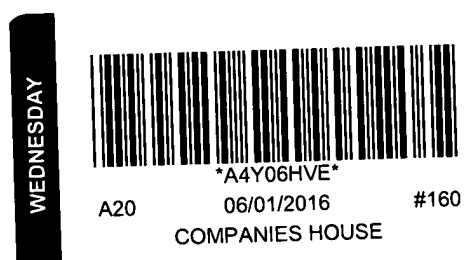


HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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



CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1
Trustees' report	2 - 9
Governance statement	10 - 12
Statement on regularity, propriety and compliance	13
Trustees' responsibilities statement	14
Independent auditors' report	15 - 16
Independent reporting accountant's assurance report on regularity	17 - 18
Statement of financial activities	19 - 20
Balance sheet	21
Cash flow statement	22
Notes to the financial statements	23 - 39

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Members and Trustees	C Peters, Director M D Wright, Head Teacher (resigned 31 March 2015) M Hanbury, Head Teacher (appointed 1 April 2015) J G E Frost, Director C M Pagett, Chair
Trustees	D Gilbert (resigned 28 February 2015) M Williams H Warren M Hartland (resigned 10 September 2014) P Childs, Vice Chair K Roberts C Mann C Norton-Jones (resigned 14 October 2014) S Giles (appointed 13 April 2015) K Grosvenor (appointed 13 April 2015) A Howarth (appointed 11 September 2014) J Palfrey (appointed 11 September 2014)

Company registered number	07548734
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Principal and Registered office	Hayes Road Paignton Devon TQ4 5PJ
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Company secretary	S M Hindle
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Accounting Officer	M Hanbury
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Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 50 The Terrace Torquay Devon TQ1 1DD
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**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Hayes School (the Academy) for the ended 31 August 2015. The Trustees confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Academy Trust (was incorporated on 02 March 2011 and opened as an Academy on 01 April 2011) 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 Trust.

The Trustees act as the Trustees for the charitable activities of Hayes School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Hayes School.

Details of the Trustees who served throughout the 2014/15, except as noted, are included in the Reference and Administration 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 £2,000,000.

Principal Activities

The principal activity is to advance for the public benefit by establishing, maintaining, carrying on, managing and developing a primary school offering a broad and balanced curriculum.

The principal activity of the Academy is to provide free education for pupils of different abilities between the ages of 3, 5 and 11.

TRUSTEES

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

On 01 April 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.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

The Academy's Board of Trustees comprises the Headteacher, a minimum of 5 Parent Trustees, up to 3 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 6 other Trustees.

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

- up to 2 Partnership Trustees who are appointed by members.
- up to 2 LA Trustees who are appointed by the Local Authority.
- up to 5 Parent Trustees who are elected by Parents of registered pupils at the Academy.
- up to 3 staff Trustees appointed by Trustee board – Including the Headteacher.
- up to 2 Community Trustees who are appointed by the Trustee board.
- the Headteacher who is treated for all purposes as being an ex officio Governor.

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.

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 4 committees as follows:

- Finance and Resources 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/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- 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 issues.
- Premises Committee
- Personnel Committee

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.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

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 Headteacher is the Accounting Officer.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

There are no related parties which either control or significantly influence the decisions and operations of Hayes School. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances.

The Trustees have implemented a system to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health & safety and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

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 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 develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Hayes 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.

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

OBJECTIVES, STRATEGIES AND ACTIVITIES

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:

- review of numeracy, literacy and ICT capability.
- review of staffing levels in the light of budgetary pressure.
- development of Parenting and Pastoral facilities - the school have appointed a dedicated welfare officer to perform this role as well as overseeing the school's attendance and dealing with persistent offenders of late arrival to the school.
- continued development of systems for tracking and monitoring pupil attainment.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner'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.

The Academy aims to advance for the public benefit, education in St Michael's and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialism of performing arts.

