

REGISTERED COMPANY NUMBER: 07547393 (England and Wales)

Report of the Trustees and
Financial Statements For The Year Ended 31 August 2016
for
The Hayfield School

Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

TUESDAY



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13/12/2016
COMPANIES HOUSE

The Hayfield School

Contents of the Financial Statements
For The Year Ended 31 August 2016

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 11
Governance Statement	12 to 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees Responsibilities	17
Report of the Independent Auditors	18
Independent Accountant's Report on Regularity	19
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to the Statement of Cash Flows	23
Notes to the Financial Statements	24 to 38

The Hayfield School

Reference and Administrative Details
For The Year Ended 31 August 2016

MEMBERS

S Cross
A Scott
L Fox
G Hartshorn
C Dummer
D Langford

TRUSTEES

G Hartshorn (Chair)
C Dummer (Vice Chair)
A Scott
P Plunkett (Staff Governor)
G Parkes (Staff Governor)
L Gilfedder
N Colley
D Langford
U Ahmed
S Cross
S Featherstone
D Dickerson
K Summeril (resigned 5.9.2016)
R Hale
M Southern (resigned 21.9.2015)
L Fox (Headteacher)
M Huby
N Ford
S Powell
T Jones (Staff Governor) (appointed 14.9.2015) (resigned 5.9.2016)

COMPANY SECRETARY

K L Thompson

SENIOR MANAGEMENT TEAM

R Huddart (Assistant Head)
D Twell (Assistant Head)
I Melia (Business Manager)
L Fox (Headteacher)
J Wainman (Associate Head)
S Gibson (Assistant Head)

REGISTERED OFFICE

Hurst Lane
Auckley
Doncaster
South Yorkshire
DN9 3HG

REGISTERED COMPANY NUMBER

07547393 (England and Wales)

AUDITORS

Allotts Business Services Ltd, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

The Hayfield School

Reference and Administrative Details
For The Year Ended 31 August 2016

SOLICITORS

Stone King LLP
16 St John's Lane
London
EC1M 4BS

BANKERS

Lloyds Bank plc
106 High Street
Scunthorpe
DN15 6HG

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The charitable company operates The Hayfield School (the "academy trust") to provide education for students of different abilities between the ages of 11 and 18, with an emphasis on high academic achievement and a maximum retention rate at 16. The academy trust has an excellent academic and pastoral reputation for preparing students for their transition to university and adult life, which has resulted in the school being over-subscribed. It serves a catchment area in the Auckley area of Doncaster with a pupil capacity of 1,133 and a roll of 1,136 in the school census dated May 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Hayfield School 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 governors act as the trustees for the charitable activities of The Hayfield School and are also the directors of the Charitable Company for the purposes of company law.

Details of the trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the 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, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

In respect of the trustees and its function the Academy trust holds the following insurance policy underwritten by Ecclesiastical Insurance Office:

Limit of indemnity, for any one claim or the aggregate in any one period of insurance is £2,000,000.
There were no third party indemnity provisions during the period September 2015 to August 2016.

Method of Recruitment and Appointment or Election of Trustees (Governors)

In accordance with the articles of association the trustees are appointed as follows:

- a) The members may appoint up to 9 community governors and 2 appointed governors.
- b) The members may appoint staff governors through any process they determine, including by a suitable election process. The total number of governors who are employees of the academy trust shall not exceed one third of the total number of trustees. There should be up to 3 staff governors.
- c) The Head teacher is an ex officio governor.
- d) The parent governors shall be elected by parents of registered pupils at the academy. There should be at least 2 and up to 5 parent governors.

A community governor is a person who, in the opinion of the members, is committed to the good government and success of the academy trust. An appointed governor is a person who is a parent of a child at the school at that time and who, in the opinion of the members, is committed to the good government and success of the academy trust.

The number of trustees shall be not less than three but shall not be subject to any maximum. The term of office for any trustee shall be four years, or any shorter period determined by the members. This time limit does not apply to the Head teacher and staff governors only hold office for as long as they continue to be employed by the school.

The Academy trust actively advertises and organises elections for governor vacancies.

Policies and Procedures Adopted for the Induction and Training of Trustees

On appointment, all trustees are provided with handbooks detailing Academy legislation. Trustees are initially invited to attend all sub-committee meetings to determine which areas of governance are most appropriate to their levels of expertise. Ultimately, trustees usually choose to be members of two sub-committees. In-house training is provided on a bespoke scheduled or requested basis.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

Organisational Structure

The trustees are responsible for setting general policy, approving and adopting an annual plan and budget, monitoring the academy trust by the use of budgets and making major decisions about the direction of the academy trust, capital expenditure and senior staff appointments.

The Hayfield School Leadership Group consists of the Headteacher, Associate Head, the Business Manager and three Assistant Headteachers.

The Leadership Group meet daily to discuss both strategic and operational responsibilities. Each member of the Leadership Group has both strategic and operational responsibilities and links with Heads of Faculties, Pastoral, Administrative, Site and Training leaders.

Each member of the Leadership Group acts as a conduit and links with one or more governor committees.

The Headteacher and Business Manager form part of the Trustees Steering Group together with the Chairs of each trustees' sub-committee including the Chair and Vice-Chair of Trustees, ensuring a vital link between school management and trustees.

The day to day management is delegated to the Head teacher, who is also the Accounting Officer. All strategic decisions delegated to the Leadership Group are ratified by the trustees.

Arrangements for setting pay and remuneration of key management personnel.

The Hayfield School adopts the rules as set out in the School Teachers Pay and Conditions Document (STPCD). Headteachers, Deputy Head teachers and the Senior Leadership Team are paid within the leadership pay range which is between £38,984 and £108,283 per year.

