

REGISTERED COMPANY NUMBER: 07547393 (England and Wales)

Report of the Trustees and
Financial Statements For The Year Ended 31 August 2015
for
The Hayfield School



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

The Hayfield School

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For The Year Ended 31 August 2015

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The Hayfield School

Reference and Administrative Details
For The Year Ended 31 August 2015

MEMBERS

S Cross
A Scott
L Fox (appointed 13.4.2015)
G Hartshorn
C Dummer
D Langford

TRUSTEES

G Hartshorn (Chair)
C Dummer (Vice Chair)
M Rock (Headteacher) (resigned 12.4.2015)
P Raine (Responsible Officer) (resigned 6.7.2015)
A Scott
P Plunkett (Staff Governor)
G Parkes (Staff Governor)
T Hewer (resigned 12.5.2015)
L Gilfedder
N Colley
D Langford
U Ahmed
S Cross
S Featherstone
D Dickerson
K Summeril
R Hale
L Britten (resigned 26.1.2015)
M Southern (resigned 21.9.2015)
L Fox (Headteacher) (appointed 13.4.2015)
M Huby (appointed 13.4.2015)
N Ford (appointed 13.4.2015)
S Powell (appointed 13.4.2015)
T Jones (Staff Governor) (appointed 14.9.2015)

COMPANY SECRETARY

S Odell

LEADERSHIP GROUP

L Fox (Headteacher)
R Huddart (Assistant Head)
S Gibson (Assistant Head)
D Twell (Assistant Head)
J Wainman (Associate Head)
M Rock (Headteacher) (resigned 12.4.2015)
N Boyle (Business Manager) (resigned 31.8.2015)
K Henderson (Assistant Head) (resigned 13.4.2015)

REGISTERED OFFICE

Hurst Lane
Auckley
Doncaster
South Yorkshire
DN9 3HG

REGISTERED COMPANY NUMBER

07547393 (England and Wales)

The Hayfield School

Reference and Administrative Details
For The Year Ended 31 August 2015

AUDITORS

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

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 2015

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The 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 1,134 in the school census dated May 2015.

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 2014 to August 2015.

Recruitment and appointment of new trustees

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.
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.
- b) The Head teacher is an ex officio governor.
- c) 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.

Induction and training of new 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 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 twice weekly 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.

Connected 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 academy trust is a member of FASNA.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2015

OBJECTIVES AND ACTIVITIES

Objectives 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 2015

STRATEGIC REPORT

Achievement and performance

The Academy Trust is committed to ensuring that all students make better than expected progress. Over the past year students have continued to make good or outstanding progress in the vast majority of subject areas: overall, all students are making good progress. In English 76% of students made expected progress whilst 29% made more than expected. In Maths 81% made expected progress whilst 37% made more than expected, with both figures above the national average.

It has been another highly successful year for achievements and standards. Once again students achieved above national averages in English and Maths: 86.4% and 84.1% of students gaining an A*-C grade in English and Mathematics respectively culminating in a headline figure of 76% 5 A*-C including English and Maths. 40% of our disadvantaged students achieved 5 A* to C including English and Maths. Examination results at AS were below last year in terms of value added but A2 continued to remain stable.

As a school we have undertaken 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 particularly at AS and A2. This will form the SDP for 2015/2016. We have deliberately created a culture of positive support to ensure that staff 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.

Key Performance Indicators

A level

A*/B: 40% 2014, 48% 2015

A Level: Average Point Per Entry

	2012	2013	2014	2015
Hayfield	202.2	209	216.4	201.15
National	211.8	212	214	

Year 11

	2012	2013	2014	2015
Cohort				
Students	174	177	180	177
KS2 APS	28.5	29.1	28.9	28.3
5 A* - C EM %	78	83	77	76
5 A* - C EM (M) %	70	76	72	77
5 A* - C EM (F) %	84	88	81	76
5 A* - C EM High %	98	97	98	97
5 A* - C EM Middle %	76	77	67	68
5 A* - C EM Low %	5	20	10	8
5 A* - C EM PP %				40
5 A* - C EM Non PP %				81
Gap PP Non PP				41
5 A* - G EM %	98	99	98	99
1 A* - G EM %	98	100	1	99
Average Total Points	510	504	425	442.2
APS Capped 8	358	363	342	350
APS Capped 8 + EM	444	449	427	435

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.

