

**WHITEFIELD SCHOOL**

**TRUSTEES REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

<b>Members</b>	Ms C Chamberlain Ms J Williams Mr W Forsyth
<b>Trustees</b>	Ms J Williams Mr W Forsyth Ms A Bolton (resigned 6 July 2016) Ms C Chamberlain, Chair (resigned 15 July 2016) Mr M Goodwin, Staff Trustee (resigned 6 July 2016) Counsellor A Slocombe Ms E Rymer, Head Teacher, Accounting Officer Ms R Shah Ms N Gosrani (resigned 3 March 2016) Ms L Bowes-Cavanagh, Staff Trustee Dr C Murray Mrs J Joseph Dr M Page Mrs L Peshawaria (appointed 27 January 2016) Mr S Leicester (appointed 18 May 2016) Mr O Eaton (appointed 6 July 2016)
<b>Company Secretary</b>	Mrs S Scott
<b>Senior Leadership Team</b>	Ms E Rymer Mr M Villiers Ms D Le Roux Mrs S Piesse Mr M Humayun Mrs F McCloskey Mrs A Mikolaitchouk Ms L Bowes Cavanagh Ms T Harris
<b>Company name</b>	Whitefield School
<b>Chief Executive Officer</b>	Ms E Rymer
<b>Registered and principal office</b>	Claremont Road London NW2 1TR
<b>Company registered number</b>	07697281
<b>Independent Auditors</b>	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
<b>Bankers</b>	Barclays Bank Plc 126 Station Road Middlesex HA8 7RY

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

The Trustees present their Annual Report together with the financial statements and Auditors' Report of Whitefield School (the Charitable Company, the Academy or The Trust) for the year ended 31 August 2016.

The Annual Report serves the purpose of both a Trustees' Report, and a Directors' Report under company law. The Charitable Company operates an academy school for students aged 11-18, serving students across a wide area of north London. It has a student capacity of 1052 and a roll of 793 in the 2016 school census (May 2016).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and Articles of Association are its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is also known as Whitefield School (The School).

**Governance**

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details section on page 1 of the financial statements.

**Member's liability**

Each Member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a Member, or within one year after they cease to be a Member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a Member.

**Trustee Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £25,000,000.

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

**Principal Activity**

The principal activity of the Charitable Company is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum.

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

The Members of the Trust are responsible for the appointment of Trustees except two parent Trustees and two staff Trustees who will be appointed through an election process directed by the Governing Body. In the event that these positions are not filled, the Members of the Trust are able to appoint to these positions. Except for the Headteacher, Trustees are subject to retirement after 4 years of service but are eligible for re appointment or re election at the meeting at which they retire.

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

**Policies and Procedures adopted for the induction and training of Governors**

All Trustees are given the opportunity to attend training sessions. At the beginning of the 2015/16 academic year a number of sessions were held for Trustees covering the main elements of the position, including the legal framework and Trustees responsibilities. Each year all Trustees are offered updates on relevant issues and changes in legislation etc. The topics covered are regularly reviewed to ensure that Trustees are kept up to date as far as possible.

Trustees are appointed based on the skills that they will bring to the Governing Body or based on a proposal to the Governing Body by representative groups. On appointment, Trustees receive information relating to the Trust and attend a briefing and receive an induction pack on their roles and responsibilities.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the School and a chance to meet staff and students. 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. The Company Secretary is designated as the Governor Development Coordinator and there is also a Link Governor who is responsible for new Trustee induction and between them they are responsible for overseeing training and development needs. All new Trustees are also paired up with a mentor, an existing experienced Trustee, to support them in their role. Trustees also undertake to make regular visits to the School to improve their understanding and to offer guidance and support.

**Organisational Structure**

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Governing Body, which meets on at least 5 occasions per year, is responsible for the strategic direction of the Academy. The Governing Body reviews progress towards educational objectives and results. They also approve major expenditure requests, set the budget for the following year, set the organisational staffing structure and agree the performance objectives of the Headteacher. All Trustees are members of the Full Governing Body. In addition Trustees are members of one of two sub committees, the terms of reference for which are reviewed annually, who report to the Full Governing Body.

- Finance and Premises Committee – this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Internal Auditor and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. This subcommittee also reviews issues relating to health and safety, premises, and related issues.
- Standards and Staffing 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. This subcommittee also reviews issues relating to human resources.