An individual school range has been set by governors for the Senior Leadership Team. If a senior leader reaches the top of these school ranges then no further pay progression will be activated irrespective of their performance review. All point increases are dependent on the ability of the individual to demonstrate that they have achieved their set goal and objectives within the Academic year to meet the success criteria of their performance management in accordance with the 2012 Regulation in England. The relevant body determine how pay progression will be determined subject to the following:-

- a) the decision whether or not to award pay progression must be related to the individual's performance, as assessed through the school or authority's appraisal arrangements in accordance with the 2012 Regulations in England or the 2011 Regulations in Wales;
- b) a recommendation on pay must be made in writing as part of the individual's appraisal report, and in making its decision the relevant body must have regard to this recommendation;
- c) where the individual is not subject to either the 2012 or the 2011 Regulations, in order to reach a decision whether or not to award pay progression the relevant body must seek to agree objectives with the individual relating to school leadership and management and pupil progress and, in the absence of such agreement, must set such objectives, and must appraise the performance of the individual taking account of those objectives;
- d) pay decisions must be clearly attributable to the performance of the individual;
- e) sustained high quality of performance having regard to the results of the most recent appraisal carried out in accordance with the 2012 or the 2011 Regulations or the objectives agreed or set under paragraph 11.2(c) (as the case may be) should give the individual an expectation of progression up the pay range;
- f) where in accordance with the provisions of an earlier document the relevant body has determined a pay range the maximum of which exceeds the highest salary payable under this Document it must continue to pay any salary determined by reference to that pay range until such time as it reassesses the pay range for its leadership posts under the provisions of this document.

The Headteachers annual pay range is set in line with the STPCD allocating the advised unit per pupil dependent on the Key stage. This information is taken from the latest school census and reviewed on an annual basis.

Pay ranges for the Senior Leadership Team are set taking into account the complexity of the role in the particular context to the school and a judgement on pay is made in light of this. The individual range for these members has a maximum that will never exceed the Headteachers pay.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

Related Parties and other Connected Charities and Organisations

The academy trust has an excellent transition programme and holds termly meetings with feeder schools. The academy trust offers in-house training and CPD programmes to Local Authority schools and links as a Training School with local Universities. During the transition to academy status and currently, the academy trust is proactive in advising and encouraging schools in their pursuit of academy status.

The Business Manager is a member of FASNA.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The objects of the academy trust, as set out in its articles of association, are specifically restricted to:

- a) Advancing 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, and
- b) Promoting for the benefit of the inhabitants of Doncaster and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The academy trust is student focused and dedicated to the children and young people of the local community it serves. Through its ethos, environment and curriculum, the academy trust enables each individual to realise their true potential, encourages them to make positive contributions to society and prepares them for adult life.

The 11-18 age range provides continuity through the different stages of learning. The learning environment supports social inclusion and provides a safe and secure place where everyone matters.

The academy is committed to the pursuit of high standards of achievement in all areas of learning and behaviour. All students are challenged to achieve through a culture of high expectations and aspirations for all.

Objectives, Strategies and Activities

The Hayfield School aims to:-

- Maximise the achievement of all students at all levels.
- Provide a 'whole curriculum' to each student encompassing academic and extra-curricular activities.
- Create a caring school environment in which young people can mature and grow within a framework of guidance and discipline.
- Encourage the personal development of our students to create pro-active, positive, and self-aware life-long learners who can make a positive contribution to their community.
- Enhance young people's understanding of the world of work and career pathways, in the context of the needs of the local and the global community.
- Encourage positive values and a sense of value judgment in respect of morals, ethics, and spiritual values.
- Maximise the use of the facilities on-site, within finance available, for the general benefit of the community.
- Create a happy and positive partnership between students, staff, parents and the community.
- To seek co-operation with other educational bodies to raise standards for all.

The broad aims listed are not in any rank order - education is concerned with all of these. In essence, we seek to prepare our young people of today for today's rapidly changing global community.

Public Benefit

In setting objectives and planning activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

The Trustees believe that the academy trust's admissions policy and its achievement and performance in the period provide clear evidence that the academy trust is meeting its obligations as a charity to deliver public benefit.

Children residing in the catchment area have priority admission to the academy trust, followed by children attending feeder schools, and thereafter, children residing in closest proximity to the academy trust outside the catchment area.

In addition, the academy trust provides Community Sports Facilities and an extensive adult Further Education evening programme.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

STRATEGIC REPORT

Achievements and Performance

The Academy Trust is committed to ensuring that all students maximise their progress during their time at school. This year has seen the introduction of new headline measures which are a fairer indicator of how schools perform across the country. As a school we have again performed above the national average in all the new headline measures. We have had a school wide agenda to raise the progress of our disadvantaged students' progress to closer match those of their non-disadvantaged peers to close the gap.

The basics measure looks at the percentage of students gaining a C or above in both English and Maths. Hayfield achieved 70% in this measure which is above the national average.

Attainment 8 measures the achievement of a pupil across 8 subjects, including English, Mathematics, 3 Ebacc subjects and 3 other counting qualifications. Hayfield had an estimated attainment 8 score of 50.67, we achieved 52.35.

Progress 8 is a value added measure that compares the progress made from the end of primary school to the end of secondary school. It compares the progress of all pupils from the same starting points, the individual results are not shared with pupils. A score of 0 represents the national average and a score of -0.5 is the government floor standard. Hayfield achieved a progress 8 score of + 0.17.

The E-Bacc measure continues to be a headline measure. 32.2% of students achieved the E-Bacc measure which is again above the national average.

The gaps between our disadvantaged pupils and non-disadvantaged closed in all the above measures this year see chart below.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

Key Performance Indicators

2016 Headlines Summary View

including disadvantaged comparison.