The Hayfield School
Report of the Trustees
For The Year Ended 31 August 2015

STRATEGIC REPORT

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 2014 to August 2015 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 surplus of income over expenditure for the twelve months (excluding restricted fixed asset funds and LGPS adjustments) was £9,000.

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 2015 amounted to £315,000

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.

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 2015/16 has once again been extremely successful with maximum pupils in Year 7, and we are planning to increase our PAN to 210 for the academic year 2016 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 £874,000.

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 Hayfield School

Report of the Trustees
For The Year Ended 31 August 2015

STRATEGIC REPORT

Buildings

The school was also successful in securing two Condition Improvement funds. These are 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 is £851k.
- b) Sports Hall Refurbishment - to replace the sports hall roof, external cladding and internal wall linings. The roof and external cladding are beyond repair. The main outcomes of the grant awarded are:-
 - 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.

Developments in Education

The school has 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 will be 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.

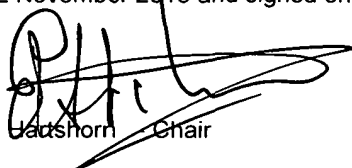
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Allotts Business Services Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12 November 2015 and signed on the board's behalf by:


G Houshorn Chair

The Hayfield School
Governance Statement
For The Year Ended 31 August 2015

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 Head teacher, 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	2	3
C. Dummer	3	3
S. Cross	3	3
D. Langford	3	3
A. Scott	2	3
U. Ahmed	2	3
D. Dickerson	2	3
S. Featherstone	2	3
K Summerill	1	3
R. Hale	3	3
L. Gilfedder	3	3
T. Hewer	1	2
N. Colley	2	3
P. Raine	2	3
P. Plunkett	2	3
G. Parkes	2	3
M. Southern	1	3
L. Britten	-	1
M. Rock	2	2
L. Fox	1	1
N. Ford	1	1
M. Huby	1	1
S. Powell	-	1

During the year 3 trustees have resigned:-

T Hewer (12 May 2015), L Britten (26 January 2015) & P Raine (6 July 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 size and 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.

Established trusts should carry out a review of Governance on an annual basis. The review base is broadly in line with the financial management and governance self-assessment that was completed in detail by the trust within the first year of operation - April 2011. Using this base enables the Academy to ensure that we are complying with the Academies Financial Handbook and measuring the impact of effectiveness of our board of trustees. The Academy intends to complete this review of self-evaluation during the autumn term. Any findings, impacts and future actions to be taken will be identified in detail.

Key areas to consider will be:-

- Do the Directors / trustees fully understand their duties as company directors and charity trustees?
- Does the principal act as the accounting officer

The Hayfield School

Governance Statement **For The Year Ended 31 August 2015**

- Does the accounting officer, under the guidance of the board, ensure appropriate oversight of financial transactions by having all the trust's property under the control of the trustees, measures in place to prevent losses or misuse; having bank accounts, financial systems and financial records operated by more than one person; keeping and maintaining full and accurate accounting records; and preparing accruals accounts, giving a true and fair view of the trust's use of resources, in accordance with existing accounting standards?
- Does the board and appropriate committees meet at least three times per year and conduct business only when meetings are quorate?
- Does the board receive and consider information about the financial performance of the trust at least three times a year?
- Is the Business Manager equipped with the appropriate qualifications and/or experience?
- Has the board approved a written scheme of delegation of financial powers that maintains robust internal control arrangements?
- Has the board approved a balanced budget for the financial year and the approval been minuted?
- Was the Education Funding Agency (EFA) notified within 14 days of setting a deficit revenue budget if applicable?
- Was the budget forecast submitted to the EFA by the relevant deadline?
- Is the academy trust aware of considerations when making investments? Including having an investment policy to manage, control and track financial exposure, and ensure value for money; and regularly reviewing the policy and the trusts investments.
- Has the board been made aware of the requirement to obtain approval from the EFA where it is considering borrowing funds or entering into liabilities such as leases or tenancies beyond delegated limits? If any payments have been made beyond delegated limits, full details must be provided in the commentary section below.
- Has an appropriate internal control framework been established?
- Has a contingency and business continuity plan been prepared?
- Have the risks arising from your operations been assessed?
- Has adequate insurance cover been obtained?
- Has the board been informed of the delegated authority limits for the categories of transactions set out in the Academies Financial Handbook? If any payments have been made beyond delegated limits, full details must be provided in the commentary section below.
- Has the board been informed of the requirement to act prudently in ways that command broad public support and the requirement to report on how the academy has secured value for money?
- Has the board been informed of the requirement to obtain approval from EFA before making any novel or contentious payments? If any payments have been made beyond delegated limits, full details must be provided in the commentary section below.
- Have all trustees completed the register of business interests?
- Has the academy trust published on its website the relevant business and pecuniary interests of trustees and members?
- Are there measures in place to manage any conflicts of interest?
- Has the board approved a competitive tendering policy?
- Do senior officers' payroll arrangements meet tax obligations fully?
- Has the board been informed that goods or services provided by individuals or organisations connected to the trust must be provided at 'no more than cost', on the basis of an open book agreement and supported by statements of assurance, in accordance with the conditions set out in the Academies Financial Handbook? If any goods or services have been made that exceed 'no more than cost', not on the basis of an open book agreement or without statements of assurance, full details must be provided in the commentary section below.
- Has a set of accounting policies been approved?
- Has an external auditor been appointed?
- Has an audit committee or a committee that fulfils the functions of an audit committee been established?
- Has a process for independent checking of financial controls been implemented?
- Has an appropriate committee agreed a programme to address the risks to financial control?
- Has the board been informed of the requirement to report to EFA any instances of fraud or theft: above £5,000 against the trust whether by employees, trustees or third parties; or where fraud is unusual or systematic in nature? Full details must be provided in the commentary section where any such fraud or theft has occurred.