ACHIEVEMENTS AND PERFORMANCE

REVIEW OF ACTIVITIES

The Academy is in its third year of operation and has exceeded the forecast number of students. The total number of students in the year ended 31 August 2015 was 446.

SATS

- Writing achieved 87% Level 4 and above, compared with the National Average of 87%
- Reading is 93% Level 4 and above, compared with the National Average of 89%
- Mathematics achieved 89% level 4 and above, compared with the National Average of 87%

The Academy has managed to maintain small class sizes, with each year group having its own class except for Year 6, which has a three way split. All classes have a teaching assistant, which is a valuable addition to the classroom.

Volunteers have been helping in the Academy this year. Their commitment to the children and Academy is inspirational. They have helped with reading, writing, maths, drama and trips out of school.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Department Heads and the Senior Leadership Team.

The Academy was inspected by OFSTED in May 2013 and was judged to be Good.

This year the school has appointed a new Headteacher as the old head retired at Easter 2015 after 17 years service.

The school has had major electrical work undertaken during the course of the year with the replacement of all consumer units within the school as these were dated and highlighted as needing replacement during the 5-year electrical inspection in Summer 2014.

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

The exterior of the school has been completely redecorated as it has been a number of years and the exterior was looking shabby.

The remaining flat roof areas of the school have also been replaced during the summer break 2015, as many of these had reached the end of their lifespan.

The school has begun to redevelop its Foundation and Early years unit to allow a more "free-flowing" working environment, Stage 1 was completed during the summer break 2015 with reception and Year 1 classrooms opened up for this purpose.

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.

KEY FINANCIAL PERFORMANCE INDICATORS

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2015 were 446, an increase of 3 over 2014. It is anticipated that the school population will continue to increase in future years.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2015 this was 87.23%, compared to 83.3% in 2014. This is due to a number of factors: the current Headteacher left post in Easter with a new Head taking over, there was a period of cross-over to ease the transition. More teaching assistants were employed for 1:1 provision. Intervention teachers were employed under Pupil Premium provision. Many staff moved up the salary scale with some teacher now moving to UPS. Three teachers were also employed under temporary contracts to provide cover for staff who went onto maternity leave. A temporary receptionist was also employed whilst the school's receptionist was on sick leave after a hospital operation.

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.

During the year ended 31 August 2015, total expenditure of £2,008,016 was covered by recurrent grant funding from the DfE, together with other incoming resources of £1,995,137

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion, the current valuation for this is £73,000.

The level of free reserves held by the Academy at 31 August 2015 was £59,280, the target level for free reserves being £100,000. The main purpose of this would be to cover unforeseen staff long term sickness cover costs.

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 a Responsible Officer Policy/internal audit policy and appointed David Waller to undertake a programme of internal checks on the financial controls. During the year, the Trustees received three reports from the Responsible Officer/internal audit, which contained no matters of significance.

There is a development plan in place for repair, improvement and development to the school over the next five years. These include:

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Project	Estimated Cost
Refit of Girl's and Boy's Toilets	£15,000
Alterations to Year 4 teaching space	£4,000
Stage 2 Alterations to Early Years	£40,000
ICT Infrastructure upgrade	£15,000
Soft Play Nursery Playground	£25,000

This will be reviewed annually to ensure that the needs of the school are being met and to see if additional work/projects need to be allowed for.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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.

PRINCIPAL RISKS AND UNCERTAINTIES

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 95% of the Academy's incoming resources was 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 dependant 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 on 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 has appointed a Responsible Officer/internal audit to carry 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 on a regular basis.

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 reviewed the future plans of the Academy and have set designated reserves as follows:

- £85,000 has been placed in a high interest account as a contingency fund
- A development plan for the school has been formulated by the SBM of potential works and school improvements that need attention over the next five years.

MATERIAL INVESTMENTS POLICY

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.

PLANS FOR FUTURE PERIODS

FUTURE DEVELOPMENTS

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.

We plan to maintain small class sizes with a teaching assistant in each class which will reflect in academic outcomes being improved.

