	2,880,998	3,001,928
TOTAL FUNDS AT 31 AUGUST		187,622	(209,692)	2,911,954	2,889,884	2,880,998

All activities derive from continuing operations in the current financial period.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 40 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		2,911,954		2,977,656
CURRENT ASSETS					
Debtors	15	49,918		57,157	
Cash at bank		348,931		223,120	
			<u>398,849</u>	<u>280,277</u>	
CREDITORS: amounts falling due within one year	16	(63,919)		(64,935)	
NET CURRENT ASSETS			<u>334,930</u>		<u>215,342</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,246,884</u>		<u>3,192,998</u>
Defined benefit pension scheme liability	23		<u>(357,000)</u>		<u>(312,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>2,889,884</u></u>		<u><u>2,880,998</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	17	147,308		28,849	
Fixed asset funds	17	2,911,954		2,977,656	
			<u>3,059,262</u>	<u>3,006,505</u>	
Restricted funds excluding pension liability					
Pension reserve	23	(357,000)		(312,000)	
			<u>2,702,262</u>	<u>2,694,505</u>	
Total restricted funds					
Unrestricted funds	17		<u>187,622</u>		<u>186,493</u>
TOTAL FUNDS			<u><u>2,889,884</u></u>		<u><u>2,880,998</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 02/12/15 and are signed on their behalf, by:



Adam Barber, Headteacher



Jonathan Rees, Chair

The notes on pages 24 to 40 form part of these financial statements.

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	19	164,345	6,262
Returns on investments and servicing of finance	20	468	342
Capital expenditure	20	(39,002)	(38,771)
INCREASE/(DECREASE) IN CASH IN THE YEAR		125,811	(32,167)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015 £	2014 £
Increase/(Decrease) in cash in the year	125,811	(32,167)
MOVEMENT IN NET FUNDS IN THE YEAR	125,811	(32,167)
Net funds at 1 September 2014	223,120	255,287
NET FUNDS AT 31 AUGUST 2015	348,931	223,120

The notes on pages 24 to 40 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 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 and include grants from the Department for Education.

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

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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.

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the Academy's educational operations.

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees have assessed 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 have made this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare the accounts on the going concern basis for the year ended 31 August 2015.

1.6 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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. 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

1.7 OPERATING LEASES

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

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 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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), 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 quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	4,130	78,232	82,362	66,479
	<u>4,130</u>	<u>78,232</u>	<u>82,362</u>	<u>66,479</u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	2,930	-	2,930	5,539
Catering income	65,932	-	65,932	61,833
	<u>68,862</u>	<u>-</u>	<u>68,862</u>	<u>67,372</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	481	-	481	342
	<u>481</u>	<u>-</u>	<u>481</u>	<u>342</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	8,253	8,253	8,230
General Annual Grant	-	1,447,433	1,447,433	1,310,377
Other DfE/EFA grants	-	52,072	52,072	50,751
	<u>-</u>	<u>1,507,758</u>	<u>1,507,758</u>	<u>1,369,358</u>
Other government grants				
High needs funding	-	105,880	105,880	63,772
Capitalise Government	-	525	525	525
	<u>-</u>	<u>106,405</u>	<u>106,405</u>	<u>64,297</u>
Other funding				
Income for hosting trainee teachers	11,696	-	11,696	300
Other	24,646	-	24,646	19,926
	<u>36,342</u>	<u>-</u>	<u>36,342</u>	<u>20,226</u>
	<u>36,342</u>	<u>1,614,163</u>	<u>1,650,505</u>	<u>1,453,881</u>

HENLEAZE JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

6. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other	2015	2014
	£	2015	2015	£	£
		£	£		
Direct costs	1,098,732	96,382	223,639	1,418,753	1,277,528
Support costs	109,863	86,167	147,670	343,700	350,071
CHARITABLE ACTIVITIES	1,208,595	182,549	371,309	1,762,453	1,627,599
GOVERNANCE	-	-	11,871	11,871	7,405
	1,208,595	182,549	383,180	1,774,324	1,635,004

7. DIRECT COSTS

	Total	Total
	2015	2014
	£	£
Pension finance costs	11,000	6,000
Educational supplies	181,990	126,997
Staff development	7,563	11,053
Other costs	2,764	3,634
Wages and salaries	909,553	836,044
National insurance	58,555	55,536
Pension cost	142,624	123,377
Depreciation	104,704	114,887
	1,418,753	1,277,528

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8. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Recruitment and support	-	4,223
Maintenance of premises and equipment	31,292	40,344
Cleaning	29,258	27,613
Rent and rates	4,575	17,189
Energy costs	15,853	24,522
Insurance	26,384	28,973
Security and transport	1,442	2,084
Catering	68,637	61,567
Office overheads	53,537	34,588
Legal and professional	14,859	13,118
Bank interest and charges	-	85
Wages and salaries	84,105	81,206
National insurance	3,119	3,485
Pension cost	10,639	11,074
	<u>343,700</u>	<u>350,071</u>