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 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.

The Hayfield School
Governance Statement
For The Year Ended 31 August 2015

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 prioritised.

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. The school has formed a capital project team, which has 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	3
C. Dummer	3	3
S. Featherstone	2	3
R. Hale	2	3
G. Hartshorn	2	3
D. Langford	3	3
A. Scott	2	3
K. Summerill	-	3
M. Rock	2	2
L. Fox	1	1
N. Ford	1	1
M. Hubby	1	1
S. Powell	1	1

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.

The Hayfield School
Governance Statement
For The Year Ended 31 August 2015

Review of Value for Money

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.

2014/15 Achievement and Performance.

Details of academic achievement are set out on page 4.

Staffing budgets are constantly monitored throughout the year to ensure that whenever possible additional teaching and learning support can be implemented.

2014/15 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's thermal structure are now underway. Specific timelines are in place to adhere to the condition of the grant. Any deviation from this will result in the Academy seeking approval from the Education Funding Agency to extend the timeline.

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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy 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:

The Hayfield School

Governance Statement
For The Year Ended 31 August 2015

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

The Risk and Control Framework

- 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 has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed P. Raine, 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 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 12 November 2015 and signed on its behalf by:



G Hartshorn - Chair



Ms L Fox - Accounting Officer

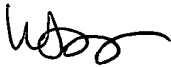
The Hayfield School

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2015

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.

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.

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

12 November 2015

The Hayfield School

Statement of Trustees Responsibilities
For The Year Ended 31 August 2015

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 Charity SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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 12 November 2015 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 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2014 to 2015 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 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



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

12 November 2015

**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 2014 to 2015, 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 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by 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 2014 to 31 August 2015 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
Reporting Accountant
Allotts Business Services Ltd
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

12 November 2015

The Hayfield School

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2015

		Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	2015 Total funds £'000	2014 Total funds £'000
	Notes					
INCOMING RESOURCES						
Incoming resources from generated funds						
Activities for generating funds	2	249	376	-	625	585
Investment income	3	1	-	-	1	1
Incoming resources from charitable activities						
Academy's educational operations	4	-	5,737	979	6,716	6,249
Total incoming resources		250	6,113	979	7,342	6,835
RESOURCES EXPENDED						
Costs of generating funds						
Cost of activities for generating funds	6	118	-	-	118	128
Charitable activities						
Academy's educational operations	7	-	6,207	355	6,562	6,480
Governance costs	8	-	21	-	21	18
Total resources expended	5	118	6,228	355	6,701	6,626
NET INCOMING RESOURCES BEFORE TRANSFERS						
		132	(115)	624	641	209
Gross transfers between funds	19	(132)	124	8	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		-	9	632	641	209
Other recognised gains/losses						
Actuarial gains/losses on defined benefit schemes		-	(188)	-	(188)	190
Net movement in funds		-	(179)	632	453	399
RECONCILIATION OF FUNDS						
Total funds brought forward		315	(695)	16,390	16,010	15,611
TOTAL FUNDS CARRIED FORWARD		<u>315</u>	<u>(874)</u>	<u>17,022</u>	<u>16,463</u>	<u>16,010</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

