

**John Taylor High School  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Year Ended 31 August 2014**

**Company Registration No: 07421140  
(England and Wales)**

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# **John Taylor High School**

## **Financial Statements**

**Year Ended 31 August 2014**

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# John Taylor High School

## Reference and administrative details

**Year Ended 31 August 2014**

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<b>Members &amp; Governors</b>	G Moss D Beaty J Hodgkinson S Treanor M Donoghue (Accounting Officer) J Jackson (resigned 31/8/13)
<b>Governors</b>	C Cheadle P Cleary C Sanders (maternity) C Robinson (resigned 2/12/13) P Russell (resigned 31/8/14) A Rutherford (resigned 31/8/14) R Dungworth C Cooper (resigned 31/12/13) A Skipper A Lee V Flek A Bird (appointed 19/5/14) C Crutchely (appointed 3/2/14) A Jenkins (appointed 3/2/14) B Richardson (appointed 30/9/13)
<b>Company secretary</b>	B Mahoney
<b>Senior Leadership Team</b>	
Principal	M Donoghue
Vice Principal	C Burns
Vice Principal	J Rudge (resigned 27/4/14)
Assistant Principal	J Blanchenot
Assistant Principal	C Fogarty (resigned 31/12/13)
Assistant Principal	M Goodwin (resigned 31/12/13)
Assistant Principal	N Gibbs
Assistant Principal	G Howell (appointed 1/1/14)
Assistant Principal	G Martin
Assistant Principal	J Twynham
Director of business	B Mahoney
<b>Company registration number</b>	07421140 (England and Wales)
<b>Registered office</b>	John Taylor High School Dunstall Road Burton on Trent Staffordshire DE13 8AZ
<b>Independent auditor</b>	Baker Tilly UK Audit LLP St Philips Point Temple Row Birmingham B2 5AF

**John Taylor High School**

**Reference and administrative details**

**Year Ended 31 August 2014**

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**Bankers**

Lloyds TSB  
High Street  
Sudbury  
Burton on Trent  
Staffordshire  
DE13 9LT

**Solicitors**

Anthony Collins Solicitors LLP  
134 Edmund Street  
Birmingham  
B3 2ES

# **John Taylor High School**

## **Governors' Report**

**Year Ended 31 August 2014**

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### **Structure, Governance and Management**

The Members and Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year commencing 1 September 2013 and ending 31 August 2014

#### Constitution

The Academy Trust is a company limited by guarantee (registration number 07421140) and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust.

The Members and Governors of John Taylor High School Academy are also the directors for the Charitable Company for the purpose of company law. The Charitable company is known as John Taylor High School.

Detail of the Members and Governors who served during the year are included in the Reference and Administrative Details on page 1.

#### Directors Liability

Every Governor is a Director.

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

The attendance of Members and Governors who were in office at 31 August 2014 and served throughout the year is listed on Page 14.

During the year under review 0 members' meetings and 6 full governors' meetings were held. The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of relevant policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only one or two new governors a year, induction tends to be done informally and is tailored specifically to the individual.

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim.

#### Principal Activities

To provide an excellent broad and balanced curriculum for all learners that ensures each individual reaches stretching personal goals and fulfils their potential.

# **John Taylor High School**

## **Governors' Report**

**Year Ended 31 August 2014**

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### **Other Purposes**

- To be an educational 'centre of excellence' providing services and expertise to other educational establishments.
- To be a valuable resource for residents in the local towns and villages.
- To be a desired employer.
- To provide all of the above whilst operating in a robust financial position. This means being open to making a surplus where possible and reasonable without losing the core ethics of providing free education to all 11 – 19 year olds as defined by our admissions criteria.

### Method of Recruitment and Appointment or Election of Members

Members of the academy are constituted on an ex officio basis. The Principal, Chair of Governors, Chairs of Governing Body Sub-Committees and the Responsible Officer (who chairs the Quality, Compliance and Audit Committee also) are annually elected to their roles in the first committee meeting of the academic year.

### Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for each new Governor will depend on their existing experience. The Academy Trust purchases support that provides for individual and full Governing Body training through an annual programme of training which is reviewed each year to reflect any changes in practice and legislation. The Academy Trust will perform an annual skills audit of governors, should any gaps be identified training courses are offered to address these issues.

### Organisational Structure

In line with our academy conversion, the academy re-constituted the sub-committees of the governing body to ensure they were more suitably aligned with our change of status. Terms of Reference were re-written, agreed and reviewed. The revised governance structure has been communicated to a variety of stakeholders and is now embedded.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. They are also bound by duties and responsibilities as set out in charity law and the duties of a director as set out in company law.

The Senior Leadership Team comprises of the Principal, two Vice Principals, five Assistant Principals and the Director of Business. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff through appointment panels, which always contain a Governor. Some spending control is devolved to members of staff within leadership responsibilities that lie below senior level (e.g. curriculum leaders), with limits above this being countersigned by the Principal, a Vice Principal or the Director of Business, in line with the approved Scheme of Delegation.

### Risk Management

The Governors have adopted the statement of recommended practice (SORP) approach to identifying and managing the risks of the Trust. The schedule of risks will be tabled at all Finance committee meetings and mitigating actions agreed as required. The risk register will be reviewed at a full Governors meeting on an annual basis.

# John Taylor High School

## Governors' Report

Year Ended 31 August 2014

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### Connected Organisations including related Party Relationships

As a converter academy, John Taylor High School has no structural or commercial affiliation to any other organisations. All pecuniary interests for staff and governors are recorded, and reviewed annually. "Pecuniary interests" is a standing item on every Governors' meeting.

### **Objectives and Activities**

#### Objects and aims

The principal object and activity of the charitable company is the operation of John Taylor High School to advance, for the public benefit, education for students of different abilities between the ages of 11 and 19 with an emphasis on science and leadership.

The governors confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's aims and objectives.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on science and technology and their practical applications.