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.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by order of the Board of Trustees on

and signed on the board's behalf by:



**C M Pagett
Chair of Trustees**

04/12/15

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Hayes 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 Hayes 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 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
C Peters, Director	2	4
M D Wright, Head Teacher	3	3
M Hanbury, Head Teacher	1	1
J G E Frost, Director	2	4
C M Pagett, Chair	4	4
D Gilbert	2	2
M Williams	4	4
H Warren	2	4
P Childs, Vice Chair	4	4
K Roberts	4	4
C Mann	2	4
C Norton-Jones	1	1
S Giles	1	1
K Grosvenor	1	1
A Howarth	3	3
J Palfrey	3	3

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

Ensure that the Academy's finances are being managed to a high standard, to approve funding for various projects that the Academy may have planned, to discuss how to best manage the Academy's funds and to ensure that procedures and policies related to finance are adhered to and followed.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
P Childs, Chair	3	4
D Gilbert, Vice Chair	1	2
C M Pagett	3	4
J G E Frost	2	4
C Peters	1	4
M D Wright, Head Teacher	3	3
M Hanbury, Head Teacher	1	1

GOVERNANCE STATEMENT (continued)

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:

Improving Educational Results

- We have a diverse curriculum to ensure that all pupils have the opportunity to raise their individual levels of attainment (e.g. we now have a dedicated interventions teacher to raise attainment with pupil premium children identified as not making good progress.)
- We have good tracking systems to records all aspects of student data through school to ensure that support is targeted to achieve Value for Money.
- We monitor the needs of particular pupils, and ensure the support they receive is relevant to their needs.
- The effectiveness of our strategies can be seen in the feedback from Ofsted following their inspection of the school on 23 May 2013 and through key stage 2 Sats results 2015.

Financial performance

- The SBM have been influential in driving down costs through better procurement and negotiation throughout 2014/15.
- All SLAs are reviewed annually to ensure that they are delivering good value for money and are fit for purpose for the needs of the school.
- Financial management, governance and oversight is strong, with the use of several professional bodies to advise and provide support and monitor.
- Careful budgeting is used to ensure that Value for Money is achieved in all aspects of the school.
- Spending proposals are budgeted and presented to senior leaders / Governors who then challenge appropriately.
- We regularly review staffing to ensure that they are deployed efficiently and appropriately, with targeted support where necessary.
- We continue to generate income from catering and letting school premises.
- The school has a development plan in place to ensure that reserves are spent appropriately and sensibly, identifying where improvement is needed of where existing needs can be met.

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 Hayes 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.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- 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 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:

- David Waller, a Trustee, as Responsible Officer (RO);
- Bishop Fleming LLP, the external auditors, to perform additional checks.

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

- Testing payroll systems
- Testing of purchase systems
- Testing of control accounts and bank reconciliations

On a semi-annual basis, the appointees 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.

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 Responsible Officer;
- the work of the external auditors;
- 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 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 04/12/15 and signed on its behalf, by:



C M Pagett
Chair



M Hanbury
Accounting Officer

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Hayes 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.



M Hanbury
Accounting Officer

Date: 04/12/15

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees (who act as governors of Hayes School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the 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 on 04/12/15 and signed on its behalf by:



**C M Pagett
Chair**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAYES SCHOOL

We have audited the financial statements of Hayes 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 2014 to 2015 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAYES 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

William Hanbury FCA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
50 The Terrace
Torquay
Devon

TQ1 1DD

Date: 15/12/15

A large, stylized handwritten signature in black ink that reads "Bishop Fleming LLP". The signature is written in a cursive, flowing style.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 7 April 2011 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 Hayes 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 Hayes School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hayes 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 Hayes School and EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Hayes School's funding agreement with the Secretary of State for Education dated 31 March 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.

**HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

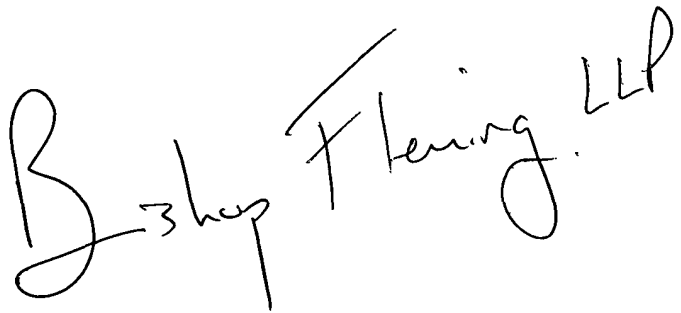
CONCLUSION

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.

William Hanbury FCA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
50 The Terrace
Torquay
Devon
TQ1 1DD

Date: 15/12/15

A large, stylized handwritten signature in black ink that reads "Bishop Fleming LLP". The signature is written in a cursive, flowing style with large loops and is positioned to the right of the printed name.

HAYES 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	2,035	7,326	-	9,361	7,141
Activities for generating funds	3	26,542	-	-	26,542	27,510
Investment income	4	1,527	-	-	1,527	1,261
Incoming resources from charitable activities	5	31,708	1,917,268	8,731	1,957,707	1,854,641
TOTAL INCOMING RESOURCES		61,812	1,924,594	8,731	1,995,137	1,890,553
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs		4,886	-	-	4,886	4,788
Charitable activities	7,8	47,853	1,780,519	163,251	1,991,623	1,879,133
Governance costs	9	-	11,507	-	11,507	15,152
TOTAL RESOURCES EXPENDED	6	52,739	1,792,026	163,251	2,008,016	1,899,073
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		9,073	132,568	(154,520)	(12,879)	(8,520)

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
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 £
Transfers between Funds	17	-	(83,432)	83,432	-	-
NET EXPENDITURE FOR THE YEAR		9,073	49,136	(71,088)	(12,879)	(8,520)
Actuarial gains and losses on defined benefit pension schemes		-	(28,000)	-	(28,000)	(53,000)
NET MOVEMENT IN FUNDS FOR THE PERIOD		9,073	21,136	(71,088)	(40,879)	(61,520)
Total funds at 1 September		205,614	(62,527)	6,086,715	6,229,802	6,291,322
TOTAL FUNDS AT 31 AUGUST		214,687	(41,391)	6,015,627	6,188,923	6,229,802

All activities relate to continuing operations.

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

The notes on pages 23 to 39 form part of these financial statements.

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07548734

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		6,061,529		6,138,164
CURRENT ASSETS					
Debtors	15	58,691		96,049	
Cash at bank and in hand		652,561		511,086	
		<u>711,252</u>		<u>607,135</u>	
CREDITORS: amounts falling due within one year	16	(110,858)		(110,497)	
NET CURRENT ASSETS			<u>600,394</u>		<u>496,638</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,661,923</u>		<u>6,634,802</u>
Defined benefit pension scheme liability	23		(473,000)		(405,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>6,188,923</u></u>		<u><u>6,229,802</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	17	431,609		342,473	
Fixed asset funds	17	6,015,627		6,086,715	
Restricted funds excluding pension liability		<u>6,447,236</u>		<u>6,429,188</u>	
Pension reserve		<u>(473,000)</u>		<u>(405,000)</u>	
Total restricted funds			<u>5,974,236</u>		<u>6,024,188</u>
Unrestricted funds	17		<u>214,687</u>		<u>205,614</u>
TOTAL FUNDS			<u><u>6,188,923</u></u>		<u><u>6,229,802</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 04/12/15 and are signed on their behalf, by:



C M Pagett
Chair

The notes on pages 23 to 39 form part of these financial statements.