The Headteacher is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Governing Body as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

**Risk Management**

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the register is approved and monitored by the Trustees via the Finance and Premises Committee with the top 10 risks reviewed at every Full Governing Body meeting. The principal risks facing the Trust are outlined below in the principal risks and uncertainties section; those facing the School at an operational level are addressed by its systems and by internal financial and other controls.

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

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

**Connected Organisations and Related Parties**

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, 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's financial regulations and normal procurement procedures. The Trustee's Register of Interest is available on the Academy's website and reviewed annually.

The Academy is continuing to develop strong links with local primary schools, which will lead to smooth transition from primary to secondary education for the majority of students and in turn this will contribute to the community ethos upheld by the Academy and underpinned by its admissions policy.

The Academy has enhanced the provision of services to the community through its Full Service Extended Schools provision which has overseen the running of holiday activities, revision classes and community events. Strong links have been developed with many partner primary schools. Primary schools make use of the Academy facilities such as the all-weather pitches and the theatre free of charge. Many joint events are held where primary students work with students from the School. Teachers from the School are running classes in a wide range of subjects for Primary students. Joint staff training is also arranged by the Academy.

**OBJECTIVES AND ACTIVITIES**

**Objectives and Aims**

The principal objectives and aims of the Charitable Company is to provide free education and care for students of different abilities between the ages of 11 and 18.

During the year the Academy has worked towards achieving these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of education achievements of all students;
- gaining a 'Good' Ofsted rating in January 2014, with 'Outstanding' Leadership and Management ensuring, in Ofsted's words, that 'From low starting points, students make good and often exceptional progress so that they achieve very well in their GCSE's....';
- creating an environment that Ofsted described as being a '...harmonious and happy community in which adults and students show high levels of courtesy and respect for each other.';
- improving effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements; and
- conducting the Academy's business in accordance with the highest standards of integrity.

The School aims to get the best for, and from, each child. The Academy seeks to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

Over the past five years, the School has been one of the most improved schools in the country. The progress that students now make is in the top 5% of schools nationally. This has come about because of a determined drive to improve the quality of teaching and learning, investment in quality teachers, the right facilities and equipment to enable students to learn and because of a rigorous approach to analysing and acting on student data.

The future for the School is particularly exciting, with a focus on continued academic success, but also on educating the whole child and preparing them for life in the 21st century in a world increasingly without frontiers. The regeneration of Brent Cross and Cricklewood will also offer exciting opportunities for further improvement with the facilities.

School students come from a range of backgrounds. The Academy has a Free School Meal population higher than any other Barnet school, (44% - May 2016). Whilst some students come from stable and supportive backgrounds a significant number do not. One of the Academy's principal objects is to break the cycle of poverty and underachievement, to foster a sense of aspiration in all our students through the delivery of a first class education.

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

**Equal opportunities policy**

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

**Public Benefit**

The Trustees believe that by working towards the objects and aims of the Academy as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**STRATEGIC REPORT**

**Achievements and performance**

Results have risen steadily since 2009, when only 29% of students obtained 5 + A\*-C. The unvalidated figure for 5+A\*-C in 2015 is 47%. Students at the Academy make outstanding progress from low starting points. Many GCSE subjects exceed national pass rates despite the low prior ability of the students.

The student population has stabilised. The sixth form is now growing again, with more students staying on as a result of recruiting better teachers and retaining the very good ones. The Academy has invested in new facilities for the sixth form. Results for the sixth form continue their gradual improvement with a significant rise in the number of students gaining the very top grades at AS and A2.

**Going concern**

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

**FINANCIAL REVIEW**

**Financial Review**

The Trust recorded a carry forward surplus of £718,582 this year in unrestricted funds. The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. For the year ended 31 August 2016, the Trust received £5,156,983 of GAG and other funding; 80% of this income is spent on wages and salaries to deliver the Academy's primary objective of the provision of education. During the year the Trust spent all of its restricted funds and the excess of expenditure over income for the year before actuarial losses/gains and excluding the fixed assets was £130,555. Work relating to Capital Improvement Fund bid in total of £1,566,980 is to be completed in March 2017 (Boiler and Heating System replacement).

**Principal risks and uncertainties**

The Directors assess the principal risks and uncertainties facing the Trust as follows:

- Financial. The Academy has considerable reliance on continued Government funding through the EFA. In the last year 95.7 % of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in Governance and/or management. The risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational. The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection. The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing. The success of the Academy is reliant 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.