The main objectives of the Academy during the year ended 31 August 2014 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all students;
- 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;
- to maintain close links with industry and commerce; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Four key priorities are identified in our Strategic Plan:

- 1) As a teaching school all staff deliver and share outstanding practice to ensure all students make at least good progress
- 2) To ensure that all students, (including those in identified learner groups ), make at least good progress through appropriate intervention
- 3) To raise the profile of all successes of the school individual, local, national and global
- 4) To enhance the physical environment to provide an improved teaching and learning facility.

# **John Taylor High School**

## **Governors' Report**

**Year Ended 31 August 2014**

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### **Objectives and Activities (*continued*)**

#### ***Intent***

Within the next 10 Years:

- ***Learning***
  - Students experience optimal learning opportunities at all levels possible.
  - The Academy is always oversubscribed ensuring maximum income.
  - The Academy is truly a 'Community' establishment encouraging:
    - A broad-based and balanced learning opportunity for all relevant stakeholders
    - Learners are community based and not just 11 – 19 years old
- ***Staff***
  - The Academy is known for highest teaching standards meaning that vacancies for teaching staff attract the best candidates and we have to select from the best.
  - Support functions operate at an equally high level and the Academy is a nationally-quoted example of a good employer.
  - Working conditions are the best in the market.
- ***Teaching***
  - The Academy is a leader in 'State of the Art' teaching.
  - Teachers have excellent development opportunities and are expected to develop themselves in accordance with the standards required by the Academy.
- ***Buildings***
  - Buildings are all fully 'fit for purpose' and have optimal carbon footprints.
  - Infra-structure is 'state of the art' and economic to run.
- ***Systems***
  - Management systems, people & hardware are optimal, flexible and capable of absorbing new initiatives.
- ***Use***
  - Facilities are used as a community resource whenever possible and become optimally income generating.

#### **Strategies and activities**

The Academy's main strategy is enshrined in its mission statement which is that 'we believe in the power of education to improve lives – and the world'. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications;
- training opportunities for all staff, and especially teaching staff;
- secondments and placing of students with industrial and commercial partners;
- a programme of sporting and after school leisure activities for all students;
- a system of after school clubs to allow students to explore science, engineering and other subject areas in a practical and project oriented way;
- a careers advisory service to help students obtain employment or move on to higher education.

In line with our Equality Policy the Academy is committed to ensuring equality of opportunity for all who learn and work here.

The Academy considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Academy continues. The Academy's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. Policy and its implementation is reviewed annually by governors.



# **John Taylor High School**

## **Governors' Report**

**Year Ended 31 August 2014**

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### **Equality statement**

The Academy seeks to achieve the objectives set down in the Equality Act 2010.

- a) As part of its accommodation strategy the Academy updates its access audit as required.
- b) The Academy has an appointed SEN Co-ordinator, who provides information, advice and arranges support where necessary for students with disabilities.
- c) There is a list of specialist equipment, which the Academy can make available for use by students and a range of assistive technology is available in the Special Needs Department.
- d) The policy for the admittance of all students is described in the Academy's Admissions Policy. Appeals against a decision not to offer a place are dealt with under the appeals procedure outlined within the admissions policy.
- e) The Academy has made a significant investment in the appointment of specialist teachers to support students with learning difficulties and/or disabilities. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities.
- f) Specialist programmes are described in Academy prospectuses, and achievements and destinations are recorded and published in the standard Academy format.
- g) We inform pupils and parents, at the point of transfer to John Taylor High School, of our pastoral system and identified staff e.g. House Learning Manager, to whom they can go to if they require support or assistance of any kind.

### **Public Benefit**

The Academy Trust Governors have complied with the duty in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Governors consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

## **STRATEGIC REPORT**

### **Achievements and Performance**

The school continues to perform strongly in a range of key performance indicators. Below are statistical tables indicating the success at Key Stages 4 and 5 in examinations. The school also exceeded a very challenging attendance target (95.5%) and permanently excluded 2 students in the academic year for which these accounts are filed.

# John Taylor High School

## Governors' Report

Year Ended 31 August 2014

### Achievements and Performance (continued)

#### At the end of Key Stage 4:

Percentages	2014	2013	2012	2011	2010
5+ A*-C inc E&M	78.1%	76.5%	72.7%	72.0%	72.0%
5+ A*-C	n/a	93.5%	92.2%	90.0%	81.0%
2+ A*-C in Science	n/a	90.4%	87.9%	72.8%	66.0%
1+ A*-C in a MFL	n/a	63.5%	55.4%	66.7%	65.0%
English Bacc	53.6%	52.2%	42.9%	47.4%	-

#### Key Stage 5:

A2	2014	2013	2012	2011	2010
Average point score (APS) per academic entry	229.9	220.8	222.3		
APS per vocational entry	238.2				
APS per A level entry	230.1				
APS per entry incl equiv	231.51	221.8	222.2	228.8	221.5
Number of students	172	152	136	136	157
AS					
APS per academic entry	106.2	108.9 217.7	105.8	100.7	97
Number of students	173	190	151	161	155

#### Going concern

After making appropriate enquiries, the board of governors 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.

#### Key Financial Performance Indicators:

- to achieve an annual operating surplus of approximately 1%;
- to pursue alternative sources of funding, consistent with the Academy's core competencies;
- to generate sufficient levels of income to support the asset base of the Academy;
- to pursue sources of funding for capital development projects.

# **John Taylor High School**

## **Governors' Report**

**Year Ended 31 August 2014**

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### **Financial Review**

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2014 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 EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants 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 expected useful life of the assets concerned.

During the year ended 31 August 2014, total expenditure of £7,782,000 (2013: £7,940,000) was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £136,000 (2013: £249,000).

At 31 August 2014 the net book value of fixed assets was £11,377,000 (2013: £11,644,000). Assets were used exclusively for providing education and the associated support services to the students of the Academy.