HAYES 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	219,192	202,138
Returns on investments and servicing of finance	20	1,527	-
Capital expenditure and financial investment	20	(79,244)	(112,879)
INCREASE IN CASH IN THE YEAR		141,475	89,259

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

	2015 £	2014 £
Increase in cash in the year	141,475	89,259
MOVEMENT IN NET FUNDS IN THE YEAR	141,475	89,259
Net funds at 1 September 2014	511,086	421,827
NET FUNDS AT 31 AUGUST 2015	652,561	511,086

The notes on pages 23 to 39 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 2014 to 2015 issued by 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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

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 assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare 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 £500 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:

Freehold property	-	50 Years
Motor vehicles	-	25% SL
Office equipment	-	20% SL
Computer equipment	-	33% SL

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.

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	2,035	7,326	9,361	7,141

HAYES 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	6,659	-	6,659	8,318
Consultancy	20	-	20	-
Fees received	7,317	-	7,317	7,167
Fundraising grants received	8,990	-	8,990	7,909
Other	3,556	-	3,556	4,116
	<u>26,542</u>	<u>-</u>	<u>26,542</u>	<u>27,510</u>

4. OTHER INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	1,527	-	1,527	1,261
	<u>1,527</u>	<u>-</u>	<u>1,527</u>	<u>1,261</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Education	28,717	1,925,999	1,954,716	1,850,129
Solar panels	2,991	-	2,991	4,512
	<u>31,708</u>	<u>1,925,999</u>	<u>1,957,707</u>	<u>1,854,641</u>

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA GRANTS				
Capital Grants	-	8,731	8,731	8,579
General Annual Grant	-	1,528,964	1,528,964	1,504,395
Other DfE/EFA grants	-	284,971	284,971	176,370
	-	1,822,666	1,822,666	1,689,344
OTHER GOVERNMENT GRANTS				
High needs	-	13,569	13,569	1,794
Other government grants non capital	-	89,764	89,764	115,658
	-	103,333	103,333	117,452
OTHER INCOME				
Internal catering income	22,445	-	22,445	36,441
Sales to pupils	2	-	2	5
Educational trip income	6,270	-	6,270	6,887
	28,717	-	28,717	43,333
	28,717	1,925,999	1,954,716	1,850,129

6. RESOURCES EXPENDED

	Staff costs 2015 £	Premises 2015 £	Other costs 2015 £	Total 2015 £	Total 2014 £
Fundraising expenses	-	-	4,886	4,886	4,788
COSTS OF GENERATING FUNDS	-	-	4,886	4,886	4,788
Education	1,271,388	135,334	-	1,406,722	1,336,179
Support costs - Education	241,642	58,327	284,932	584,901	542,955
CHARITABLE ACTIVITIES	1,513,030	193,661	284,932	1,991,623	1,879,134
GOVERNANCE	1,965	-	9,542	11,507	15,152
	1,514,995	193,661	299,360	2,008,016	1,899,074

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

7. DIRECT COSTS

	Education	Total	Total
	£	2015	2014
		£	£
Pension finance costs	6,000	6,000	11,000
Educational trip expenditure	12,875	12,875	10,402
Wages and salaries	1,052,350	1,052,350	980,980
National insurance	55,694	55,694	65,551
Pension cost	163,346	163,346	152,219
Depreciation	116,457	116,457	116,027
	<u>1,406,722</u>	<u>1,406,722</u>	<u>1,336,179</u>

8. SUPPORT COSTS

	Education	Total	Total
	£	2015	2014
		£	£
Pension finance costs	3,000	3,000	-
Educational supplies	5,783	5,783	5,738
Staff development	2,631	2,631	4,486
Recruitment and support	7,486	7,486	9,668
Maintenance of premises and equipment	26,574	26,574	28,239
Cleaning	9,516	9,516	7,223
Rent and rates	11,221	11,221	7,004
Energy costs	14,970	14,970	18,744
Insurance	17,006	17,006	18,721
Security and transport	6,944	6,944	6,881
Catering	43,693	43,693	37,858
Technology costs	67,141	67,141	55,495
Office overheads	19,536	19,536	18,277
Legal and professional	58,763	58,763	66,552
Bank interest and charges	842	842	916
Wages and salaries	199,643	199,643	172,227
National insurance	10,109	10,109	9,026
Pension cost	31,890	31,890	27,445
Depreciation	48,153	48,153	48,455
	<u>584,901</u>	<u>584,901</u>	<u>542,955</u>