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

The notes form part of these financial statements

The Hayfield School (Registered number: 07547393)

Balance Sheet
At 31 August 2015

	Notes	2015 £'000	2014 £'000
FIXED ASSETS			
Tangible assets	12	16,635	16,385
CURRENT ASSETS			
Stocks	13	31	29
Debtors	14	143	197
Cash at bank		<u>1,056</u>	<u>442</u>
		1,230	668
CREDITORS			
Amounts falling due within one year	15	(528)	(348)
NET CURRENT ASSETS		<u>702</u>	<u>320</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,337	16,705
PENSION LIABILITY	20	(874)	(695)
NET ASSETS		<u>16,463</u>	<u>16,010</u>
FUNDS	19		
Unrestricted funds:			
General fund		315	315
Restricted funds:			
Fixed Asset fund		17,022	16,390
Pension reserve		<u>(874)</u>	<u>(695)</u>
		<u>16,148</u>	<u>15,695</u>
TOTAL FUNDS		<u>16,463</u>	<u>16,010</u>

The financial statements were approved by the Board of Trustees on 12 November 2015 and were signed on its behalf by:



G Hartshorn -Chair

The notes form part of these financial statements

The Hayfield School

Cash Flow Statement
For The Year Ended 31 August 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	1	239	6
Returns on investments and servicing of finance	2	1	1
Capital expenditure and financial investment	2	374	(174)
		<u> </u>	<u> </u>
Increase/(decrease) in cash in the period		<u>614</u>	<u>(167)</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase/(decrease) in cash in the period		<u>614</u>	<u>(167)</u>
Change in net funds resulting from cash flows		<u>614</u>	<u>(167)</u>
Movement in net funds in the period		614	(167)
Net funds at 1 September		<u>442</u>	<u>609</u>
Net funds at 31 August		<u>1,056</u>	<u>442</u>

The notes form part of these financial statements

The Hayfield School

Notes to the Cash Flow Statement
For The Year Ended 31 August 2015

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £'000	2014 £'000
Net incoming resources	641	209
Depreciation charges	355	312
Capital grants from DfE/EFA	(979)	(530)
Interest received	(1)	(1)
(Increase)/decrease in stocks	(2)	7
Decrease/(increase) in debtors	54	(38)
Increase in creditors	180	10
Difference between pension charge and cash contributions	<u>(9)</u>	<u>37</u>
Net cash inflow from operating activities	<u>239</u>	<u>6</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015 £'000	2014 £'000
Returns on investments and servicing of finance		
Interest received	<u>1</u>	<u>1</u>
Net cash inflow for returns on investments and servicing of finance	<u>1</u>	<u>1</u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(605)	(704)
Capital grants from DfE/EFA	<u>979</u>	<u>530</u>
Net cash inflow/(outflow) for capital expenditure and financial investment	<u>374</u>	<u>(174)</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.14 £'000	Cash flow £'000	At 31.8.15 £'000
Net cash:			
Cash at bank	442	614	1,056
	<u>442</u>	<u>614</u>	<u>1,056</u>
Total	<u>442</u>	<u>614</u>	<u>1,056</u>

The Hayfield School

Notes to the Financial Statements For The Year Ended 31 August 2015

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

The 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.

Incoming resources

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

Grants receivable

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

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

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Resources expended

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

All resources expended are inclusive of irrecoverable VAT.

Cost of generating funds

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

Charitable activities

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

Governance costs

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

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

1. ACCOUNTING POLICIES - continued

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.

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.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

1. ACCOUNTING POLICIES - continued

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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Pension and Similar Obligations note, the TPS is a multi employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Leased assets

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

2. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Fundraising	66	-	66	37
Hire of facilities	32	-	32	30
Catering income	-	227	227	208
Trips	-	131	131	150
Further education	94	-	94	97
Other services	-	15	15	13
Sundry income	57	3	60	50
	<u>249</u>	<u>376</u>	<u>625</u>	<u>585</u>

3. INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Interest	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	5,515	5,515	5,509
Other DfE/EFA grants	-	174	174	170
	-	5,689	5,689	5,679
DfE/EFA capital grant				
Capital grants	-	979	979	530
Other government grant				
Local authority grants	-	48	48	40
	-	6,716	6,716	6,249