### Principal Risks and Uncertainties

The Academy has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

Based on its Terms of Reference, the Quality, Compliance and Audit Committee undertakes a comprehensive review of the risks to which the Academy is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Quality, Compliance and Audit Committee will also consider any risks which may arise as a result of a new area of work being undertaken by the Academy.

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control, and during the year the review has been informed by the work of the Responsible Officer and the external auditor, as well as the self assessment process.

A risk register is maintained at the Academy level which is reviewed at least annually by all governor sub-committees and more frequently where necessary (it appearing as a standing item on all governing body agendas). The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Academy. Not all the factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

- Strategic & Reputational,
- Operational Risk,
- Compliance Risk,
- Financial Risk.

# **John Taylor High School**

## **Governors' Report**

**Year Ended 31 August 2014**

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### **Financial Review (continued)**

#### **1. Government funding**

The Academy has considerable reliance on continued government funding through the EFA. In 2013/14, 96% of the Academy's revenue was ultimately public funded. There can be no assurance gained that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements
- By ensuring the Academy is rigorous in delivering high quality education and training
- Considerable focus and investment is placed on maintaining and managing key relationships with the EFA

#### **2. Maintain adequate funding of pension liabilities**

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS 17.

#### **Reserves Policy**

The governors 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 academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £809,000 (2013: £604,000).

#### ***Financial position***

The Academy held fund balance at 31 August 2014 of £10,862,000 (2013: £11,602,000) comprising £10,053,000 (2013: £10,998,000) of restricted funds and £809,000 (2013: £604,000) of unrestricted general funds and a pension reserve deficit of £2,012,000 (2013: £1,295,000).

#### **Investment Policy**

The Academy does not currently have an investment policy as there are no investments. Should a decision be taken to consider a strategy requiring investment, this would be enshrined in policy.

#### **Plan for Future Periods**

The Academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students secure employment or a place in Higher education once they leave.

# John Taylor High School

## Governors' Report

Year Ended 31 August 2014

Objectives	Metric for Year 2016
To become/remain top state school in Staffordshire for attainment and achievement	<ul style="list-style-type: none"> <li>EBacc Score = 55%</li> <li>5 A*-C (E + M) = 80%</li> <li>Position in County = 1<sup>st</sup> @ Pre-16</li> </ul>
To have a curriculum that is broad, balanced and delivering high quality outcomes	<ul style="list-style-type: none"> <li>% NEET at 16= 0</li> </ul>
All teaching to be 'good' or 'outstanding'	<ul style="list-style-type: none"> <li>Lesson observation findings</li> <li>External (e.g. Ofsted) findings</li> </ul>
Pupils to experience 'learning on demand' via a 24/7 approach	<ul style="list-style-type: none"> <li>E-learning a reality in all subjects for all year groups</li> <li>Saturday and evening opening a regular occurrence</li> <li>Expansion of community learning opportunities via the above</li> </ul>
John Taylor to provide a broader range of courses to more students Post-16	<ul style="list-style-type: none"> <li>400+ students in Sixth Form</li> <li>More Level 3 courses than currently available</li> <li>Greater breadth of Level 2 options.</li> <li>All Year 13s leave us with at least Level 2 qualifications in Mathematics and English.</li> </ul>
Sixth Form is an even more vibrant and enriching experience	<ul style="list-style-type: none"> <li>Entry into the Sixth Form is the preferred aspiration for 80% of Year 11 pupils at John Taylor</li> </ul>
Primary links are at least maintained	<ul style="list-style-type: none"> <li>Number of events and experiences (measured by pupil hours) is at least the same as in 2011.</li> </ul>
New secondary school collaborations are developed	<ul style="list-style-type: none"> <li>New opportunities exist for pupils and staff. John Taylor is a key partner in a new academies network in the County/region</li> <li>John Taylor is a designated Teaching School</li> <li>Courses in leadership are offered for staff across the Midlands, in collaboration with NCSL, SSAT or other providers.</li> </ul>
John Taylor has enhanced external partnerships	<ul style="list-style-type: none"> <li>New industrial partnerships contribute to outstanding provision</li> <li>University links are embedded further</li> <li>An annual event is hosted for John Taylor alumni</li> <li>Languages video link with a French school at post-16.</li> <li>Links may be advantageous to secure high quality specialist provision in Photography/IT/Dance at Level 3 BTEC/A Level.</li> <li>Links with other Academies, particularly our supported school/academy.</li> <li>Links with local Universities in Derby, Stafford, Wolverhampton, Birmingham, Nottingham.</li> <li>Links are being formed with local commercial industries.</li> </ul>
Computer: Pupil ratio improved	<ul style="list-style-type: none"> <li>1 computer : 2 pupils</li> </ul>
Greater use of mobile technologies	<ul style="list-style-type: none"> <li>Open access Wi-Fi across the campus</li> <li>E-readers available in Library</li> <li>Grants available for subject bids to develop creative use of mobile technologies in their curricular area</li> </ul>