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

- Fraud and mismanagement of funds. The Academy has appointed an Internal Auditor 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.

**Reserves policy**

The Trustees are aware of the requirement to balance current and future needs. They always aim to set a balanced budget with annual income balancing annual expenditure.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £718,582. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trustees have approved a revenue reserves policy to annually allocate funds for property maintenance not covered by annual funding (i.e. assessed need condition work) and the continuing development of ICT infrastructure.

Anticipating reductions in future funding (from general Government cuts and falls in the real value of grants) it is anticipated that the finances of the Academy will become increasingly tight. The building's refurbishment is highlighting a large number of areas where extra expense may be required to fit the building out to the standard required as some of the facilities have been specified at a very basic level and there is a need for more classrooms and covered outdoor areas due, the expansion of the student role. In light of this future anticipated additional costs and reducing revenues the Trustees have not spent existing contingencies and retained as many funds as possible to support future expenditure. This has been achieved without compromising the quality of education offered to the students.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £1,633,020 of which £822,664 related to CIF refurbishing pipework and boilers project. The Trustees have determined that they should hold a cash contingency equivalent to one months' expenditure, approximately £460,000.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £2,058,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

**Investment policy**

An Investment Policy was reviewed by the Finance and Premises Committee in May 2016.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Academy does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow. Surplus funds were invested in saving bank account of Barclays Bank giving the best possible returns for the period of time the funds are to be invested.

**Key financial performance indicators**

The Finance and Premises Committee met 5 times during the year to review financial performance. The Trustees receive termly financial information to enable them to monitor the financial performance of the Academy. The main financial performance indicator is the level of reserves held at the balance sheet date.

As funding is based on student numbers this is also a key performance indicator. Student numbers for 2016 were 793 (May 2016 census). It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2015/16 this was 78.4% (2014/15 – 65.40%).



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

**Plans for Future Periods**

The School strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential.

The Academy believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will develop students' commitment to lifelong learning and enrich their quality of life. To this extent, the Academy strives to provide exceptional behaviour and attendance management support to its students and to offer a broad range of extra curricular activities. The Academy will continue to raise standards for all students and issues that have been revealed by the GCSE examination results this year will be addressed in order to ensure an improvement particularly in Mathematics and Science.

Work to improve the condition of the Academy will be taken forward and the Academy will make a bid for funding in order to fund window replacements. The Academy is also investing in improved ICT facilities. Future developments also include developing more formal partnerships with local primary schools.

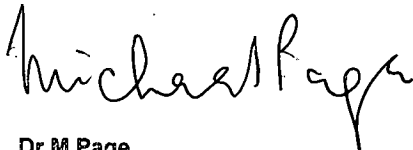
**Auditor**

insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 07.12.2016 and signed on the Board's behalf by:



**Dr M Page**  
**Chair**

**WHITEFIELD SCHOOL**  
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**GOVERNANCE STATEMENT**

**SCOPE OF RESPONSIBILITY**

As Trustees, we acknowledge we have overall responsibility for ensuring that Whitefield 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 Whitefield School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ms J Williams	6	6
Mr W Forsyth	5	6
Ms A Bolton	0	6
Ms C Chamberlain	6	6
Mr M Goodwin	5	6
Counsellor A Slocombe	3	6
Ms E Rymer	6	6
Ms R Shah	5	6
Ms N Gosrani	0	3
Ms L Bowes-Cavanagh	6	6
Dr C Murray	6	6
Mrs J Joseph	5	6
Dr M Page, Chair	5	6
Mrs L Peshawaria	4	4
Mr S Leicester	1	1

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to address financial matters.

There were no particular or unique issues covered by the Finance and Premises Committee during the year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ms R Shah	1	5
Mr S Leicester	1	1
Mr W Forsyth, Chair	4	5
Ms C Chamberlain	5	5
Ms A Bolton	0	5
Dr M Page	5	5
Ms E Rymer	5	5

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**GOVERNANCE STATEMENT (continued)**

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Headteacher has responsibility for ensuring that The School 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 School's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for The School has delivered improved value for money during the year by:

- Better purchasing and efficient and effective use of resources: A register of all services and contracts has been developed and all contracts are appraised or renegotiated in a timely manner to get the best mix of quality and effectiveness. 3 to 5 year contracts have been entered into to ensure reduced cost where it was felt that this would benefit the Academy. Some services have been terminated with external providers as the expertise is now available in the Academy. Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis. For purchases above £10,000 but below the tender limit 3 quotes are required. At least two estimates or price lists are required to obtain for all orders between £1,000 and £10,000 to identify the best source of the goods/services. The SLT reviews expenditure within each budget heading regularly and make adjustments based on the effectiveness of strategies introduced in previous years, curriculum offer and any new strategies identified in the School Improvement Plan.
- Economies of scale: The Academy regularly takes opportunities to work collaboratively with others to reduce and share administration and procurement costs. The Sports Games Organiser officer is based at the Academy and provides support to other Primary Schools through a service level agreement. When applicable joint tenders have been carried out to ensure value for money across several schools.
- The Academy has made successful bids over the past four years for capital funding projects that improve the resource provision and learning environment. Students now benefit from refurbished science classrooms and prep room, PE changing rooms and DT classrooms, and improved boilers' system. The Academy was one of few in Barnet this year to submit a successful bid and this has funded the upgrading the central heating pipework and boilers.
- Reviewing controls and managing risks: Weekly meetings to review budget – HT and SD of financial monthly budget monitoring reports are produced and reviewed by the Budget Holders and the Headteacher and any necessary remedial action taken to address any significant variances that may have an impact on the budget out-turn. The Trustees and SLT apply the principles of best value when making decisions about:
  - the allocation of resources to best promote the aims and values of the School;
  - the targeting of resources to best improve standards and the quality of provision; and
  - the use of resources to best support the various educational needs of all students.
- The Academy has developed procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures in place include:
  - competitive tendering procedures;
  - procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship);
  - procedures which minimise office time by the purchase of goods or services under £1000 direct from known, reliable suppliers (e.g. stationery, small equipment);
  - professional advice (e.g. legal/audit) has also been sought when needed.
- The Academy ensures that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential.
- The area where the Trust could do better is in maximising income generation thorough hire of Academy facilities and applying for different grants.

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**GOVERNANCE STATEMENT (continued)**

**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 the 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 the Trust for the year 1 September 2015 to 31 August 2016 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 Trust 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 Trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

The 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 Board of Trustees;
- regular reviews by the Finance and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Nick Adams from Local Authority Barnet as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on The School's financial systems. On a quarterly basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Internal Auditor delivered on their schedule of works as was planned and agreed by the Trustees during 2015-16.

Three visits were carried out during the year. Tests carried out this year were: payroll, purchases, income, risk register and a general review of the effectiveness of systems in place. The finding from the visits resulted in some recommendations being made but none which were deemed to be significant. No material control issues were found during the course of their work.

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**GOVERNANCE STATEMENT (continued)**


**REVIEW OF EFFECTIVENESS**

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the 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 and Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 07.12.2016 and signed on their behalf, by:



**Dr M Page**  
**Trustee**



**E Rymer**  
**Accounting Officer**

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

The Trustees (who act as Governors of Whitefield School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with the Annual Accounts Requirements issued by the EFA, United Kingdom Accounting Standards (UKGAAP) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UKGAAP 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the Board of Trustees on 07.12.2016 and signed on its behalf by:



**Dr M Page**  
**Trustee**

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Whitefield School I have considered my responsibility to notify the Trust Board of Trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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.



**E Rymer**  
**Accounting Officer**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WHITEFIELD SCHOOL**

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

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

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who 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 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 Charitable Company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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



**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
WHITEFIELD 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.



Gary Miller (Senior Statutory Auditor)

for and on behalf of

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

Date:

7/12/16

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

In accordance with the terms of our engagement letter dated 8 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Whitefield School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

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

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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's income and expenditure.

The work undertaken to draw to our conclusion includes:

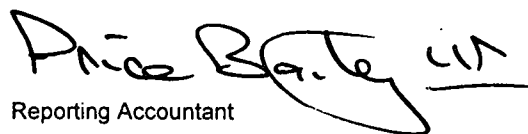
- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy, extending the procedures required for the financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