Cohort Summary	2016			2016	2015
	Disadvantaged	Total	Percent		
Cohort	ALL	180	100		
	N	147	81.7		
	Y	33	18.3		
Basic Measures	Disadvantaged	Total	Percent	Gaps	Gaps
Basics Level 2 (A* -C in Eng & Mat)	ALL	126	70		
	N	104	70.7		
	Y	22	66.7	-4	-42.2
Attainment 8	Disadvantaged	Average estimated A8	Average actual total A8	Gaps	
	ALL	50.67	52.35	1.68	
	N	51.28	52.87	1.59	
	Y	47.94	50.05	2.38	
Progress 8	ALL	0.17			
	N	0.18			
	Y	0.12		-0.06	-0.19
E-Bacc Total Measure	Disadvantaged	Total	Percent	Gaps	
COHORT Achieving the E-BACC	ALL	58	32.2		
	N	51	34.7		
	Y	7	21.2	-13.5	-33.2

As a school we continue to undertake rigorous and transparent analysis of all data in order to identify where and how we need to move forward in order to further maximise student progress and address underachievement. We have deliberately created a culture of positive support to ensure that staffs feel that they have adequate and appropriate CPD opportunities in terms of their personal and professional development. In response to staff requests the vast majority of training time has a focus of Teaching and Learning.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

Examination results at A2 improved on last year but remain below expectation.

A2 Headlines Trend View

Cohort Summary	2014-15	2015-16
Cohort	91	117
A Level Cohort	91	117
Overall	Total	Total
Overall APS Per Pupil	704.01	771.28
Overall APS Per Entry	201.15	219.83
A2 Results	2014-15 %	2015-16 %
Overall 1+ A*- B (or equivalent)	48.4	71.8
Overall 2+ A*- B (or equivalent)	29.7	48.7
Overall 3+ A*- B (or equivalent)	14.3	29.1
Overall 1+ A*- C (or equivalent)	93.4	91.5
Overall 2+ A*- C (or equivalent)	62.6	78.6
Overall 3+ A*- C (or equivalent)	39.6	63.2
Overall 1+ A*- E (or equivalent)	100	100
Overall 2+ A*- E (or equivalent)	100	99.1
Overall 3+ A*- E (or equivalent)	98.9	95.7

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

Raising Standards Plan

In order to respond to the Ofsted action points the following 4 key points have been issued to all staff in order that we can secure excellence for Hayfield School. Staff are required to focus on consistently getting the basic things right all the time and always having a "can do" attitude so that together we can:

- 1 Secure a culture of resilient, independent learners whose thirst for learning leads to excellent progress.
- 2 Provide a rich and balanced curriculum, which secures a seamless transition between the Key Stages.
- 3 Continually train and develop all staff and ensure that best practice is shared.
- 4 Secure a financially stable future without compromising the learning experience for pupils.

Going Concern

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

Financial Review

The largest proportion of academy trust income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes.

The grants received from the DfE and associated expenditure from September 2015 to August 2016 are shown as restricted funds in the statement of financial activities. Final figures were as anticipated and the school maintained its excellent financial reputation for value for money in year.

The restricted fixed asset fund balance has been reduced by annual depreciation charges over the expected useful life of the assets concerned.

The excess of expenditure over income for the twelve months (excluding restricted fixed asset funds and LGPS adjustments) was £134,000.

Reserves Policy

The finance committee, in conjunction with the Full Trustees Committee, aims to carry forward sufficient funds to meet the academy trust's long term objectives and to provide working capital, whilst ensuring that it does not affect its current operational activities. The trustees have determined that the appropriate level of free reserves should be equivalent to one month's expenditure, approximately £500,000.

The free reserves (unrestricted general funds) as at 31st August 2016 amounted to £181,000

Investment Policies

The academy trust ensures that surplus funds are deposited to maximise interest. In previous years the school has successfully invested in Treasury funds for short periods of time.

Principal Risks and Uncertainties

Risk Management

The Trustees have assessed the major risks to which the academy trust is exposed, in particular those relating to teaching, provision of facilities, financial and other operational areas of the Academy. Systems or procedures have been established to manage those risks.

The school produces an annual Governance Statement. Internal control systems and exposure to risks are considered in relation to all activities and legislation discussed during weekly Leadership and termly Trustees' meetings. Risk management is embedded into the day-to-day processes of the academy trust. Principal risk areas for the academy trust are the protection of students, employees and assets. Systems and procedures to minimise these are constantly being reviewed and updated.

The academy trust has appointed a Responsible Officer who has reviewed and reported on the academy trust's financial activities this year.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

Financial and Risk Management Objectives and Policies

The academy trust is currently over-subscribed with maximum students on site and has operated for the last twenty years with a minimal in-year surplus each year. The academy trust must maintain this position to sustain its current budget expenditure and guard against any significant decrease in student numbers. Year 7 recruitment for the Academic year 2016/17 has once again been extremely successful with maximum pupils in Year 7 this has included a planned increase to our PAN to 210 for the academic year 2016 continuing with a five year rolling programme until each year for students in years 7 to 11 has increased. 6th Form numbers have dropped in year 12 from last year where 139 students entered our sixth form which included 65 external students to this year 112 students of which only 25 are external. This represents a funding drop in the region of £108,000.

Reference is also made to the SYPA defined benefit pension scheme which shows a deficit of £1,914,000.

Plans for Future Periods

Each year we are focused on 'raising the bar' to ensure that standards improve year-on-year. The academy trust is committed to its students and to changing the long term prospects of our community.

The approval for the Commencement of building works for New college Doncaster has now been granted and building works will commence October 2016. All construction work will be undertaken by the approved contractor BAM Construct UK Ltd.

The mission of NCD is to provide a dynamic, high quality learning experience in a supportive inclusive environment that promotes academic success. NCD will provide specialist 16 – 19 education that will be exclusively focused on the needs of the student.

The Hayfield School are looking forward to working closely with NCD and promoting an ethos of working together to achieve the best possible outcomes for our students that continue their post 16 studies within this positive environment.

Buildings

The school continued with two Condition Improvement Projects awarded 14/15. These were to:-

a) Replace the remaining windows and doors in school from original single glazing using a progressive / phased approach. Current glazing posed significant health and safety concerns, thermal inefficiency and the fact that they are beyond repair. The total grant awarded was £851k. An extension to the original programme of works was applied for and granted by the EFA. The final completion date of this project being the 31st of August 2016.

b) Sports Hall Refurbishment- To replace the sports hall roof, external cladding and internal wall linings. The roof and external cladding were beyond repair. The main outcomes of the grant awarded were:-

- Improve sport and play facilities
- Prevent the main indoor area for PE teaching from becoming inoperable.
- Eradicate frequent disruption to lessons caused by water ingress.
- Address significant health and safety issues.