# John Taylor High School

## Governors' Report

Year Ended 31 August 2014

Development of e-learning and e-communication resources	<ul style="list-style-type: none"> <li>• All subject areas to have e-learning content available to all pupils in all years</li> <li>• Subject E-Champions to ensure relevance and currency of content</li> <li>• Website is of high quality</li> <li>• John Taylor has more individuals and organisations connected with it via social networking than it has pupils at the school</li> <li>• Improved telephony and communications systems to include a fully-functioning parent portal, e-mail addresses in a standardised format for all pupils and staff</li> <li>• Employ a digital media champion who will devote time to training staff and uploading content.</li> </ul>
A Buildings Management Plan is a working document and a meaningful strategic tool for re-build and refurbishment	<ul style="list-style-type: none"> <li>• The Development Control Plan is being implemented effectively</li> <li>• Our number on roll does not exceed our site capacity number.</li> </ul>
Accommodation is improving in key areas of need	<ul style="list-style-type: none"> <li>• Mobile classrooms are either removed or scheduled for removal</li> <li>• Significant open indoor space is available for dining, recreation and learning.</li> <li>• All-weather sporting surfaces are installed or incorporated into Development Plan</li> <li>• Central whole school theatre area designed for multiple use – flexible moveable seating to serve as theatre and gym.</li> </ul>
Accommodation is used more effectively	<ul style="list-style-type: none"> <li>• Re-location of SEN/AEN/ELD into a coherent 'hub' of pupil support, to also include a Pupil Reception.</li> <li>• Re-assign some departmental office space.</li> </ul>
Accommodation is made more secure and safe	<ul style="list-style-type: none"> <li>• Safeguarding is more robust through greater security measures on site</li> <li>• A detailed risk register specifies health and safety issues on site</li> </ul>
John Taylor is fully compliant with all necessary financial, educational and organisational legislation	<ul style="list-style-type: none"> <li>• A robust set of policies, procedures and guidance are evident, approved and regularly reviewed by governors, and maintained in practice by all staff at the school</li> <li>• A new self-evaluation tool is constructed, linking judgments to policy and governance structures</li> <li>• A detailed risk register is comprehensive, and is regularly reviewed and annually validated by governors</li> </ul>
John Taylor exhibits its excellence (i.e. above compliance) through the maintenance and acquisition of external accreditation and validation	<ul style="list-style-type: none"> <li>• JTHS attains the highest standards possible in external inspection and audit reports</li> </ul>

**John Taylor High School**

**Governors' Report**

**Year Ended 31 August 2014**

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**Auditors**

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

**Statement as to disclosure of information to auditors**

The Governors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Governors' Report is approved by order of the board of Governors and the Strategic Report (included therein) is approved by the board of Governors in their capacity as the directors at a meeting on 10 December 2014 and signed on its behalf by:



**Mr Gareth Moss**  
Chairman

# John Taylor High School

## Governance Statement

Year Ended 31 August 2014

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### Scope of Responsibility

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

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

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' responsibilities. The Members of the Trust have not met formally during the year.

The Governing body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body were as follows:

Governor	Meetings attended	Out of a possible
G. Moss	5	6
D. Beaty	5	6
J Hodgkinson	6	6
P Cleary	5	6
C Sanders (maternity)	0	6
A Skipper	4	6
M Donoghue	6	6
S Treanor	5	6
C Cheadle	5	6
C Robinson (resigned 31/12/13)	2	2
P Russell (resigned 31/8/14)	6	6
A Rutherford (resigned 31/8/14)	4	6
R Dungworth	5	6
C Cooper (resigned 31/12/13)	2	2
A Lee	6	6
V Flek	5	6
A Bird (appointed 19/5/14)	2	2
C Crutchely (appointed 3/2/14)	4	4
A Jenkins (appointed 3/2/14)	3	4
B Richardson (appointed 30/9/13)	5	5



# **John Taylor High School**

## **Governance Statement**

**Year Ended 31 August 2014**

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### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in John Taylor High School Academy for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Governing Body has reviewed the key 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 Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy trust's significant risks that has been in place for the year commencing on 1 September 2013 and ending on 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governors.

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

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governors;
- regular reviews by the Finance 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 Governing Body has considered the need for a specific internal audit function and has decided:

- to appoint Staffordshire County Council auditors as internal auditor

# **John Taylor High School**

## **Governance Statement**

**Year Ended 31 August 2014**

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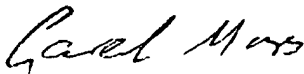
### **Review of Effectiveness**

As accounting officer, Michael Donoghue 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 Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Governing Body on 10 December 2014 and signed on its behalf by:



**Mr Gareth Moss**  
Chairman



**Mr Michael Donoghue**  
Accounting Officer

# **John Taylor High School**

## **Statement on regularity, propriety and compliance**

**Year Ended 31 August 2014**

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As accounting officer of John Taylor High School, I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and noncompliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy trust 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 Trust Governing Body are unable 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 Governors and EFA.



**Michael Donoghue**  
**Accounting Officer**  
**Date: 10 December 2014**

# John Taylor High School

## Statement of Governors' responsibilities

Year Ended 31 August 2014

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The Governors who are also the Directors of the Charitable Company for the purposes of company law, are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

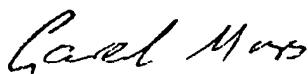
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The Governors 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 Governors 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 Governors 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 Governors on 10 December 2014 and signed on its behalf by:



**Mr Gareth Moss**  
**Chair of Governors**

# **Independent Auditor's Report to the Members of John Taylor High School**

**Year Ended 31 August 2014**

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We have audited the financial statements of John Taylor High School for the year ended 31 August 2014 on pages 21 to 41. 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 2013 to 2014 issued by the Education Funding Agency.

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

## **Respective responsibilities of governors and auditor**

As explained more fully in the Statement of Governors Responsibilities set out on page 18 the governors (who act as governors for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 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;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

## **Opinion on other requirement of the Companies Act 2006**

In our opinion the information given in the Governors' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **Independent Auditor's Report to the Members of John Taylor High School**

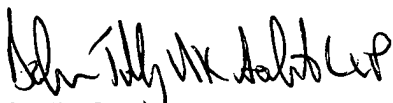
**Year Ended 31 August 2014**

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## **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:

- the charity has not kept adequate accounting records, 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Philip Coleman**  
**Senior Statutory Auditor**

**For and on behalf of Baker Tilly UK Audit LLP, Statutory Auditor**

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

Date: 18 December 2014

# John Taylor High School

## Statement of Financial Activities for the Year Ended 31 August 2014 (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