**CONCLUSION**

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



Reporting Accountant

**Price Bailey LLP**

Chartered Accountants

Date: 7/12/16

**WHITEFIELD SCHOOL**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	-	14,323	840,650	854,973	534,115
Charitable activities	3	-	5,619,580	-	5,619,580	5,963,088
Other trading activities	4	158,473	82,084	-	240,557	201,968
Investments	5	1,683	-	-	1,683	750
<b>TOTAL INCOME</b>		<b>160,156</b>	<b>5,715,987</b>	<b>840,650</b>	<b>6,716,793</b>	<b>6,699,921</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		260,192	5,746,506	739,983	6,746,681	6,759,186
<b>TOTAL EXPENDITURE</b>	6	<b>260,192</b>	<b>5,746,506</b>	<b>739,983</b>	<b>6,746,681</b>	<b>6,759,186</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>(100,036)</b>	<b>(30,519)</b>	<b>100,667</b>	<b>(29,888)</b>	<b>(59,265)</b>
Transfers between funds	15	-	(88,993)	88,993	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>(100,036)</b>	<b>(119,512)</b>	<b>189,660</b>	<b>(29,888)</b>	<b>(59,265)</b>
Actuarial losses on defined benefit pension schemes	20	-	(862,000)	-	(862,000)	(43,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>(100,036)</b>	<b>(981,512)</b>	<b>189,660</b>	<b>(891,888)</b>	<b>(102,265)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		818,618	(1,076,488)	19,759,491	19,501,621	19,603,886
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>718,582</b>	<b>(2,058,000)</b>	<b>19,949,151</b>	<b>18,609,733</b>	<b>19,501,621</b>

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07697281**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	12		19,126,487		19,759,492
<b>CURRENT ASSETS</b>					
Debtors	13	234,237		266,627	
Cash at bank and in hand		1,633,021		908,883	
		<u>1,867,258</u>		<u>1,175,510</u>	
<b>CREDITORS:</b> amounts falling due within one year	14	(326,012)		(297,381)	
<b>NET CURRENT ASSETS</b>			<u>1,541,246</u>		<u>878,129</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>20,667,733</u>		<u>20,637,621</u>
Defined benefit pension scheme liability	20		(2,058,000)		(1,136,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>18,609,733</u></u>		<u><u>19,501,621</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
Restricted income funds	15	-		59,512	
Restricted fixed asset funds	15	19,949,151		19,759,491	
		<u>19,949,151</u>		<u>19,819,003</u>	
Restricted income funds excluding pension liability					
Pension reserve		(2,058,000)		(1,136,000)	
		<u></u>		<u></u>	
Total restricted income funds			17,891,151		18,683,003
Unrestricted income funds	15		718,582		818,618
<b>TOTAL FUNDS</b>			<u><u>18,609,733</u></u>		<u><u>19,501,621</u></u>

The financial statements were approved by the Board, and authorised for issue, on 07.12.2016 and are signed on their behalf, by:



**Dr M Page**  
Trustee



**E Rymer**  
Accounting Officer

The notes on pages 21 to 37 form part of these financial statements.

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	17	829,434	276,288
<b>Cash flows from investing activities:</b>			
Interest Received		1,683	750
Purchase of tangible fixed assets		(106,979)	(494,044)
<b>Net cash used in investing activities</b>		(105,296)	(493,294)
<b>Change in cash and cash equivalents in the year</b>		724,138	(217,006)
Cash and cash equivalents brought forward		908,883	1,125,889
<b>Cash and cash equivalents carried forward</b>		1,633,021	908,883

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of financial statements**

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

Whitefield School constitutes a public benefit entity as defined by FRS 102.

**First time adoption of FRS 102**

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

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

Any reconciliations to previous UK GAAP for the comparative figures are included in note 24.

**1.2 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the DfE.

**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

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

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

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

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

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

**1.4 Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

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



**WHITEFIELD SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. ACCOUNTING POLICIES (continued)**

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

Long term leasehold land	-	over the life of the lease (125 years)
Long term leasehold buildings	-	30 years straight line
Motor vehicles	-	5 years straight line
Furniture and fittings	-	10 years straight line
Office equipment	-	5 years straight line
Computer equipment	-	5 years straight line
Plant and machinery	-	10 years straight line

**1.7 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities Incorporating Income and Expenditure Account on a straight line basis over the lease term.