9. GOVERNANCE COSTS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	6,125	6,125	5,400
Auditors' non audit costs	3,515	3,515	1,830
Legal and Professional	593	593	-
Other costs	1,638	1,638	175
	<u>11,871</u>	<u>11,871</u>	<u>7,405</u>

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	104,704	114,887
Auditors' remuneration	6,125	5,400
Auditors' remuneration - non-audit	3,515	1,830
	<u>114,344</u>	<u>122,117</u>

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11. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	974,968	906,244
Social security costs	61,674	59,021
Other pension costs (Note 23)	153,263	134,451
	<u>1,189,905</u>	<u>1,099,716</u>
Supply teacher costs	18,690	11,006
	<u>1,208,595</u>	<u>1,110,722</u>

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teachers	15	14
Teaching Assistants	12	9
Administration and Support	3	4
Management	4	4
	<u>34</u>	<u>31</u>

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	2014
	No.	No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

Contributions of £9,488 (2014 - £9,394) were made to the Teachers' Pension Scheme (TPS) in respect of the above employee.

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12. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 3 trustees (2014: 3) in respect of defined benefit pension schemes.

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy 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 (2014: £65,000 - £70,000), Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000), S Jones: Remuneration £40,000 - £45,000 (2014: £35,000 - £40,000), Employer's pension contributions £5,000 - £10,000 (2014: £0 - £5,000), N O'Brien: Remuneration £30,000 - £35,000 (2014: £30,000 - £35,000), Employer's pension contributions £0 - £5,000 (2014: £0 - £5,000).

The comparative period was the year ended 31 August 2014.

During the year, no Trustees received any reimbursement of expenses (2014: £NIL).

Other related party transactions involving the trustees are set out in note 25.

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was included within a premium of £10,454 (2014: £10,358).

14. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2014	2,867,653	268,813	80,748	3,217,214
Additions	27,279	-	11,723	39,002
At 31 August 2015	<u>2,894,932</u>	<u>268,813</u>	<u>92,471</u>	<u>3,256,216</u>
DEPRECIATION				
At 1 September 2014	134,909	75,640	29,009	239,558
Charge for the year	49,324	33,036	22,344	104,704
At 31 August 2015	<u>184,233</u>	<u>108,676</u>	<u>51,353</u>	<u>344,262</u>
NET BOOK VALUE				
At 31 August 2015	<u>2,710,699</u>	<u>160,137</u>	<u>41,118</u>	<u>2,911,954</u>
At 31 August 2014	<u>2,732,744</u>	<u>193,173</u>	<u>51,739</u>	<u>2,977,656</u>

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15. DEBTORS

	2015	2014
	£	£
Trade debtors	8,474	226
VAT recoverable	26,064	30,903
Other debtors	-	6,070
Prepayments and accrued income	15,380	19,958
	<u>49,918</u>	<u>57,157</u>

16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	23,758	30,809
Other taxation and social security	17,341	19,921
Other creditors	16,821	8,280
Accruals and deferred income	5,999	5,925
	<u>63,919</u>	<u>64,935</u>

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17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General Funds	186,493	109,815	(108,686)	-	-	187,622
RESTRICTED FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	24,739	1,447,433	(1,317,391)	(20,748)	-	134,033
Local authority funding	-	525	(525)	-	-	-
High needs funding	-	105,880	(105,880)	-	-	-
Donations	4,110	68,232	(59,067)	-	-	13,275
Pupil premium	-	42,182	(42,182)	-	-	-
Tree House Donation	-	10,000	-	(10,000)	-	-
Devolved formula capital	-	8,253	-	(8,253)	-	-
Other DfE/EFA grants	-	9,890	(9,890)	-	-	-
Pension reserve	(312,000)	-	(26,000)	-	(19,000)	(357,000)
	<u>(283,151)</u>	<u>1,692,395</u>	<u>(1,560,935)</u>	<u>(39,001)</u>	<u>(19,000)</u>	<u>(209,692)</u>
RESTRICTED FIXED ASSET FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Restricted Fixed Asset Funds	2,941,108	-	(73,609)	-	-	2,867,499
Fixed assets purchased from GAG and other funds	36,548	-	(31,094)	39,001	-	44,455
	<u>2,977,656</u>	<u>-</u>	<u>(104,703)</u>	<u>39,001</u>	<u>-</u>	<u>2,911,954</u>
Total restricted funds	<u>2,694,505</u>	<u>1,692,395</u>	<u>(1,665,638)</u>	<u>-</u>	<u>(19,000)</u>	<u>2,702,262</u>
Total of funds	<u><u>2,880,998</u></u>	<u><u>1,802,210</u></u>	<u><u>(1,774,324)</u></u>	<u><u>-</u></u>	<u><u>(19,000)</u></u>	<u><u>2,889,884</u></u>