The Total grant awarded was £290k. This refurbishment was completed March 2016 in line with the condition of the CIF funding agreement.

Developments in Education

The school made the decision to close its sixth form from September 2017 for reasons of lack of breadth of provision and to secure the school financially. This has been supported by an increase of the PAN to 210 from September 2016 on a rolling 5 year programme. In the meantime, to meet the needs of current post-16 students, and to fit in with the national change agenda, new syllabuses for AS and A2 have commenced for several subjects, with others being phased in over the next two years. Furthermore, current Year 10 students are beginning new, broader and more challenging syllabuses in English and mathematics which will be examined for the first time in 2017. Other subjects will follow suit over the next few years. Alongside this the government has introduced new progress measures for KS4 (progress 8 and attainment 8) as well as placing an increased emphasis on the EBacc subjects. A new grading system will also be phased in over the next few years, with numbers (9-1) replacing GCSE grades (A*-G). With the school no longer required to use levels at key stage 3, these changes to assessment have prompted the school to investigate new models. A data review group is currently investigating and developing these models for assessment, reporting and recording. The culmination of these changes is leading to a review of the curriculum and the two week timetable.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2016

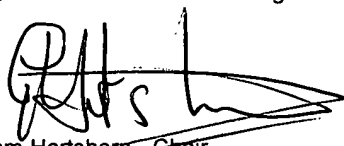
Auditors

In so far 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.

Allotts Business Services Limited, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies 2006, unless the charitable company receives notice under section 488(1) of the Companies Act 2006.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 5... December 2016 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Graham Hartsborn', written over a horizontal line.

Graham Hartsborn - Chair

The Hayfield School

Governance Statement **For The Year Ended 31 August 2016**

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Hayfield 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 trustees have 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 The Hayfield School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 3 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
G. Hartshorn	3	3
C. Dummer	2	3
S. Cross	1	3
D. Langford	3	3
A. Scott	2	3
U. Ahmed	2	3
D. Dickerson	3	3
S. Featherstone	2	3
K Summerill	-	3
R. Hale	2	3
L. Gilfedder	2	3
N. Colley	2	3
P. Plunkett	3	3
G. Parkes	3	3
M. Southern	-	3
L. Fox	3	3
N. Ford	1	3
M. Huby	3	3
S. Powell	1	3
T. Jones	3	3

During the year 1 trustee has resigned:- M Southern (21 September 2015)

The 2014 OFSTED report commented that the governors are highly effective and heavily involved in setting the strategic direction of the school. They have a good understanding of the school's performance data and are kept well informed about strengths and weaknesses in teaching. This is enhanced by their links with each department and through challenging discussions with heads of faculty at governor meetings. Governors have high aspirations and are ambitious for the school. Over the last two years, they have secured significant improvements in the learning environment and have increased the reputation of the sixth form. Governors monitor closely the use of funding and ensure funding is used well and has a positive impact on raising standards.

The Finance, Site and Buildings committee is a sub-committee of the main governing body. Its purpose is as follows:

Finance

In consultation with the Headteacher and the school's finance team, approve and monitor the annual budget and establish a three year financial plan, ensuring that the school operates in accordance with the appropriate Financial Regulations.

To consider, and make decisions, on expenditure following recommendations from other committees ensuring best value and reporting to the full board of trustees.

Buildings and Site

To advise the board of trustees on priorities, including Health and Safety for the maintenance and development of the schools premises and to receive and consider the proposed annual capital spending programme.

To consider as required any issues related consultations in respect of asset ownership eg. asset management, asbestos surveys etc.

To keep under review key documents related to Buildings and Site i.e. Building Development Plan, an Accessibility plan, an Annual Fire Risk Assessment and an Emergency Plan and to ensure as far as is practical that Health and Safety issues and policies are appropriately addressed and prioritised.

The Hayfield School
Governance Statement
For The Year Ended 31 August 2016

During the course of this academic year, as previously mentioned, the school received capital grants for the installation of a new gas boiler and emergency funding for window replacement, which have been completed during the year. The school formed a capital project team, which met on a regular basis to discuss building progress and funding.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
S. Cross	3	3
N. Colley	-	3
D. Dickerson	-	3
C. Dummer	1	3
S. Featherstone	2	3
R. Hale	3	3
G. Hartshorn	3	3
D. Langford	2	3
A. Scott	3	3
L. Fox	3	3
M. Huby	3	3
T. Jones	3	3

P. Plunkett has resigned from this committee.

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:

Rationale and Purpose

It is self-evident that a school must seek to obtain maximum value for all money expended, thereby leaving more money to be spent directly on enhancing the quality of the educational provision of the pupils.

The overriding consideration must be to maintain, or enhance, working conditions for staff and pupils thereby allowing them the opportunity to work at maximum efficiency. At the same time attention must be paid to optimising the cost value equation for all other goods and services provided.

Broad Guidelines

The school applies the best practices and highest standards of financial management to optimise Value for Money and to maximise efficiency. Principles include implementing a strategic financial plan which includes elements of budgeting, budget monitoring, planning, accounting, auditing, financial reporting, cash management, credit control, debt management, procurement, supply and fixed asset management. Best practice includes:

1. Evaluating information and preparing a realistic and balanced budget for school activities.
2. Submitting a proposed budget to the Governors for approval.
3. Discussing, negotiating and agreeing the final budget.
4. Using the agreed budget to actively monitor and control performance to achieve Value for Money.
5. Identifying and informing the Governors of the causes of significant variance and implementing prompt corrective action.
6. Proposing revisions to the budget if necessary, in response to significant or unforeseen developments.
7. Providing ongoing budgetary information to relevant people.
8. Maintaining a strategic financial plan which will indicate the trends and requirements of the school development plan and will forecast future budget plans.
9. Identifying additional finance required to fund the school's proposed activities.
10. Seeking and making use of specialist financial expertise.
11. Maximising income through lettings and other activities.
12. Presenting timely and fully costed proposals, recommendations or bids.
13. Formulating finance agreements with suitable providers for agreed amounts, at agreed times with appropriate agreed costs and repayment schedules.
14. Monitoring the effectiveness and implementation of agreements.