**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 Interest receivable**

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

**1.10 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**WHITEFIELD SCHOOL**  
(A Company Limited by Guarantee)

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

**1. ACCOUNTING POLICIES (continued)**

**1.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	-	6,610	-	6,610	6,358
Contributions to trips	-	7,713	-	7,713	33,284
Capital grants	-	-	840,650	840,650	494,473
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	-	14,323	840,650	854,973	534,115
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from donations and capital grants, £NIL was to unrestricted funds and £534,115 was to restricted funds

**WHITEFIELD SCHOOL**  
(A Company Limited by Guarantee)

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

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	5,158,983	5,158,983	5,480,478
Other DfE / EFA grants	-	339,580	339,580	335,086
	-	5,498,563	5,498,563	5,815,564
<b>Other government grants</b>				
LA income	-	121,017	121,017	147,524
	-	121,017	121,017	147,524
	-	5,619,580	5,619,580	5,963,088

In 2015, of the total income from charitable activities, £NIL was to unrestricted funds and £5,963,088 was to restricted funds.

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	142,229	-	142,229	127,043
Other income	16,244	82,084	98,328	74,925
	158,473	82,084	240,557	201,968

In 2015, of the total income from other trading activities, £151,438 was to unrestricted funds and £50,530 was to restricted funds.

**5. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest received	1,683	-	1,683	750

In 2015, of the total investment income, £750 was to unrestricted funds and £NIL was to restricted funds.

**WHITEFIELD SCHOOL**  
(A Company Limited by Guarantee)

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

**6. EXPENDITURE**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Education:					
Direct costs	4,076,442	608,285	675,930	5,360,657	5,356,862
Support costs	544,035	276,505	565,484	1,386,024	1,402,324
	<u>4,620,477</u>	<u>884,790</u>	<u>1,241,414</u>	<u>6,746,681</u>	<u>6,759,186</u>

In 2016, of the total expenditure, £260,192 (2015 - £6,169) was to unrestricted funds and £6,486,489 (2015 - £6,753,017) was to restricted funds.

**7. CHARITABLE ACTIVITIES**

	2016 £	As restated 2015 £
Direct costs	5,360,657	5,356,862
Support costs	1,386,024	1,402,324
	<u>6,746,681</u>	<u>6,759,186</u>
Total	<u>6,746,681</u>	<u>6,759,186</u>

**Analysis of support costs**

	2016 £	2015 £
Support staff costs	544,035	485,707
Depreciation	60,202	60,201
Technology costs	173,618	174,173
Premises costs	271,348	289,971
Other support costs	320,875	372,725
Governance costs	15,946	19,547
	<u>1,386,024</u>	<u>1,402,324</u>
Total	<u>1,386,024</u>	<u>1,402,324</u>

**8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned or leased by the Academy Trust	739,984	715,972
Auditors' remuneration - audit	6,750	6,750
Auditors' remuneration - other services	4,500	6,460
Operating Lease Rentals - Plant & Machinery	126,470	75,770
	<u>877,704</u>	<u>864,952</u>

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**9. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	3,464,686	3,669,792
Social security costs	283,545	307,125
Operating costs of defined benefit pension schemes	465,386	405,115
	<u>4,213,617</u>	<u>4,382,032</u>
Supply teacher costs	406,860	142,018
	<u>4,620,477</u>	<u>4,524,050</u>

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

	2016 No.	2015 No.
Teachers	63	63
Administration and support	51	49
Management	8	9
	<u>122</u>	<u>121</u>

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

	2016 No.	2015 No.
In the band £ 60,001 - £ 70,000	4	3
In the band £ 90,001 - £100,000	0	1
In the band £100,001 - £110,000	1	0

The key management personnel of the academy trust comprise the staff Trustees and the SLT as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £661,630 (2015 - £755,767).

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FOR THE YEAR ENDED 31 AUGUST 2016**

**10. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2016 £	2015 £
Ms E Rymer, Headteacher	Remuneration	100,000-105,000	65,000-70,000
	Pension contributions paid	15,000-20,000	5,000-10,000
Ms L Bowes-Cavanagh	Remuneration	45,000-50,000	45,000-50,000
Mr M Goodwin	Remuneration	20,000-25,000	
	Pension contributions paid	5,000-10,000	20,000-25,000
Mr O Eaton	Remuneration	0-5,000	
	Pension contributions paid	0-5,000	

During the year, travel and subsistence expenses totalling £649 were reimbursed to 4 trustees (2015 - £1,670 to 3 trustees).