**Year Ended 31 August 2014**

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2014 £000	Total 2013 £000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
- Voluntary income	3	59	-	-	59	117
- Activities for generating funds	4	201	207	-	408	395
- Investment income	5	2	-	-	2	4
<i>Incoming resources from charitable activities:</i>						
- Funding for the Academy's educational operations	6	-	7,153	29	7,182	7,404
<b>Total incoming resources</b>		<b>262</b>	<b>7,360</b>	<b>29</b>	<b>7,651</b>	<b>7,920</b>
<b>Resources expended</b>						
<i>Cost of generating funds:</i>						
Cost of generating voluntary income	7	(24)	(317)	-	(341)	(333)
<i>Charitable activities:</i>						
- Academy's educational operations	8	(53)	(7,095)	(276)	(7,424)	(7,592)
<i>Governance costs</i>	9	-	(17)	-	(17)	(15)
<b>Total resources expended</b>	7	<b>(77)</b>	<b>(7,429)</b>	<b>(276)</b>	<b>(7,782)</b>	<b>(7,940)</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>185</b>	<b>(69)</b>	<b>(247)</b>	<b>(131)</b>	<b>(20)</b>
Gross transfers between funds	16	20	-	(20)	-	-
<b>Net incoming/(expenditure) for the year</b>		<b>205</b>	<b>(69)</b>	<b>(267)</b>	<b>(131)</b>	<b>(20)</b>
<i>Other recognised gains and losses</i>						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(609)	-	(609)	58
<b>Net movement in funds</b>		<b>205</b>	<b>(678)</b>	<b>(267)</b>	<b>(740)</b>	<b>38</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2013	16	604	(646)	11,644	11,602	11,564
Total funds carried forward at 31 August 2014	16	809	(1,324)	11,377	10,862	11,602

All of the Academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The notes on pages 24 to 41 form part of these financial statements.

# John Taylor High School

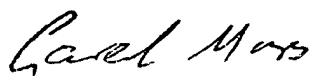
## Balance Sheet

Registered number 07421140

Year Ended 31 August 2014

	Notes	2014 £000	2014 £000	2013 £000	2013 £000
<b>Fixed assets</b>					
Tangible assets	13		11,377		11,644
<b>Current assets</b>					
Debtors	14	93		76	
Cash at bank and in hand		1,818		1,713	
		<u>1,911</u>		<u>1,789</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	15	(414)		(536)	
<b>Net current assets</b>			<u>1,497</u>		<u>1,253</u>
Total assets less current liabilities			<u>12,874</u>		<u>12,897</u>
Pension scheme liability	26		(2,012)		(1,295)
<b>Net assets including pension liability</b>			<u>10,862</u>		<u>11,602</u>
<b>Funds of the Academy trust:</b>					
<b>Restricted funds</b>					
– Fixed asset fund	16		11,377		11,644
– General fund	16		688		649
Restricted funds excluding pension reserve			<u>12,065</u>		<u>12,293</u>
– Pension reserve	16		(2,012)		(1,295)
<b>Total restricted funds</b>			<u>10,053</u>		<u>10,998</u>
<b>Total unrestricted income funds</b>	16		<u>809</u>		<u>604</u>
<b>Total funds</b>			<u>10,862</u>		<u>11,602</u>

The financial statements on pages 21-41 were approved by the Governors, and authorised for issue on 10 December 2014 and are signed on their behalf by:



**Mr Gareth Moss**  
Chair of Governors

The notes on pages 24 to 41 form part of these financial statements.



**John Taylor High School**  
**Cash Flow Statement**  
**Year Ended 31 August 2014**

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	Notes	2014 £000	2013 £000
<b>Net cash inflow from operating activities</b>	20	<b>83</b>	451
Return on investments and servicing of finance	21	<b>2</b>	4
Capital expenditure	22	<b>20</b>	2
<b>Increase in cash in the year</b>	23	<b>105</b>	457
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2013		<b>1,713</b>	1,256
<b>Net funds at 31 August 2014</b>		<b>1,818</b>	1,713

The notes on pages 24 to 41 form part of these financial statements.

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

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**1. Statement of accounting policies**

**Basis of Accounting**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies: Accounts Direction 2013 to 2014 issued by the Education Funding Agency and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**Going concern**

The Governors 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 trust to continue as a going concern. The Governors make this assessment each year in respect of a period of one year from the date of approval of the financial statements.

**Incoming resources**

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

**Grants Receivable**

Grant income is 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.

The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities, incoming resources from charitable activities, to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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.

**Donations**

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

**Sponsorship Income**

The value of sponsorship provided to the Academy is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt.

**Interest Receivable**

Interest receivable is included within the statement of financial activities on a receivable basis, and is stated inclusive of related tax credits.

**Other income**

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

# John Taylor High School

## Notes to the Financial Statements

for the year ended 31 August 2014

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### 1. Statement of accounting policies (*continued*)

#### Resources expended

All 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.

- **Cost of generating funds**

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

- **Charitable activities**

These are costs incurred on the trust's educational operations.

- **Governance costs**

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

All resources expended are inclusive of irrecoverable VAT.

#### Tangible Fixed Assets

Tangible fixed assets costing £2,000 or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where the related grants require the asset to be held for a specific purpose and continued use they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy by transfer from the restricted fixed asset fund to restricted funds in the Statement of Financial Activities to offset the depreciation of the asset.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Freehold buildings	2%
Long leasehold property	2%
Furniture and equipment	10%
Computer equipment and software	25%

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments.

Impairment losses are recognised in the Statement of Financial Activities.

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

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**1. Statement of accounting policies (*continued*)**

**Leases**

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

**Taxation**

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

**Pensions Benefits**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS') (until April 2016), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective benefit method. As stated in Note 26, the TPS is a multi-employer scheme and the Academy Trust 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 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 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 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 until 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.

**Fund Accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency where the asset acquired or created is held for a specific purpose on a continuing basis.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency or the Department for Education.

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

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**2. General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State the Academy trust was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy trust has not exceeded these limits during the year ended 31 August 2014.