The finance systems of the school, and, in particular, the points listed above are seen as the strategic support to facilitate the implementation of the annual school development plan. The Hayfield School ensures that maximum funding is spent in-year with minimal carry forward into the next financial year, taking into account future considerations and prevailing funding circumstances.

The Hayfield School
Governance Statement
For The Year Ended 31 August 2016

2015/16 Achievement and Performance.

The Academy Trust is committed to ensuring that all students maximise their progress during their time at school. This year has seen the introduction of new headline measures which are a fairer indicator of how schools perform across the country. As a school we have again performed above the national average in all the new headline measures. We have had a school wide agenda to raise the progress of our disadvantaged students' progress to closer match those of their non-disadvantaged peers to close the gap.

The basics measure looks at the percentage of students gaining a C or above in both English and Maths. Hayfield achieved 70% in this measure which is above the national average.

Attainment 8 measures the achievement of a pupil across 8 subjects, including English, Mathematics, 3 Ebacc subjects and 3 other counting qualifications. Hayfield had an estimated attainment 8 score of 50.67, we achieved 52.35.

Progress 8 is a value added measure that compares the progress made from the end of primary school to the end of secondary school. It compares the progress of all pupils from the same starting points, the individual results are not shared with pupils. A score of 0 represents the national average and a score of -0.5 is the government floor standard. Hayfield achieved a progress 8 score of + 0.17.

The E-Bacc measure continues to be a headline measure. 32.2% of students achieved the E-Bacc measure which is again above the national average.

The gaps between our disadvantaged pupils and non-disadvantaged closed in all the above measures this year.

Staffing budgets are constantly monitored throughout the year to ensure that whenever possible additional teaching and learning support can be implemented. The school has committed significant resources in the development of staff expertise in teaching and learning by joining Pixl schools group (Partners in Excellence).

2015/16 Premises Review

The works linked to the Condition Improvement grant of £1,151,165 to replace the remaining school windows, grant value of £851,310 and £299,855 awarded to refurbish the Sports Hall as well as making other consequential improvements to the school are in the main complete. The sports Hall refurbishment was completed March 2016 in agreement with the original condition of the grant. The remaining school windows replacement programme were completed by 31st August 2016. An extension to the conditions of this grant was applied for and approval from the Education Funding Agency to extend the timeline was granted.

The projects and associated works will have a significant impact:

- Dramatically improved the thermal efficiency of the school which will in turn reduce the fuel costs which will enable the school to make future savings;
- Elimination of health and safety concerns due to the age of the original school building, especially during inclement weather when many of the windows leaked and severe disruption was caused to students with regards to the use of the sports hall facility.
- Reduction in annual maintenance i.e. painting.

Constant monitoring of premises and capital budgets and an extremely experienced site team contribute to in-house management systems and procedures ensuring maximum value for money.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Hayfield School for the period 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 charitable company 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 on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 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 Hayfield School

Governance Statement For The Year Ended 31 August 2016

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and General Purposes 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 have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the trustees have appointed D Dickerson, a trustee, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the trustees on the operation of the systems of control and on the discharge of the trustees' financial responsibilities. The academy trust can confirm that the RO function has been fully delivered in line with the 'EFA's requirements. No material control issues arose as a result of the RO's work.

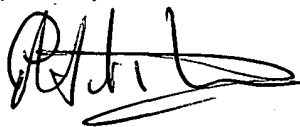
Review of Effectiveness

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Site and Buildings 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 5 December 2016 and signed on its behalf by:



G Hartshorn - Chair



Ms L Fox - Accounting Officer

The Hayfield School

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2016

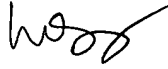
As accounting officer of The Hayfield School I have considered my responsibility to notify the charitable company board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company 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 charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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.

Ms L Fox - Accounting Officer

 December 2016



The Hayfield School

Statement of Trustees Responsibilities
For The Year Ended 31 August 2016

The trustees (who act as governors of The Hayfield School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

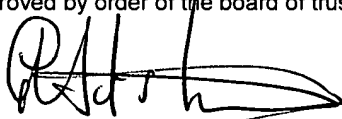
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 5 December 2016 and signed on it's behalf by:


G Hartshorn - Chair

Report of the Independent Auditors to the Members of
The Hayfield School

We have audited the financial statements of The Hayfield School for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2015 to 2016 issued by the Education Funding Agency (EFA).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities, 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 charitable company'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 Report of the Trustees 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

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

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.



Jacqueline Saunders BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Allotts Business Services Ltd
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

9 December 2016

**Independent Reporting Accountant's Assurance Report on Regularity to
The Hayfield School and the Education Funding Agency**

In accordance with the terms of our engagement 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 The Hayfield School during the period 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 The Hayfield School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Hayfield 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 The Hayfield School and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Hayfield School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Hayfield School's funding agreement with the Secretary of State for Education 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 period 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.

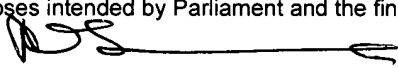
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the academy
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the academy's system of controls
- Examination of relevant documents
- Review of the activities carried out by the academy
- Review of the delegated authorities set out in the Academies Financial Handbook

Conclusion

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


Jacqueline Saunders BA FCA DChA (Senior Statutory Auditor)
Allotts Business Services Ltd
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