**11. TRUSTEES' AND OFFICERS' INSURANCE**

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

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**12. TANGIBLE FIXED ASSETS**

	Leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2015	20,601,097	7,664	1,599,694	183,851	22,392,306
Additions	-	-	104,839	2,140	106,979
Disposals	-	-	(14,363)	-	(14,363)
At 31 August 2016	20,601,097	7,664	1,690,170	185,991	22,484,922
<b>Depreciation</b>					
At 1 September 2015	2,000,764	7,664	525,167	99,219	2,632,814
Charge for the year	501,336	-	205,997	32,651	739,984
On disposals	-	-	(14,363)	-	(14,363)
At 31 August 2016	2,502,100	7,664	716,801	131,870	3,358,435
<b>Net book value</b>					
At 31 August 2016	18,098,997	-	973,369	54,121	19,126,487
At 31 August 2015	18,600,333	-	1,074,527	84,632	19,759,492

**13. DEBTORS**

	2016 £	2015 £
<b>Due after more than one year</b>		
Prepayments and accrued income	-	2,250
<b>Due within one year</b>		
Trade debtors	3,309	4,560
Other debtors	40,416	39,007
Prepayments and accrued income	190,512	220,810
	<u>234,237</u>	<u>266,627</u>

**14. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	101,040	106,550
Other taxation and social security	59,119	58,850
Other creditors	38,584	33,360
Accruals and deferred income	127,269	98,621
	<u>326,012</u>	<u>297,381</u>

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**14. CREDITORS: Amounts falling due within one year (continued)**

	2016 £	2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	22,000	199,175
Resources deferred during the year	127,269	22,000
Amounts released from previous years	(22,000)	(199,175)
Deferred income at 31 August 2016	<u>127,269</u>	<u>22,000</u>

Deferred income relates to a Devolved Formula Capital grant, trips income, letting income and PTA collection relating to the 2016/17 academic year.



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**15. STATEMENT OF FUNDS**

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
<b>Unrestricted funds</b>						
Unrestricted funds	818,618	160,156	(260,192)	-	-	718,582
<b>Restricted funds</b>						
General Annual Grant (GAG)	59,512	5,156,983	(5,127,502)	(88,993)	-	-
SEN funding	-	121,017	(121,017)	-	-	-
Educational trips	-	7,713	(7,713)	-	-	-
Sixth Form bursary	-	15,680	(15,680)	-	-	-
Summer school	-	2,000	(2,000)	-	-	-
Pupil Premium	-	323,900	(323,900)	-	-	-
Restricted donations	-	6,610	(6,610)	-	-	-
Other restricted funds	-	82,084	(82,084)	-	-	-
Pension reserve	(1,136,000)	-	(60,000)	-	(862,000)	(2,058,000)
	<u>(1,076,488)</u>	<u>5,715,987</u>	<u>(5,746,506)</u>	<u>(88,993)</u>	<u>(862,000)</u>	<u>(2,058,000)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed assets	19,759,491	17,986	(739,983)	88,993	-	19,126,487
Capital maintenance fund	-	822,664	-	-	-	822,664
	<u>19,759,491</u>	<u>840,650</u>	<u>(739,983)</u>	<u>88,993</u>	<u>-</u>	<u>19,949,151</u>
Total restricted funds	<u>18,683,003</u>	<u>6,556,637</u>	<u>(6,486,489)</u>	<u>-</u>	<u>(862,000)</u>	<u>17,891,151</u>
Total of funds	<u>19,501,621</u>	<u>6,716,793</u>	<u>(6,746,681)</u>	<u>-</u>	<u>(862,000)</u>	<u>18,609,733</u>

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

**Unrestricted funds**

This represents income received that does not have restrictions.

**General Annual Grant (GAG)**

This represents funding from the EFA to cover the costs of recurrent expenditure.

The transfer between the General Annual Grant and Restricted Fixed Assets is to cover fixed asset purchases in the year.

**Special Educational Needs (SEN)**

This represents allocated funding for special educational needs pupils.

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**15. STATEMENT OF FUNDS (continued)**

**Educational Trips**

This represents contributions made by parents to the running of educational visits for the pupils of the School and the associated costs of running the trips.

**Sixth Form Bursary**

This funds helps sixth form students continue in education where they might otherwise struggle for financial reasons.

**Summer School**

This represents contributions made towards the costs of the summer school.

**Pupil Premium**

This represents funding used to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

**Restricted donations**

This represents donations received in the year which are restricted in nature.

**Other restricted funds**

This includes income from locker deposits and grants towards staff salaries.