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	4,000	4,000	4,000
Auditors' non audit costs	-	3,440	3,440	6,080
Responsible Officer Costs	-	925	925	2,100
Legal and Professional	-	1,177	1,177	1,034
Governance salaries	-	1,965	1,965	1,938
	-	11,507	11,507	15,152

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	1,253,958	1,155,145
Social security costs	65,802	74,577
Pension costs (Note 23)	195,235	179,664
	1,514,995	1,409,386

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	20	20
Administration and support	4	4
Management	1	1
	25	25

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	2	0
In the band £70,001 - £80,000	0	1

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2015, pension contributions for these members of staff amounted to £10,060 (2014: £9,941)

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

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	164,610	164,482
Auditors' remuneration	4,000	4,000
Auditors' remuneration - non-audit	3,440	6,080
Operating lease rentals:		
- plant and machinery	1,318	1,746
	<u>1,318</u>	<u>1,746</u>

12. TRUSTEES' REMUNERATION AND EXPENSES

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 in the year was as follows; M Wright between thirty five and forty thousand (2014: between seventy and seventy five thousand), M Hanbury between thirty five and forty thousand, K Roberts between fifty and fifty five thousand (2014: between fifty and fifty five thousand), J Palfrey between fifteen and twenty thousand and C Mann between thirty five and forty thousand (2014: between thirty five and forty thousand). The value of Trustees' pension contributions in respect of defined benefit schemes made in the year was as follows; M Wright between five and ten thousand (2014: between five and ten thousand), M Hanbury between nil and five thousand, K Roberts between five and ten thousand (2014: between five and ten thousand), J Palfrey between nil and five thousand and C Mann between five and ten thousand (2014: between five and ten thousand).

During the year retirement benefits were accruing to 5 Trustees (2014: 4) in respect of defined contribution pension schemes.

During the year, no Trustees received any reimbursement of expenses (2014: £36).

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 £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £2,671 (2014: £2,650). The cost of this insurance is included in the total insurance cost.

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
COST					
At 1 September 2014	6,502,316	-	161,616	13,967	6,677,899
Additions	75,113	4,000	4,685	4,177	87,975
At 31 August 2015	<u>6,577,429</u>	<u>4,000</u>	<u>166,301</u>	<u>18,144</u>	<u>6,765,874</u>
DEPRECIATION					
At 1 September 2014	433,661	-	92,434	13,640	539,735
Charge for the year	130,528	250	32,894	938	164,610
At 31 August 2015	<u>564,189</u>	<u>250</u>	<u>125,328</u>	<u>14,578</u>	<u>704,345</u>
NET BOOK VALUE					
At 31 August 2015	<u>6,013,240</u>	<u>3,750</u>	<u>40,973</u>	<u>3,566</u>	<u>6,061,529</u>
At 31 August 2014	<u>6,068,655</u>	<u>-</u>	<u>69,182</u>	<u>327</u>	<u>6,138,164</u>

15. DEBTORS

	2015 £	2014 £
Trade debtors	1,201	-
VAT repayable	6,070	30,642
Prepayments and accrued income	51,420	65,407
	<u>58,691</u>	<u>96,049</u>

**16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	34,173	25,884
Other taxation and social security	40,483	41,943
Accruals and deferred income	36,202	42,670
	<u>110,858</u>	<u>110,497</u>

DEFERRED INCOME

Deferred income at 1 September 2014	27,944
Resources deferred during the year	28,679
Amounts released from previous years	(27,944)
Deferred income at 31 August 2015	<u>28,679</u>

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

At the balance sheet date the academy trust was holding funds received in advance for Universal Free School Meals for the 2015/16 financial year.