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17. 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 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	186,493	109,815	(108,686)	-	-	187,622
Restricted funds	(283,151)	1,692,395	(1,560,935)	(39,001)	(19,000)	(209,692)
Restricted fixed asset funds	2,977,656	-	(104,703)	39,001	-	2,911,954
	<u>2,880,998</u>	<u>1,802,210</u>	<u>(1,774,324)</u>	<u>-</u>	<u>(19,000)</u>	<u>2,889,884</u>

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	2,911,953	2,911,953	2,977,656
Current assets	187,623	211,227	-	398,850	280,277
Creditors due within one year	-	(63,919)	-	(63,919)	(64,935)
Pension scheme liability	-	(357,000)	-	(357,000)	(312,000)
	<u>187,622</u>	<u>(209,692)</u>	<u>2,911,954</u>	<u>2,889,884</u>	<u>2,880,998</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net (outgoing)/incoming resources before revaluations	27,886	(46,930)
Returns on investments and servicing of finance	(468)	(342)
Depreciation of tangible fixed assets	104,704	114,887
Decrease/(increase) in debtors	7,239	(23,171)
Decrease in creditors	(1,016)	(52,182)
Defined benefit pension scheme adjustments	26,000	14,000
NET CASH INFLOW FROM OPERATIONS	<u>164,345</u>	<u>6,262</u>

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>468</u>	<u>342</u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	<u>(39,002)</u>	<u>(38,771)</u>

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21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	223,120	125,811	-	348,931
NET FUNDS	223,120	125,811	-	348,931

22. MEMBERS' LIABILITY

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

23. PENSION 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 defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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:

NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS in the period amounted to £152,586 (2014: £151,952).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £60,000, of which employer's contributions totalled £45,000 and employees' contributions totalled £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.

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23. PENSION COMMITMENTS (continued)

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.50	107,000	7.00	71,000
Government bonds	2.50	17,000	2.90	11,000
Other bonds	3.60	21,000	3.80	14,000
Property	6.10	15,000	6.20	10,000
Cash/liquidity	0.50	4,000	0.50	4,000
Other	6.50	26,000	7.00	19,000
Total market value of assets		<u>190,000</u>		<u>129,000</u>
Present value of scheme liabilities		<u>(547,000)</u>		<u>(441,000)</u>
Deficit in the scheme		<u><u>(357,000)</u></u>		<u><u>(312,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(547,000)	(441,000)
Fair value of scheme assets	<u>190,000</u>	<u>129,000</u>
Net liability	<u><u>(357,000)</u></u>	<u><u>(312,000)</u></u>

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

	2015 £	2014 £
Current service cost	(60,000)	(40,000)
Interest on obligation	(19,000)	(21,000)
Expected return on scheme assets	<u>8,000</u>	<u>15,000</u>
Total	<u><u>(71,000)</u></u>	<u><u>(46,000)</u></u>

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

	2015 £	2014 £
Opening defined benefit obligation	441,000	452,000
Current service cost	60,000	40,000
Interest cost	19,000	21,000
Contributions by scheme participants	15,000	12,000
Actuarial Losses/(gains)	<u>12,000</u>	<u>(84,000)</u>
Closing defined benefit obligation	<u><u>547,000</u></u>	<u><u>441,000</u></u>

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23. PENSION COMMITMENTS (continued)

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

	2015	2014
	£	£
Opening fair value of scheme assets	129,000	228,000
Expected return on assets	8,000	15,000
Actuarial (losses) and gains	(7,000)	(158,000)
Contributions by employer	45,000	32,000
Contributions by employees	15,000	12,000
	<u>190,000</u>	<u>129,000</u>

The cumulative amount of actuarial losses recognised in the Statement of total recognised gains and losses was £111,000 (2014: £92,000).

The Academy expects to contribute £36,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	55.60 %	55.10 %
Bonds	20.30 %	19.30 %
Property	8.10 %	7.60 %
Cash	2.20 %	3.30 %
Other assets	13.80 %	14.70 %

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	5.28 %	5.66 %
Rate of increase in salaries	3.80 %	3.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.20 %

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

	2015	2014
Retiring today		
Males	23.4 years	23.3 years
Females	25.9 years	25.8 years
Retiring in 20 years		
Males	25.8 years	25.7 years
Females	28.8 years	28.7 years

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23. PENSION COMMITMENTS (continued)

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(547,000)	(441,000)	(452,000)	(394,000)
Scheme assets	190,000	129,000	228,000	165,000
Deficit	<u>(357,000)</u>	<u>(312,000)</u>	<u>(224,000)</u>	<u>(229,000)</u>
Experience adjustments on scheme liabilities	(12,000)	84,000	-	(45,000)
Experience adjustments on scheme assets	<u>(7,000)</u>	<u>(158,000)</u>	<u>18,000</u>	<u>9,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
EXPIRY DATE:		
Within 1 year	1,541	-
Between 2 and 5 years	-	3,107
	<u>1,541</u>	<u>3,107</u>

25. 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.

26. CONTROLLING PARTY

The academy is under the joint control of the Trustees.