**Pension reserve**

This reserve represents the Academy Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

**Restricted Fixed Asset Funds**

Restricted fixed asset fund represents the value of fixed assets held in line with the charitable objectives of the Academy Trust. The transfer between funds represents additions purchased through GAG funding. Restricted fixed assets funds are resources which are to be applied to specific capital purposes imposed by the Department for Education or other funders where the asset acquired or created is held for a specific purpose. Amounts unspent could be clawed back at the end of projects.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	19,126,487	19,126,487	19,759,491
Debtors due after more than 1 year	-	-	-	-	2,250
Current assets	1,044,594	-	822,664	1,867,258	1,173,261
Creditors due within one year	(326,012)	-	-	(326,012)	(297,381)
Provisions for liabilities and charges	-	(2,058,000)	-	(2,058,000)	(1,136,000)
	<u>718,582</u>	<u>(2,058,000)</u>	<u>19,949,151</u>	<u>18,609,733</u>	<u>19,501,621</u>

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

	2016 £	2015 £
Net expenditure for the year (as per Statement of Financial Activities)	(29,888)	(59,265)
<b>Adjustment for:</b>		
Depreciation charges	725,621	715,972
Dividends, interest and rents from investments	(1,683)	(750)
Loss on the sale of fixed assets	14,362	-
Decrease in debtors	32,391	45,368
Increase/(decrease) in creditors	28,631	(479,037)
Pension adjustments	60,000	54,000
<b>Net cash provided by operating activities</b>	<u><u>829,434</u></u>	<u><u>276,288</u></u>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	1,633,021	908,883
<b>Total</b>	<u><u>1,633,021</u></u>	<u><u>908,883</u></u>

**19. MEMBERS' LIABILITY**

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

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**20. 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 the London Borough of Barnet. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £38,478 were payable to the schemes at 31 August 2016 (2015 - £33,194) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (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; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £50,030 (2015 - £51,698).

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

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

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**20. PENSION COMMITMENTS (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £158,000 (2015 - £156,000), of which employer's contributions totalled £125,000 (2015 - £124,000) and employees' contributions totalled £33,000 (2015 - £32,000). The agreed contribution rates for future years are 23.8% for employers and 6.5% for employees.

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

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

	2016	2015
Discount rate	2.00 %	3.90 %
Rate of increase in salaries	4.10 %	4.40 %
Inflation assumption (CPI)	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.1	22.1
Females	24.4	24.4
Retiring in 20 years		
Males	24.2	24.2
Females	26.8	26.8

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	926,000	676,000
Bonds	280,000	323,000
Other managed funds	12,000	10,000
<b>Total market value of assets</b>	<b>1,218,000</b>	<b>1,009,000</b>

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**20. PENSION COMMITMENTS (continued)**

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(140,000)	(137,000)
Net interest cost	(45,000)	(41,000)
	<u>(185,000)</u>	<u>(178,000)</u>
Total	<u>(185,000)</u>	<u>(178,000)</u>
Actual return on scheme assets	<u>-</u>	<u>(2,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	2,145,000	2,074,000
Current service cost	140,000	137,000
Interest cost	84,000	81,000
Actuarial losses	1,054,000	1,000
Contributions by employees	33,000	32,000
Benefits paid	(180,000)	(180,000)
	<u>3,276,000</u>	<u>2,145,000</u>
Closing defined benefit obligation	<u>3,276,000</u>	<u>2,145,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	1,009,000	1,035,000
Interest income	39,000	40,000
Actuarial gains and (losses)	192,000	(42,000)
Contributions by employer	125,000	124,000
Contributions by employees	33,000	32,000
Benefits paid	(180,000)	(180,000)
	<u>1,218,000</u>	<u>1,009,000</u>
Closing fair value of scheme assets	<u>1,218,000</u>	<u>1,009,000</u>

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**21. OPERATING LEASE COMMITMENTS**

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

	2016 £	2015 £
<b>Amounts payable:</b>		
Within 1 year	134,717	111,278
Between 1 and 5 years	244,434	306,766
<b>Total</b>	<u>379,151</u>	<u>418,044</u>

There were no operating lease commitments in respect of land and buildings.

**22. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust 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.

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

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

Reema Shah - a trustee of the trust

The academy trust paid for consultancy services totalling £3,500 (2015 - £Nil) during the year. There were no amounts outstanding at 31 August 2016 (2015 - £Nil).

In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook 2015.

**23. 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.

**24. FIRST TIME ADOPTION OF FRS 102**

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

Comparative figures have been restated to reflect the adjustments made.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.