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
DESIGNATED FUNDS						
Designated Funds	89,000	-	-	-	-	89,000
GENERAL FUNDS						
Free reserves	48,848	61,812	(51,380)	-	-	59,280
Purchase of fixed assets	67,766	-	(1,359)	-	-	66,407
	116,614	61,812	(52,739)	-	-	125,687
Total Unrestricted funds	205,614	61,812	(52,739)	-	-	214,687
RESTRICTED FUNDS						
General Annual Grant (GAG)	316,394	1,528,964	(1,364,602)	(83,612)	-	397,144
High needs	-	13,569	(13,569)	-	-	-
Pupil premium	26,063	217,878	(209,476)	-	-	34,465
Nursery funding	-	75,415	(75,415)	-	-	-
UIFSM	-	49,163	(49,163)	-	-	-
Other restricted income	-	19,676	(20,954)	1,278	-	-
Donations	-	2,000	-	(2,000)	-	-
PE grant	16	9,670	(10,588)	902	-	-
Rates	-	8,259	(8,259)	-	-	-
Pension reserve	(405,000)	-	(40,000)	-	(28,000)	(473,000)
	(62,527)	1,924,594	(1,792,026)	(83,432)	(28,000)	(41,391)

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

17. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion	5,827,527	-	(129,920)	16,321	-	5,713,928
Fixed assets purchased from GAG and other restricted funds	117,647	-	(18,867)	86,185	-	184,965
DfE/EFA Capital grants	139,024	8,731	(13,793)	(19,074)	-	114,888
Drama Department - Sound Equipment	2,517	-	(671)	-	-	1,846
	<u>6,086,715</u>	<u>8,731</u>	<u>(163,251)</u>	<u>83,432</u>	<u>-</u>	<u>6,015,627</u>
Total restricted funds	<u>6,024,188</u>	<u>1,933,325</u>	<u>(1,955,277)</u>	<u>-</u>	<u>(28,000)</u>	<u>5,974,236</u>
Total of funds	<u>6,229,802</u>	<u>1,995,137</u>	<u>(2,008,016)</u>	<u>-</u>	<u>(28,000)</u>	<u>6,188,923</u>

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

DESIGNATED FUNDS

As stated in the Trustees report, the Academy has designated £89,000 towards potential works and school improvements that need attention over the next 5 years.

UNRESTRICTED FUNDS

The Purchase of Fixed Assets fund represents the net book value of fixed assets purchased using unrestricted funds.

RESTRICTED FUNDS

General Annual Grant (GAG) - This funds includes income from the EFA which is to be used for the running costs of the Academy, including education and support costs.

High needs - This is a grant received from the local authority towards the costs for providing teaching for pupils with high needs.

Pupil premium - This funding represents funding received from the EFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Nursery funding - This is funding towards nursery costs.

UIFSM - This funding was received in order to ensure children that meet the criteria have access to free school meals.

PE Grant - This funding was received towards the support of Physical Education for pupils.

Other restricted funds - This relates smaller restricted income streams. These were almost fully spent in the period.

Pension reserve - This fund represents the pension deficit for Local Government Pension Scheme (LGPS) as revalued in note 23.

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

17. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion - This represents the fixed assets transferred from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and unrestricted funds - This fund includes transfers from the GAG restricted fund for capital related expenditure.

DfE/EFA Capital grants - Grants from the EFA for capital related expenditure. At the year end £16,318 remained unspent.

Drama department - This donation was towards sound equipment within the Drama department.

OTHER INFORMATION

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.