9... December 2016

The Hayfield School

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2016

	Notes	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total 2016 funds £'000	Total 2015 funds £'000
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	3	-	-	351	351	979
Charitable activities						
Funding for the academy's educational operations	4	-	5,688	-	5,688	5,737
Other trading activities	5	176	372	-	548	625
Investment income	6	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Total		<u>177</u>	<u>6,060</u>	<u>351</u>	<u>6,588</u>	<u>7,342</u>
EXPENDITURE ON						
Raising funds	8	112	-	-	112	118
Charitable activities						
Academy's educational operations	9	<u>-</u>	<u>6,331</u>	<u>393</u>	<u>6,724</u>	<u>6,583</u>
Total	7	<u>112</u>	<u>6,331</u>	<u>393</u>	<u>6,836</u>	<u>6,701</u>
NET INCOME/(EXPENDITURE)		65	(271)	(42)	(248)	641
Transfers between funds	21	(199)	199	-	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(968)</u>	<u>-</u>	<u>(968)</u>	<u>(188)</u>
Net movement in funds		(134)	(1,040)	(42)	(1,216)	453
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>315</u>	<u>(874)</u>	<u>17,022</u>	<u>16,463</u>	<u>16,010</u>
TOTAL FUNDS CARRIED FORWARD		<u>181</u>	<u>(1,914)</u>	<u>16,980</u>	<u>15,247</u>	<u>16,463</u>

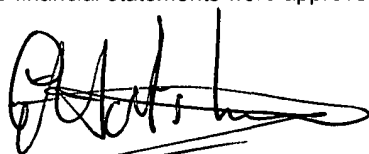
The notes form part of these financial statements

The Hayfield School (Registered number: 07547393)

Balance Sheet
At 31 August 2016

	Notes	2016 £'000	2015 £'000
FIXED ASSETS			
Tangible assets	14	<u>16,980</u>	<u>16,635</u>
CURRENT ASSETS			
Stocks	15	24	31
Debtors	16	235	143
Cash at bank		<u>296</u>	<u>1,056</u>
		555	1,230
CREDITORS			
Amounts falling due within one year	17	<u>(374)</u>	<u>(528)</u>
NET CURRENT ASSETS		<u>181</u>	<u>702</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,161	17,337
PENSION LIABILITY	22	<u>(1,914)</u>	<u>(874)</u>
NET ASSETS		<u>15,247</u>	<u>16,463</u>
FUNDS	21		
Unrestricted funds:			
General fund		181	315
Restricted funds:			
Fixed Asset fund		16,980	17,022
Pension reserve		<u>(1,914)</u>	<u>(874)</u>
		<u>15,066</u>	<u>16,148</u>
TOTAL FUNDS		<u>15,247</u>	<u>16,463</u>

The financial statements were approved by the Board of Trustees on 5 December 2016 and were signed on its behalf by:



G Hartshorn -Chair

The notes form part of these financial statements

The Hayfield School
Statement of Cash Flows
For The Year Ended 31 August 2016

	Notes	2016 £'000	2015 £'000
Cash flows from operating activities:			
Cash generated from operations	1	<u>(390)</u>	<u>239</u>
Net cash provided by (used in) operating activities		<u>(390)</u>	<u>239</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(722)	(605)
Capital grants from DfE/EFA		351	979
Interest received		<u>1</u>	<u>1</u>
Net cash provided by (used in) investing activities		<u>(370)</u>	<u>375</u>
Change in cash and cash equivalents in the reporting period		(760)	614
Cash and cash equivalents at the beginning of the reporting period		<u>1,056</u>	<u>442</u>
Cash and cash equivalents at the end of the reporting period		<u><u>296</u></u>	<u><u>1,056</u></u>

The notes form part of these financial statements

The Hayfield School

Notes to the Statement of Cash Flows
For The Year Ended 31 August 2016

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £'000	2015 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(248)	641
Adjustments for:		
Depreciation	377	355
Capital grants from DfE/EFA	(351)	(979)
Interest received	(1)	(1)
Decrease/(increase) in stocks	7	(2)
(Increase)/decrease in debtors	(92)	54
(Decrease)/increase in creditors	(154)	180
Difference between pension charge and cash contributions	<u>72</u>	<u>(9)</u>
Net cash provided by (used in) operating activities	<u><u>(390)</u></u>	<u><u>239</u></u>

The Hayfield School

Notes to the Financial Statements **For The Year Ended 31 August 2016**

1. STATEMENT OF 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2015 to 2016 issued by the EFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Hayfield School meets the definition of a public benefit entity under FRS 102.

First time adoption of FRS 102

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

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 company 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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

Other income including the hire of facilities is recognised in the period it is receivable and to the extent the charity has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale and included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'income from other trading activities'. Upon sale, the value of the stock is charged against 'income from other trading activities' and the proceeds are recognised as 'income from other activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

The Hayfield School

Notes to the Financial Statements - continued For The Year Ended 31 August 2016

2. ACCOUNTING POLICIES - continued

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the charity's accounting policies.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on 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 trust's depreciation policy.

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

Freehold buildings	over 50 years
Fixtures, fittings and equipment	over 10 years
ICT equipment	over 3 years
Motor Vehicles	over 10 years

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

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

Stocks

Unsold uniforms, computer consumables and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

2. ACCOUNTING POLICIES - continued

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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

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

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

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

2. ACCOUNTING POLICIES - continued

Liabilities

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 trust 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.

Leased assets

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

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 net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the Pension and Similar Obligations note, 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.

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Grants	-	351	351	979

Grants received, included in the above, are as follows:

	2016 £'000	2015 £'000
Capital grants	351	979

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	5,451	5,451	5,515
Other DfE/EFA grants	-	165	165	174
	-	5,616	5,616	5,689
Other government grant				
Local authority grants	-	72	72	48
	-	5,688	5,688	5,737

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Fundraising	20	-	20	66
Hire of facilities	23	-	23	32
Catering income	-	206	206	227
Trips	-	145	145	131
Further education	93	-	93	94
Other services	-	16	16	15
Sundry income	40	5	45	60
	176	372	548	625

6. INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Interest	1	-	1	1

7. EXPENDITURE

	Staff costs £'000	Non-pay expenditure		2016 Total £'000	2015 Total £'000
		Premises £'000	Other costs £'000		
Raising funds					
Costs incurred by trading for a fundraising purpose	89	-	23	112	118
Charitable activities					
Academies educational operations					
Direct costs	4,215	236	696	5,147	4,861
Allocated support costs	941	349	287	1,577	1,722
	5,245	585	1,006	6,836	6,701