5. RESOURCES EXPENDED

	Staff costs £'000	Non-pay expenditure		2015 Total £'000	2014 Total £'000
		Premises £'000	Other costs £'000		
Costs of generating funds					
Cost of activities for generating funds	88	-	30	118	128
Charitable activities					
Academy's educational operations					
Direct costs	4,003	236	622	4,861	4,841
Allocated support costs	934	395	372	1,701	1,639
	5,025	631	1,024	6,680	6,608
Governance costs including allocated support costs	-	-	21	21	18
	5,025	631	1,045	6,701	6,626

Net resources are stated after charging/(crediting):

	2015 £'000	2014 £'000
Auditors' remuneration	9	8
Auditors' remuneration for non-audit work	1	1
Depreciation - owned assets	355	312
Operating leases - Others	2	6

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

6. COST OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Staff costs	88	-	88	102
Other costs	30	-	30	26
	<u>118</u>	<u>-</u>	<u>118</u>	<u>128</u>

7. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Direct costs				
Teaching and educational support staff	-	4,003	4,003	3,996
Depreciation	-	355	355	312
Technology costs	-	66	66	92
Educational supplies	-	121	121	111
Examination fees	-	106	106	101
Staff development	-	16	16	12
Educational consultancy	-	63	63	67
Trips	-	131	131	150
	-	4,861	4,861	4,841
Allocated support costs				
Support staff costs	-	934	934	930
Technology costs	-	-	-	1
Recruitment and support	-	24	24	33
Maintenance of premises and equipment	-	177	177	173
Cleaning	-	19	19	24
Rent and rates	-	46	46	43
Energy costs	-	116	116	103
Insurance	-	54	54	52
Security and transport	-	83	83	62
Catering	-	144	144	126
Other support costs	-	104	104	92
	-	1,701	1,701	1,639
	<u>-</u>	<u>6,562</u>	<u>6,562</u>	<u>6,480</u>

8. GOVERNANCE COSTS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Auditors' remuneration	-	9	9	8
Auditors' remuneration for non-audit work	-	1	1	1
Legal and professional fees	-	11	11	9
	<u>-</u>	<u>21</u>	<u>21</u>	<u>18</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

9. TRUSTEES' REMUNERATION AND BENEFITS

The Headteacher and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments from the Academy in respect of their role as trustee. The value of trustees' remuneration was as follows:

Mrs V Stapleton (staff trustee) - resigned as trustee on 31 August 2014

Remuneration N/a (2014: £45,000 - £50,000)

Employer's pension contributions N/a (2014: £5,000 - £10,000)

Mr P Plunkett (staff trustee)

Remuneration £40,000 - £45,000 (2014: £45,000 - £50,000)

Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

Ms M Rock (headteacher and trustee) - resigned as trustee on 12 April 2015

Remuneration £55,000 - £60,000 (2014: £85,000 - £90,000)

Employer's pension contributions £5,000 - £10,000 (2014: £10,000 - £15,000)

Mrs G Parkes (staff trustee)

Remuneration £10,000 - £15,000 (2014: £10,000 - £15,000)

Employer's pension contributions £0 - £5,000 (2014: £0 - £5,000)

Ms L Fox (head teacher and trustee) - appointed as trustee on 13 April 2015

Remuneration £30,000 - £35,000 (2014: N/a)

Employer's pension contributions £0 - £5,000 (2014: N/a)

Trustees' expenses

There were no governor expenses paid during the year ended 31 August 2015 or period ending 31 August 2014.
There were no related party transactions involving the trustees.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

10. STAFF COSTS

	2015	2014
	£'000	£'000
Wages and salaries	4,115	4,085
Social security costs	296	303
Other pension costs	<u>590</u>	<u>603</u>
	5,001	4,991
Supply teacher costs	<u>24</u>	<u>37</u>
	<u><u>5,025</u></u>	<u><u>5,028</u></u>

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

	2015	2014
Teachers and educational support	73	69
Administration and support	53	59
Management	<u>6</u>	<u>7</u>
	<u><u>132</u></u>	<u><u>135</u></u>

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

	2015	2014
£60,001 - £70,000	2	2
£80,001 - £90,000	<u>-</u>	<u>1</u>
	<u><u>2</u></u>	<u><u>3</u></u>

Two of the above employees (2014: 2) participated in the Teachers' Pension Scheme. In 2014 the other employee participated in the Local Government Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £21,249 (2014: £31,998).