**3. Voluntary Income**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Capital donations	-	-	-	49
Other donations	59	-	59	68
	<u>59</u>	<u>-</u>	<u>59</u>	<u>117</u>

**4. Activities for Generating Funds**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Lettings income	16	-	16	19
Catering income	30	-	30	22
School trips	-	162	162	224
Other income	155	45	200	130
	<u>201</u>	<u>207</u>	<u>408</u>	<u>395</u>

**5. Investment Income**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Bank interest	<u>2</u>	<u>-</u>	<u>2</u>	<u>4</u>

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

**6. Funding for Academy's educational operations**

	<b>Unrestricted Funds £000</b>	<b>Restricted Funds £000</b>	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
<b>DfE/EFA capital grant</b>				
Developed Formula Capital allocations	-	29	29	29
<b>DfE/EFA revenue grants</b>				
General Annual Grants (GAG) (note 2)	-	6,803	6,803	6,999
Other DfE/EFA grants	-	298	298	244
	-	7,130	7,130	7,272
<b>Other Government grants</b>				
Local Authority grants	-	52	52	132
	-	7,182	7,182	7,404

**7. Resources Expended**

	<b>Staff Costs £000</b>	<b>Non pay expenditure Premises £000</b>	<b>Other costs £000</b>	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Costs of generating voluntary income	-	-	341	341	333
Academy's educational operations					
– Direct costs	5,179	245	460	5,884	5,838
– Allocated support costs	586	492	462	1,540	1,754
	5,765	737	1,263	7,765	7,925
Governance costs including allocated support costs	-	-	17	17	15
	5,765	737	1,280	7,782	7,940

	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
<b>Incoming/(Outgoing) resources for the year include:</b>		
Operating leases	4	30
Fees payable to auditor - audit	10	9
Depreciation on fixed assets	276	274

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

**8. Charitable Activities - Academy's educational operations**

	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
<b>Direct costs</b>		
Teaching and educational support staff costs	5,295	5,308
Depreciation	245	245
Educational supplies	13	26
Examination fees	130	149
Staff development	46	45
Other direct costs	213	65
	<u>5,942</u>	<u>5,838</u>
	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
<b>Allocated support costs</b>		
Support staff costs	586	551
Depreciation	31	29
Recruitment and support	62	44
Maintenance of premises and equipment	265	380
Rent and Rates	115	134
Cleaning	132	130
Technology costs	141	216
Catering	24	24
Security & Transport	7	11
Interest and charges	38	43
Other support costs	81	192
	<u>1,482</u>	<u>1,754</u>
	<u>7,424</u>	<u>7,592</u>

**9. Governance costs**

	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Legal and professional fees	3	3
Auditor's remuneration		
– Audit of financial statements	10	9
– Responsible officer audit	2	2
– Other support and services	2	1
	<u>17</u>	<u>15</u>

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

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**10. Staff costs**

**Staff costs during the year were:**

	<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>
Wages and salaries	4,652	4,700
Social security costs	347	356
Pension costs	690	725
	<u>5,689</u>	<u>5,781</u>
Supply teacher costs	76	72
Compensation payments	-	6
	<u>5,765</u>	<u>5,859</u>

**Staff numbers**

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

	<b>2014</b> <b>No</b>	<b>2013</b> <b>No</b>
<b>Educational operations</b>		
Teachers	96	97
Administration and support	74	73
Management	9	10
	<u>179</u>	<u>180</u>

**Higher paid staff**

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

	<b>2014</b> <b>No</b>	<b>2013</b> <b>No</b>
£60,001 – £70,000	1	2
£70,001 – £80,000	-	-
£80,001 – £90,000	-	-
£90,001 – £100,000	1	1

The employees above participated in the Teachers' Pension Scheme, which is a defined benefit scheme.



# John Taylor High School

## Notes to the Financial Statements

for the year ended 31 August 2014

### 11. Governors' Remuneration & Expenses - Related Party Transactions

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment and not in respect of their services as governors. Other governors did not receive any payments from the Academy Trust in respect of their role as governors.

M Donoghue, the Principal, received remuneration of £ 96,166 in 2014 (2013: £ 91,299) and is accruing retirement benefits under the Teachers' Pension Scheme and has accrued entitlement of £ 2,060 under the scheme at the year end. The contributions paid in the year amounted to £ 13,599 (2013: £ 12,873).

During the year the Principal was elected to the Department for Education's Regional Headteacher's Board. For this role the DfE reimburse the School for a day per week of the Principal's time. In addition to this a further day per week is funded by the National Forest Teaching School (based at John Taylor).

4 governors in aggregate received amounts of £98,000, (2013: £97,000).

Other related party transactions involving the Governors are set out in note 27.

### 12. Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,855 (2013 - £1,540).

The cost of this insurance is included in the total insurance cost.

### 13. Tangible Fixed Assets

	Leasehold Buildings £000	Furniture and equipment £000	Computer Equipment £000	Total £000
<b>Cost</b>				
At 1 September 2013	12,283	33	105	12,421
Additions	9	-	-	9
At 31 August 2014	<u>12,292</u>	<u>33</u>	<u>105</u>	<u>12,430</u>
<b>Depreciation</b>				
At 1 September 2013	727	5	45	777
Charged in year	245	4	27	276
At 31 August 2014	<u>972</u>	<u>9</u>	<u>72</u>	<u>1,053</u>
<b>Net book values</b>				
At 31 August 2014	<u>11,320</u>	<u>24</u>	<u>33</u>	<u>11,377</u>
At 31 August 2013	<u>11,556</u>	<u>28</u>	<u>60</u>	<u>11,644</u>

# John Taylor High School

## Notes to the Financial Statements

for the year ended 31 August 2014

### 14. Debtors

	Total 2014 £000	Total 2013 £000
Trade debtors	10	7
Prepayments & accrued income	43	32
Other debtors	29	37
VAT Recoverable	11	-
	<u>93</u>	<u>76</u>

### 15. Creditors: amounts falling due within one year

	Total 2014 £000	Total 2013 £000
Trade creditors	84	200
Taxation and social security	106	105
Other creditors	95	92
Accruals and deferred income	129	139
	<u>414</u>	<u>536</u>

#### Deferred income

£000

Deferred income at 1 September 2013  
Resources deferred in the year  
Amounts released from previous years

-  
96  
-

Deferred income at 31 August 2014

96

The deferred income in the current year relates predominantly to the deferral of teaching schools initiative income.