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

7. EXPENDITURE - continued

Net income/(expenditure) is stated after charging/(crediting):

	2016 £'000	2015 £'000
Auditors' remuneration	10	9
Other non-audit services	1	1
Depreciation - owned assets	377	355
Operating leases - Others	<u>2</u>	<u>2</u>

8. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Staff costs	89	-	89	88
Other costs	<u>23</u>	<u>-</u>	<u>23</u>	<u>30</u>
	<u>112</u>	<u>-</u>	<u>112</u>	<u>118</u>

9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Direct costs	-	5,147	5,147	4,861
Support costs	<u>-</u>	<u>1,577</u>	<u>1,577</u>	<u>1,722</u>
	<u>-</u>	<u>6,724</u>	<u>6,724</u>	<u>6,583</u>

	2016 Total £'000	2015 Total £'000
Analysis of support costs		
Support staff costs	941	934
Premises costs	349	395
Other support costs	268	372
Governance costs	<u>19</u>	<u>21</u>
Total support costs	<u>1,577</u>	<u>1,722</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and 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:

Mr T Jones (staff trustee) - appointed as a trustee on 14 September 2015

Remuneration £45,000 - £50,000 (2015: Nil)

Employer's pension contributions £5,000 - £10,000 (2015: Nil)

Mr P Plunkett (staff trustee)

Remuneration £40,000 - £45,000 (2015: £40,000 - £45,000)

Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

Mrs G Parkes (staff trustee)

Remuneration £10,000 - £15,000 (2015: £10,000 - £15,000)

Employer's pension contributions £0 - £5,000 (2015: £0 - £5,000)

Ms L Fox (head teacher and trustee)

Remuneration £80,000 - £85,000 (2015: £30,000 - £35,000)

Employer's pension contributions £10,000 - £15,000 (2015: £0 - £5,000)

Trustees' expenses

There were no governor expenses paid during the year ended 31 August 2016 or period ending 31 August 2015.
There were no related party transactions involving the trustees.

11. STAFF COSTS

a. Staff costs

	2016	2015
	£'000	£'000
Wages and salaries	4,095	4,115
Social security costs	333	296
Other pension costs	<u>740</u>	<u>590</u>
	5,168	5,001
Supply teacher costs	37	24
Staff restructuring	<u>40</u>	<u>-</u>
	<u>5,245</u>	<u>5,025</u>

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £40,000 (2015 :£nil). This was one individual payment.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

c. Staff numbers

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2016	2015
Teachers and educational support	73	74
Administration and support	83	83
Management	<u>6</u>	<u>7</u>
	<u><u>162</u></u>	<u><u>164</u></u>

d. Higher paid staff

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

	2016	2015
£60,001 - £70,000	2	2
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u><u>3</u></u>	<u><u>2</u></u>

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £577,834 (2015: £443,835).

12. 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. The cost of this insurance is included in the total insurance cost and is not separately identifiable.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	-	979	979
Charitable activities				
Funding for the academy's educational operations	-	5,737	-	5,737
Other trading activities	249	376	-	625
Investment income	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total	250	6,113	979	7,342

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
EXPENDITURE ON				
Raising funds	118	-	-	118
Charitable activities				
Academy's educational operations	-	6,228	355	6,583
Total	118	6,228	355	6,701
NET INCOME/(EXPENDITURE)	132	(115)	624	641
Transfers between funds	(132)	124	8	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	(188)	-	(188)
Net movement in funds	-	(179)	632	453
RECONCILIATION OF FUNDS				
Total funds brought forward	315	(695)	16,390	16,010
TOTAL FUNDS CARRIED FORWARD	<u>315</u>	<u>(874)</u>	<u>17,022</u>	<u>16,463</u>

14. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST					
At 1 September 2015	16,296	1,482	21	156	17,955
Additions	-	717	-	5	722
At 31 August 2016	<u>16,296</u>	<u>2,199</u>	<u>21</u>	<u>161</u>	<u>18,677</u>
DEPRECIATION					
At 1 September 2015	1,004	180	6	130	1,320
Charge for year	<u>237</u>	<u>124</u>	<u>2</u>	<u>14</u>	<u>377</u>
At 31 August 2016	<u>1,241</u>	<u>304</u>	<u>8</u>	<u>144</u>	<u>1,697</u>
NET BOOK VALUE					
At 31 August 2016	<u>15,055</u>	<u>1,895</u>	<u>13</u>	<u>17</u>	<u>16,980</u>
At 31 August 2015	<u>15,292</u>	<u>1,302</u>	<u>15</u>	<u>26</u>	<u>16,635</u>

Included in cost or valuation of land and buildings is freehold land of £4,510,500 (2015 £4,510,500) which is not depreciated.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

15. STOCKS

	2016 £'000	2015 £'000
Catering	-	1
ICT equipment	18	23
Clothing	<u>6</u>	<u>7</u>
	<u>24</u>	<u>31</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
VAT recoverable	35	29
Prepayments and accrued income	<u>200</u>	<u>114</u>
	<u>235</u>	<u>143</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Taxation and social security	95	81
Other creditors	82	75
Accruals and deferred income	<u>197</u>	<u>372</u>
	<u>374</u>	<u>528</u>

	2016 £'000	2015 £'000
Deferred income		
Deferred Income at 1 September 2015	118	124
Resources deferred in the year	116	118
Amounts released from previous years	<u>(118)</u>	<u>(124)</u>
Deferred Income at 31 August 2016	<u>116</u>	<u>118</u>

The above consists of holiday deposits and other funds received during the period which relate to later periods.