11. 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.

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST					
At 1 September 2014	16,296	894	21	139	17,350
Additions	<u>-</u>	<u>588</u>	<u>-</u>	<u>17</u>	<u>605</u>
At 31 August 2015	<u>16,296</u>	<u>1,482</u>	<u>21</u>	<u>156</u>	<u>17,955</u>
DEPRECIATION					
At 1 September 2014	769	83	4	109	965
Charge for year	<u>235</u>	<u>97</u>	<u>2</u>	<u>21</u>	<u>355</u>
At 31 August 2015	<u>1,004</u>	<u>180</u>	<u>6</u>	<u>130</u>	<u>1,320</u>
NET BOOK VALUE					
At 31 August 2015	<u>15,292</u>	<u>1,302</u>	<u>15</u>	<u>26</u>	<u>16,635</u>
At 31 August 2014	<u>15,527</u>	<u>811</u>	<u>17</u>	<u>30</u>	<u>16,385</u>

Included in cost or valuation of land and buildings is freehold land of £4,510,500 (2014 £4,510,500) which is not depreciated.

13. STOCKS

	2015 £'000	2014 £'000
Catering	1	1
ICT equipment	23	21
Clothing	<u>7</u>	<u>7</u>
	<u>31</u>	<u>29</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000	2014 £'000
Trade debtors	-	-
VAT recoverable	29	62
Prepayments and accrued income	<u>114</u>	<u>135</u>
	<u>143</u>	<u>197</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000	2014 £'000
Trade creditors	-	1
Taxation and social security	81	87
Other creditors	75	86
Accruals and deferred income	<u>372</u>	<u>174</u>
	<u>528</u>	<u>348</u>
Deferred income	2015 £'000	2014 £'000
Deferred Income at 1 September 2014	124	118
Resources deferred in the year	118	124
Amounts released from previous years	<u>(124)</u>	<u>(118)</u>
Deferred Income at 31 August 2015	<u>118</u>	<u>124</u>

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

Included within other creditors in 2014 is a salix unsecured and interest free energy efficiency loan. This loan has been repaid in full during the current year.

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases 2015 £'000	2014 £'000
Expiring:		
Within one year	2	-
Between one and five years	<u>-</u>	<u>6</u>
	<u>2</u>	<u>6</u>

17. 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 2015

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total 2015 funds £'000	Total 2014 funds £'000
Fixed assets	-	-	16,635	16,635	16,385
Current assets	320	297	615	1,232	668
Current liabilities	(5)	(297)	(228)	(530)	(348)
Pension liability	-	(874)	-	(874)	(695)
	<u>315</u>	<u>(874)</u>	<u>17,022</u>	<u>16,463</u>	<u>16,010</u>

19. MOVEMENT IN FUNDS

	Balance 01.09.14 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses & Transfers £000	Balance 31.08.15 £000
Restricted general funds					
General annual grant (GAG)	-	5,515	(5,639)	124	-
Other EFA	-	174	(174)	-	-
Other Grants	-	48	(48)	-	-
Activities for generating funds	-	376	(376)	-	-
Restricted pension reserve	(695)	-	9	(188)	(874)
	<u>(695)</u>	<u>6,113</u>	<u>(6,228)</u>	<u>(64)</u>	<u>(874)</u>
Restricted fixed asset funds					
Assets transferred on conversion	14,747	-	(244)	-	14,503
DfE/YPLA grants	1,550	979	(109)	4	2,424
Lottery	5	-	(1)	-	4
Capital expenditure from GAG	88	-	(1)	4	91
	<u>16,390</u>	<u>979</u>	<u>(355)</u>	<u>8</u>	<u>17,022</u>
Total restricted funds	<u>15,695</u>	<u>7,092</u>	<u>(6,583)</u>	<u>(56)</u>	<u>16,148</u>
Unrestricted funds					
General funds	315	250	(118)	(132)	315
Total unrestricted funds	<u>315</u>	<u>250</u>	<u>(118)</u>	<u>(132)</u>	<u>315</u>
Total funds	<u>16,010</u>	<u>7,342</u>	<u>(6,701)</u>	<u>(188)</u>	<u>16,463</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

19. MOVEMENT IN FUNDS - continued

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.