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

**16. Funds**

	Balance at 1 September 2013 £000	Incoming Resources £000	Resources expended £000	Gains, Losses and Transfers £000	At 31 August 2014 Total £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	438	6,803	(6,611)	-	630
Other DfE/EFA grants	117	298	(357)	-	58
Local authority	-	52	(52)	-	-
Other restricted funds	94	207	(301)	-	-
	649	7,360	(7,321)	-	688
Pension reserve	(1,295)	-	(108)	(609)	(2,012)
	(646)	7,360	(7,429)	(609)	(1,324)
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	530	29	-	(20)	539
Assets donated on conversion	11,079	-	(276)	-	10,803
Restricted donations	35	-	-	-	35
	11,644	29	(276)	(20)	11,377
<b>Total restricted funds</b>	10,998	7,389	(7,705)	(629)	10,053
<b>Unrestricted funds</b>					
Unrestricted funds	604	262	(77)	20	809
<b>Total unrestricted funds</b>	604	262	(77)	20	809
<b>Total funds</b>	11,602	7,651	(7,782)	(609)	10,862

Under the funding agreement with the Secretary of State, the Academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 2 discloses whether the limit was exceeded.

Restricted general funds

The General Annual Grant fund balance of £630,000 is the recurrent funding to be used for educational purposes in accordance with the Academy Trust's Funding Agreement with the DfE (see note 2 for further information).

The Other DfE/EFA funds balance of £58,000 is in respect of income received for the Teaching Schools Initiative.

The Pension reserve of £2,012,000 (overdrawn) represents the Academy Trust's share of the deficit in the Staffordshire Pension Fund.

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

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**17. Analysis of net assets between funds**

Fund balances at 31 August 2014 are represented by:

	Unrestricted fund £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total 2014 £'000
Tangible fixed assets	-	-	11,377	11,377
Current assets	809	1,102	-	1,911
Current liabilities	-	(414)	-	(414)
Pension scheme liability	-	(2,012)	-	(2,012)
<b>Total net assets</b>	<u>809</u>	<u>(1,324)</u>	<u>11,377</u>	<u>10,862</u>

**18. Capital commitments**

	Total 2014 £000	Total 2013 £000
Contracted for, but not provided in the financial statements	<u>514</u>	<u>-</u>

**19. Financial commitments**

**Operating leases**

At 31 August 2014 the Academy had annual commitments under non-cancellable operating leases as follows:

	Total 2014 £000	Total 2013 £000
<b>Other</b>		
Expiring within one year	2	1
Expiring within two and five years inclusive	9	29
Expiring in over five years	-	-
	<u>11</u>	<u>30</u>

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

**20. Reconciliation of net deficit to net cash inflow from operating activities**

	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Net deficit	(131)	(20)
Interest received (note 5)	(2)	(4)
Depreciation (note 13)	276	274
Capital grants from DfE and other capital	(29)	(29)
FRS 17 pension cost less contributions payable (note 26)	70	43
FRS 17 pension finance income (note 26)	38	43
(Increase)/decrease in debtors	(17)	95
(Decrease)/increase in creditors	(122)	49
<b>Net cash inflow from operating activities</b>	<b>83</b>	<b>451</b>

**21. Returns on investments and servicing of finance**

	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Interest received	2	4
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>2</b>	<b>4</b>

**22. Capital expenditure and financial investment**

	<b>Total 2014 £000</b>	<b>Total 2013 £000</b>
Purchase of tangible fixed asset	(9)	(27)
Capital grants from DfE/EFA	29	29
<b>Net cash inflow from capital expenditure and financial investment</b>	<b>20</b>	<b>2</b>

**23. Analysis of changes in net funds**

	<b>At 2013 £000</b>	<b>Cash Flows £000</b>	<b>At 2014 £000</b>
Cash in hand	1,713	105	1,818

# **John Taylor High School**

## **Notes to the Financial Statements**

**for the year ended 31 August 2014**

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### **24. Contingent Liabilities**

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) The value at the time of the Academy's site and premises and other assets held for the purpose of the Academy and;
- (b) The extent to which expenditure incurred in providing those assets was met by the Secretary of State under the Funding Agreement.

### **25. Directors Liability**

Each director 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 director, or within one year after he/she ceases to be a director, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a director.

### **26. Pension and similar obligations**

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Staffordshire County Council. 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 was 31 March 2012 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**

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. Retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001 to 31 March 2011, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

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**26. Pension and similar obligations (continued)**

**Valuation of the Teachers' Pensions Scheme**

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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. Many of these were being discussed in the context of the design for a reformed TPS, and as set out in the Proposed Final Agreement, scheme valuations had been suspended since the last valuation in 2004.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

Valuations of the TPS are now required under the Public Service Pensions Act 2013 every 4 years and are required to be carried out in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury.

An actuarial valuation of the TPS in accordance with these Directions was published in June 2014 assessing the TPS as at 31 March 2012. The GA's report revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191,500 million. The value of the notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176,600 million. 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%.

**Employer and employee contribution rates**

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2013 to 31 March 2014, the employee contribution rate ranged between 6.4% and 11.2%, depending on a member's Full Time Equivalent salary and for 2014/15 will range between 6.4% and 12.4%. Thereafter members will be expected to pay an average contribution rate of 9.6%.

The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015 and an employee cost cap of 10.9%, both to be set in regulations. The employer contribution rate 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.

# John Taylor High School

## Notes to the Financial Statements

for the year ended 31 August 2014

### 26. Pension and similar obligations (continued)

There will be further reforms and changes to the TPS with a new 2015 scheme.

The pension costs paid to TPS in the year amounted to £834,000 (2013: £798,000).

Under the definitions set out in Financial Standards (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the Academy Trust has taken the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy Trust has set out above the information available on the scheme and the implications for the Academy Trust in terms of the anticipated rates.