18. 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 £'000	2015 £'000
Other operating leases		
Expiring:		
Within one year	3	2
Between one and five years	<u>9</u>	<u>-</u>
	<u>12</u>	<u>2</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.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total 2016 funds £'000	Total 2015 funds £'000
Fixed assets	-	-	16,980	16,980	16,635
Current assets	189	321	45	555	1,230
Current liabilities	(8)	(321)	(45)	(374)	(528)
Pension liability	-	(1,914)	-	(1,914)	(874)
	<u>181</u>	<u>(1,914)</u>	<u>16,980</u>	<u>15,247</u>	<u>16,463</u>

21. MOVEMENT IN FUNDS

	Balance 01.09.15 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses & Transfers £000	Balance 31.08.16 £000
Restricted general funds					
General annual grant (GAG)	-	5,451	(5,650)	199	-
Other EFA	-	165	(165)	-	-
Other Grants	-	72	(72)	-	-
Activities for generating funds	-	372	(372)	-	-
Restricted pension reserve	(874)	-	(72)	(968)	(1,914)
	<u>(874)</u>	<u>6,060</u>	<u>(6,331)</u>	<u>(769)</u>	<u>(1,914)</u>
Restricted fixed asset funds					
Assets transferred on conversion	14,503	-	(227)	-	14,276
DfE/YPLA grants	2,424	351	(143)	-	2,632
Lottery	4	-	(1)	-	3
Capital expenditure from GAG	91	-	(22)	-	69
	<u>17,022</u>	<u>351</u>	<u>(393)</u>	<u>-</u>	<u>16,980</u>
Total restricted funds	<u>16,148</u>	<u>6,411</u>	<u>(6,724)</u>	<u>(769)</u>	<u>15,066</u>
Unrestricted funds					
General funds	315	177	(112)	(199)	181
Total unrestricted funds	<u>315</u>	<u>177</u>	<u>(112)</u>	<u>(199)</u>	<u>181</u>
Total funds	<u>16,463</u>	<u>6,588</u>	<u>(6,836)</u>	<u>(968)</u>	<u>15,247</u>

The restricted general funds relate to grants receivable from the DfE, EFA and other sources towards the operating activities of the academy trust.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward. This limit no longer applies under the Financial Handbook.

The restricted fixed assets funds represent the net book values of donated fixed assets and assets purchased from DfE/EFA/other government grants and unspent funds, which have to be held for the continuing use of the academy trust.

The transfer into the restricted fixed asset funds represents fixed assets purchased out of GAG.
The transfer into the restricted general funds represents expenditure financed by unrestricted funds.

The Hayfield School

Notes to the Financial Statements - continued **For The Year Ended 31 August 2016**

22. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Pensions Authority. Both are multi-employer defined benefit 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 £81,966 were payable to the schemes at 31 August 2016 (2015: £75,411) 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
- 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 £646,801 (2015: £578,122).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £217,000 (2015: £231,000), of which employer's contributions totalled £169,000 (2015: £178,000) and employees' contributions totalled £48,000 (2015: £53,000). The agreed contribution rates for future years are 18.3 per cent for employers and 5.5 - 12.5 per cent for employees.

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

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

22. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
Present value of funded obligations	(6,181)	(4,511)
Fair value of plan assets	<u>4,267</u>	<u>3,637</u>
	<u>(1,914)</u>	<u>(874)</u>
Deficit	<u>(1,914)</u>	<u>(874)</u>
Liability	<u>(1,914)</u>	<u>(874)</u>

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

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
Current service cost	207	211
Net interest from net defined benefit asset/liability	<u>31</u>	<u>(42)</u>
	<u>238</u>	<u>169</u>
Actual return on plan assets	<u>713</u>	<u>102</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS17, now replaced by FRS 102, is a £1,199,000 loss (2015: £231,000 loss).

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
At 1 September	(4,511)	(4,080)
Current service cost	(207)	(211)
Employee contributions	(48)	(53)
Interest cost	(171)	(163)
Actuarial (gain) / loss	(1,541)	(85)
Benefits paid	<u>297</u>	<u>81</u>
	<u>(6,181)</u>	<u>(4,511)</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
At 1 September	3,637	3,385
Employer contributions	169	178
Employee contributions	48	53
Admin expenses	(3)	-
Return on assets	140	205
Actuarial gain / (loss)	573	(103)
Benefits paid	<u>(297)</u>	<u>(81)</u>
	<u>4,267</u>	<u>3,637</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

22. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in other recognised gains and losses are as follows:

Defined benefit pension plans	
2016	2015
£'000	£'000
(968)	(188)

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2016	2015
	£'000	£'000
Equities	2,491	2,161
Property	469	418
Government Bonds	640	520
Other Bonds	265	215
Cash	73	65
Other	329	258
	<u>4,267</u>	<u>3,637</u>

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

	2016	2015
Discount rate for scheme liabilities	2.1%	3.9%
Rate of increase in salaries	3.55%	3.95%
Rate of increase for pensions	1.9%	2.2%
Commutation of pensions to lump sums	50%	50%
Rate of inflation (CPI)	1.8%	2.2%

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

	At 31 August 2016	At 31 August 2015
Retiring today		
Males	23.0	23.0
Females	25.7	25.6
Retiring in 20 years		
Males	25.4	25.3
Females	28.5	28.4

Amounts for the current and previous period are as follows:

	2016	2015
	£'000	£'000
Defined benefit pension plans		
At 31 August	(6,181)	(4,511)
At 31 August	4,267	3,637
Deficit	(1,914)	(874)
Experience adjustments on scheme assets	-	(103)

The estimated value of employer contributions for the year ended 31 August 2017 is £169,000.

23. CAPITAL COMMITMENTS

	2016	2015
	£'000	£'000
Contracted but not provided for in the financial statements	<u>-</u>	<u>505</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2016

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2016.

25. EXPLANATION OF TRANSITION TO FRS 102

It is the first year that the Trust has presented its financial statements under SORP 2015 and FRS 102. 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.

The trustees have examined the changes to the accounting policies and have deemed that any adjustments to prior year figures in respect of outstanding employee benefits and LGPS interest costs are not material to the accounts and would have no impact on the understanding of the accounts. As a result, the comparative figures have not been restated.

26. LEGAL FORM

The charitable company is limited by guarantee, its registered office is Hurst Lane, Auckley, Doncaster DN9 3HG. Its principal activity is the provision of educational services.