20. 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 pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £75,411 (2014: £75,339) were payable to the schemes at 31 August 2015 and are included within creditors.

The Hayfield School

Notes to the Financial Statements - continued For The Year Ended 31 August 2015

20. PENSION AND SIMILAR OBLIGATIONS - continued

Teachers' pension scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to the TPS in the period amounted to £578,122 (2014: £544,926).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The 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 amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Present value of funded obligations	(4,511)	(4,080)
Fair value of plan assets	<u>3,637</u>	<u>3,385</u>
	<u>(874)</u>	<u>(695)</u>
Deficit	<u>(874)</u>	<u>(695)</u>
Liability	<u>(874)</u>	<u>(695)</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

20. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Current service cost	211	179
Interest cost	163	174
Expected return on assets	(205)	(176)
Past service cost	-	(174)
	<u>169</u>	<u>3</u>
Actual return on plan assets	<u>102</u>	<u>307</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 is a £231,000 loss (2014: £43,000 loss).

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

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
At 1 September	(4,080)	(3,781)
Current service cost	(211)	(179)
Employee contributions	(53)	(48)
Interest cost	(163)	(174)
Actuarial (loss) / gain	(85)	59
Benefits paid	<u>81</u>	<u>43</u>
	<u>(4,511)</u>	<u>(4,080)</u>

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

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
At 1 September	3,385	2,933
Employer contributions	178	140
Employee contributions	53	48
Expected return on assets	205	176
Actuarial (loss) / gain	(103)	131
Benefits paid	<u>(81)</u>	<u>(43)</u>
	<u>3,637</u>	<u>3,385</u>

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

20. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Equities	2,161	2,072
Property	418	366
Government Bonds	520	443
Other Bonds	215	223
Cash	65	61
Other	258	220
	<u>3,637</u>	<u>3,385</u>

The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of the following assumptions appropriate to the individual asset classes and weighted by the proportion of the assets in the particular asset class.

The assumed investment return on government bonds is the yield on 20 year fixed interest gilts at the relevant date. As at 31 August 2015 this yield was 2.5%pa.

The expected investment return on corporate bonds is based on market yields at the relevant date, although this will normally vary by duration, and the expected return should also take into account the risk of default in the corporate bond yield. As at 31 August 2015 we have taken the expected return as 3.6%pa, which implies a reduction for the risk of default of 0.3%pa when compared with the corporate bond yield/discount rate appropriate to 'Mature' deviation profile for example.

It is generally accepted that the yield on equity investments will contain an 'equity risk premium' in addition to the yield on Government bonds, which are perceived as the 'least-risk' investment class, in order to compensate investors for the additional risk of holding this type of investment. Historical excess equity returns over more than 100 years have been approximately 4%pa on average. However, the level of equity risk premium can vary from time to time dependent on market levels and expectations for future returns. We have taken the overall expected return on equities as at 31 August 2015 as 6.5%pa, implying an equity risk premium on equities of 4%pa over and above the gilt yield of 2.5%pa.

Assumed returns on property are based on the expected long term returns on cash investments, plus a risk premium to allow for expected out-performance of property over cash, and an adjustment for the impact of the expected volatility of the returns.

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

	2015	2014
Discount rate for scheme liabilities	3.9%	3.8%
Rate of increase in salaries	3.95%	3.85%
Rate of increase for pensions	2.2%	2.1%
Commutation of pensions to lump sums	50%	50%
Rate of inflation (CPI)	2.2%	2.1%

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 2015	At 31 August 2014
Retiring today		
Males	23.0	22.9
Females	25.6	25.5
Retiring in 20 years		
Males	25.3	25.2
Females	28.4	28.3

The Hayfield School

Notes to the Financial Statements - continued
For The Year Ended 31 August 2015

20. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	2015 £'000	2014 £'000	2013 £'000
Defined benefit pension plans			
Present value of funded obligations	(4,511)	(4,080)	(3,781)
Fair value of plan assets	3,637	3,385	2,933
Deficit	(874)	(695)	(848)
Experience adjustments on scheme liabilities	-	226	-
Experience adjustments on scheme assets	(103)	190	176

The estimated value of employer contributions for the year ended 31 August 2016 is £178,000.

21. CAPITAL COMMITMENTS

	2015 £'000	2014 £'000
Contracted but not provided for in the financial statements	<u>505</u>	<u>-</u>

22. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. No related party transactions took place in the period of account.