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £247,000 (2013: £188,000), of which employer's contributions totalled £187,000 (2013: £133,000) and employees' contributions totalled £60,000 (2013: £55,000). The agreed rates for future years are 19.5 per cent for employers and 6.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

<b>Principal Actuarial Assumptions</b>	<b>Total 2014</b>	<b>Total 2013</b>
Rate of increase in salaries	4.4%	5.1%
Rate of increase for pensions in payment/inflation	2.6%	2.8%
Discount rate for scheme liabilities	3.7%	4.6%
Expected return on assets	5.6%	6.0%

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

	<b>Total 2014</b>	<b>Total 2013</b>
Retiring today		
Males	22.1	21.2
Females	24.3	23.4
Retiring in 20 years		
Males	24.3	23.3
Females	26.6	25.6



# John Taylor High School

## Notes to the Financial Statements

for the year ended 31 August 2014

### 26. Pension and similar obligations (continued)

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

	Expected return at 2014 %	Fair value at 2014 £000	Expected return at 2013 %	Fair value at 2013 £000
Equities	6.30%	1,099	6.60%	1,151
Bonds	3.40%	188	4.00%	179
Property	4.50%	116	4.70%	120
Cash	3.30%	43	3.60%	45
Total market value of assets		<u>1,446</u>		<u>1,495</u>
Present value of scheme liabilities				
- Funded		(3,458)		(2,790)
<b>Deficit in the scheme</b>		<u>(2,012)</u>		<u>(1,295)</u>

The actual return on scheme assets was £202,000 (2013:£176,000)

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

	2014 £000	2013 £000
Current service cost	257	176
<b>Total operating charge</b>	<u>257</u>	<u>176</u>
<b>Analysis of pension finance income/(costs)</b>		
Expected return on pension scheme	(96)	(60)
Interest on pension liabilities	134	103
<b>Pension finance costs</b>	<u>38</u>	<u>43</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £624,000 loss (2013: £15,000 loss).

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

	2014 £000	2013 £000
At beginning of the year	2,790	2,398
Current service cost	257	176
Interest cost	134	103
Employee contributions	60	55
Actuarial loss	283	58
Benefits paid	(66)	-
<b>At the end of the year</b>	<u>3,458</u>	<u>2,790</u>

**John Taylor High School**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2014**

**26. Pension and similar obligations (continued)**

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

	<b>2014 £000</b>	<b>2013 £000</b>
At 1 September 2013	1,495	1,131
Expected return on assets	96	60
Actuarial (loss)/gain	(326)	116
Employer contributions	187	133
Employee contributions	60	55
Benefits paid	(66)	-
<b>At 31 August 2014</b>	<b><u>1,446</u></b>	<b><u>1,495</u></b>

The estimated value of employer contributions for the year ended 2015 is £200,000 (2014: £170,000).

**The three-year history of experience adjustments is as follows:**

	<b>2014 £'000</b>	<b>2013 £'000</b>	<b>2012 £'000</b>
<b>Present value of defined benefit obligations</b>	(3,458)	(2,790)	(2,398)
Fair value of share of scheme assets	<u>1,446</u>	<u>1,495</u>	<u>1,131</u>
Deficit in the scheme	<u>(2,012)</u>	<u>(1,295)</u>	<u>(1,267)</u>
<b>Experience adjustments on share of scheme assets</b>			
Amount £'000	(326)	116	38
<b>Experience adjustments on share of scheme liabilities</b>			
Amount £'000	148	-	-

**27. Related Party Transactions**

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

During the year there were no transactions with the related parties of the Governors.

The Governors received no benefits or remuneration from the school during the year in their capacity as a member of the Governing body. A total of 6 (2013- 6) members of the governing body are employed by the school as teachers and as such received remuneration in this specific role.

Included within trade debtors' is a balance at the year- end of £nil (2013: £46,225) due from John Taylor Charitable Trust and £nil (2013- £nil) due from the John Taylor Parent Teacher Association. There were no other balances or transactions with related parties during the period.

# John Taylor High School

## Notes to the Financial Statements

for the year ended 31 August 2014

### 28. School Fund

A summary of the School Fund for the year to 31 August 2014 is presented below. The Academy has taken advantage of Section 405(2) of the Companies Act 2006 not to present consolidated financial statements on the grounds of materiality.

	Year ended 31 August 2014 £000	Year ended 31 August 2013 £000
<b>INCOME AND EXPENDITURE</b>		
Income	269	247
Expenditure	(288)	(239)
<b>Deficit)/surplus for the year</b>	<b>(19)</b>	<b>8</b>
<b>BALANCE SHEET</b>		
Debtors and prepayments	-	11
Cash at bank and in hand	154	163
Accruals and deferred income	-	(1)
<b>Net assets at 31 August 2014</b>	<b>154</b>	<b>173</b>
Retained funds	173	165
Surplus/(deficit) for the year	(19)	8
<b>School fund balances at 31 August 2014</b>	<b>154</b>	<b>173</b>

## **John Taylor High School**

### **Independent Reporting Auditor's Assurance Report on Regularity to John Taylor High School and the Education Funding Agency**

**Year Ended 31 August 2014**

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#### **Independent Reporting Accountant's Assurance Report on Regularity to John Taylor High School**

In accordance with the terms of our engagement letter dated 21 August 2014 and further to the requirements of the Education Funding Agency ('EFA') as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by John Taylor High School Academy during the period 1 September 2013 to 31 August 2014 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 John Taylor High School Academy and the EFA in accordance with the terms of our engagement letter dated 21 August 2014. Our work has been undertaken so that we might state to the John Taylor High School Academy and the 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 the John Taylor High School Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of John Taylor High School Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of John Taylor High School Academy's funding agreement with the Secretary of State for Education dated 22 October 2010 and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 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 2013 to 2014 issued by the 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 trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

**John Taylor High School**

**Independent Reporting Auditor's Assurance Report on Regularity to John Taylor High School and the Education Funding Agency**

**Year Ended 31 August 2014**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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18 December 2014