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	66,409	-	5,995,119	6,061,528	6,138,163
Current assets	230,455	460,288	20,508	711,251	607,136
Creditors due within one year	(82,177)	(28,679)	-	(110,856)	(110,497)
Pension scheme liability	-	(473,000)	-	(473,000)	(405,000)
	<u>214,687</u>	<u>(41,391)</u>	<u>6,015,627</u>	<u>6,188,923</u>	<u>6,229,802</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(12,879)	(8,520)
Returns on investments and servicing of finance	(1,527)	-
Depreciation of tangible fixed assets	164,610	164,482
Capital grants from DfE	(8,731)	(8,579)
Decrease/(increase) in debtors	37,358	(43,580)
Increase in creditors	361	59,335
Defined benefit pension scheme adjustments	40,000	39,000
NET CASH INFLOW FROM OPERATIONS	<u>219,192</u>	<u>202,138</u>

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

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

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	1,527	-
	<u>2015</u> £	<u>2014</u> £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(87,975)	(121,458)
Capital grants from DfE	8,731	8,579
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	<u>(79,244)</u>	<u>(112,879)</u>

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:	511,086	141,475	-	652,561
NET FUNDS	<u>511,086</u>	<u>141,475</u>	<u>-</u>	<u>652,561</u>

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 Devon 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 related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £20,971 were payable to the scheme at 31 August 2015 (2014: £19,455) and are included within creditors.

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

23. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (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 £36,960 (2014: £31,106).

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

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

23. PENSION COMMITMENTS (continued)

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 £79,000, of which employer's contributions totalled £59,000 and employees' contributions totalled £20,000. The agreed contribution rates for future years are 17.1% for employers and will range between 5.5% and 7.5% 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.

The amounts recognised in the Balance sheet are as follows:

	2015	2014
	£	£
Present value of funded obligations	(945,000)	(813,000)
Fair value of scheme assets	472,000	408,000
	<hr/>	<hr/>
Net liability	(473,000)	(405,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£	£
Current service cost	(90,000)	(78,000)
Interest on obligation	(35,000)	(32,000)
Expected return on scheme assets	26,000	21,000
Past service cost	(984)	-
	<hr/>	<hr/>
Total	(99,984)	(89,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£	£
Opening defined benefit obligation	813,000	634,000
Current service cost	90,000	78,000
Interest cost	35,000	32,000
Contributions by scheme participants	20,000	17,000
Actuarial Losses	1,000	64,000
Benefits paid	(14,000)	(12,000)
	<hr/>	<hr/>
Closing defined benefit obligation	945,000	813,000
	<hr/> <hr/>	<hr/> <hr/>

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

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	408,000	321,000
Expected return on assets	26,000	21,000
Actuarial gains and (losses)	(27,000)	11,000
Contributions by employer	59,000	50,000
Contributions by employees	20,000	17,000
Benefits paid	(14,000)	(12,000)
	472,000	408,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £192,000 (2014: £164,000).

The Academy expects to contribute £58,000 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	57.00 %	59.00 %
Property	11.00 %	10.00 %
Gilts	5.00 %	6.00 %
Other bonds	5.00 %	4.00 %
Cash	2.00 %	2.00 %
Other	20.00 %	19.00 %

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	6.00 %	6.00 %
Rate of increase in salaries	4.50 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %

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	22.8	22.7
Females	26.1	26.0
Retiring in 20 years		
Males	25.1	24.9
Females	28.4	28.3

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

HAYES SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

23. PENSION COMMITMENTS (continued)

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(945,000)	(813,000)	(634,000)
Scheme assets	472,000	408,000	321,000
Deficit	(473,000)	(405,000)	(313,000)
Experience adjustments on scheme liabilities	(1,000)	(64,000)	(36,000)
Experience adjustments on scheme assets	(27,000)	11,000	23,000

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	270	-
Between 2 and 5 years	1,155	1,746

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has 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.

The following related party transactions took place in the period of account:

Anglo Carriers is a company associated with C Pagett, a Trustee. Transactions totalling £195 (2014: £195) relating to collection of goods took place in the year. There were no amounts outstanding at 31 August 2015 (2014: £Nil).

Hayes after school & holiday club is associated with J Palfrey, a Trustee. The Academy received £5,603 relating to rental income in the year. An amount of £1,201 was outstanding at 31 August 2015 (2014: £Nil).