

ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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



**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Trustees	A Boyle, Chair ⁴ J Britton ⁴ I Dickie (appointed 6 November 2014) ³ S Dyer ² S Fenna ² C Galliers, Headteacher ^{1,3,4} D Hale (resigned 22 September 2014) ³ C Haines (appointed 6 November 2014) ² J Hollingbery (appointed 6 November 2014) ¹ A Killick ³ B Lucas J Morgan (appointed 6 November 2014) ¹ S Rupprecht ^{1,3,4} A Short ² L Sheffield (resigned 17 September 2015) ² J Sloper (appointed 6 November 2014) G Tomlinson ¹ M Wilson ³ I Venn ^{1,4} ¹ Finance Committee ² Curriculum Committee ³ Premises Committee ⁴ Staffing Committee
Company registered number	07626956
Principal and Registered office	The Dell Westbury-on-Trym Bristol BS9 3UF
Company secretary	Harrison Clark Rickerbys Limited
Accounting officer	C Galliers
Senior management team	C Galliers, Headteacher S Dyer, Deputy Head J Sloper, Assistant Head J Hoskins, Special Educational Needs and Disability Coordinator S Rupprecht, School Business Manager
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT

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

Administrative details (continued)

Bankers	Lloyds Bank PLC 15 High Street Westbury on Trym Bristol BS9 3DA
Solicitors	Harrison Clark Rickerbys Ellenborough House Wellington Street Cheltenham GL50 1YD

**ELMLEA JUNIOR SCHOOL
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**TRUSTEES' REPORT
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 annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 7 to 11 in Bristol. It has a pupil capacity of 360 and had a roll of 355 in the school census on 1 October 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Elmlea Junior School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Elmlea Junior School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

The Academy is a member of Department for Education's Risk Protection Arrangement (RPA) - a voluntary arrangement for academies as an alternative to commercial insurance. This provides cover up to £10,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 1st July 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, to ensure a staggered re-election or replacement process.

The Academy's Board of Trustees usually has 17 members comprising the Headteacher, Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees), Parent Trustees (minimum of two) and up to eight other Trustees.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The Trustees' induction policy is within the Trustees' Handbook, which is updated annually.

A succession plan has been developed to facilitate a steady turnover and effective handover, whereby new trustees are recruited early and have an opportunity to observe meetings before their term of office begins.

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

The induction and training provided for new Trustees will depend upon their existing experience. New trustees are introduced to the school through an informal meeting and tour with the Headteacher and there is a chance to meet with staff and pupils. A mentoring system is in place and comprehensive training is available through the Governor Development Service. The Academy arranges bespoke training days to keep Trustees updated on relevant developments impacting on their roles and responsibilities and/or to consider school strategy.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are four committees as follows;

- Finance/Audit Committee - meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, budget setting, risk management, value for money, compliance and reporting in line with regulatory requirements.
- Curriculum and Standards Committee - meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examination and all pastoral issues.
- Premises, Health and Safety Committee – meet four times a year and acts as the safety committee for the rest of the school. The welfare of children and staff is uppermost in its priorities and so all matters relating to the school building, premises and health and safety are monitored, evaluated and reviewed by this committee.
- Staffing Committee – meets four times a year to ensure that the responsibilities of the governing body in relation to all staff matters are fulfilled.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Head teacher and Clerk to the Trustees, to approve the School Development Plan and budget.

The Trustees are responsible for adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Board of Trustees has devolved responsibility for day to day management of the Academy to the Head teacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, Assistant Headteacher, Special Educational Needs Coordinator (SENCo) and the School Business Manager (SBM). The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

There are no related parties which either control or significantly influence the decisions and operations of Elmlea Junior School.

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

Significant connected parties are:

- Elmlea Infant School formally paired with the Academy for school admissions;
- The Elmlea Junior School Parent Teacher Association (PTA);
- NW24 Teaching and Learning Partnership; and,
- School Business Manager Partnership.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The vision for the academy is focussed upon the personal development and well-being of the school community as the solid foundation on which learning becomes more effective. The school's motto is 'Caring to learn, learning to care.'

The aims of the Academy during the year ended 31 August 2015 are summarised below:

- Continue to raise the standard of educational attainment and achievement of all pupils;
- Ensure that every child makes at least two levels of progress in English and Maths from the end of KS1 assessments to KS2 'Statutory Assessment Tests' (SATs);
- As an Academy with high attaining children on entry at KS1, focus upon maximising the number of pupils who achieve Level 5 (i.e. above expected level for end of KS2);
- Prepare more capable students for the level 6 assessments, introduced in 2012;
- Continue to provide, review and develop a broad and balanced modern curriculum which anticipates and matches the needs for future society;
- Provide a wide range of extra curricular activities which complements the core curriculum;
- Develop pupils as effective independent and self-motivated learners;
- Develop the Academy site so that it enables students to achieve their full potential;
- Ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- Comply with all appropriate statutory and curriculum requirements;
- Drive system led school improvement through collaborative working to share best practice;
- Maintain close links with the local community;
- Continue to monitor, review and evaluate effectiveness of organisational structure and systems;
- Provide value for money for the funds expended;
- Develop the Academy's capacity to manage change, and
- Conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

Strategic priorities for the year are outlined in the School Development Plan which is available from the School Office. Key areas for development have included:

- Delivery of sustained high quality teaching
 - Review and quality assure staff induction and support processes, CPD and performance management to make certain that systems are delivering highly effective, tailored support, particularly focussing on new staff
- Curriculum
 - Review the school's curriculum in light of the new National Curriculum and expectations so make sure that it is well designed to best prepare children for secondary school

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

- Assessment - for tracking pupils' progress following the cessation of levels
 - Affect a smooth transfer to a new tracking system which will enable the school to undertake meaningful tracking, identify suitable targets and measure pupil progress to share and develop good practice.
- School Site
 - Deliver first floor extension and refurbishment building project to improve health and safety arrangements and to provide a dedicated library.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in the surrounding area and so is an active member of local school networks, working collaboratively to share best practice across a broad range of teaching and learning as well as and school business themes.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the local community.

STRATEGIC REPORT

Performance Measures

The Academy is in its fourth year of operation. High standards of academic achievement are maintained and continue to improve even further. At the same time, opportunities to build the academy's capacity for further improvement are actively sought and developed.

Elmlea Junior School was listed in the Top 600 schools in the Sunday Times Guide to the 'UK's Top 600 Primary and Prep Schools' (Sunday 16th November 2014).

OFSTED

The Academy was inspected by OFSTED in March 2015 and was judged Outstanding in all areas. This is Elmlea Junior's first Ofsted since becoming an academy in 2011. Its previous inspection report in 2008 prior to conversion was also 'Outstanding'.

Leadership and Management, Behaviour and Safety of Pupils, Quality of Teaching, Achievement of Pupils and Overall Effectiveness were all judged to be outstanding.

The report summary states: "Teaching is outstanding. Staff are ambitious for their pupils and fervent in their aim to get the best from each one, academically and personally... All pupils, at whatever level of ability or need, are extremely well cared for and carefully guided throughout the school."

Ofsted commended leadership and management. The inspection team noted "the skill and vision of the enthusiastic and principled Head teacher. She is supported by a skilled group of school leaders and together they drive improvement resolutely and with the best interests of the pupils in mind."

The summary of key findings concludes: "There is a strong sense of teamwork and pride in what has already been achieved coupled with a total absence of complacency...the school knows exactly what to do further to sustain its journey of excellence."

Building Extension and Refurbishment

During the year the Academy completed a major extension and refurbishment project. The first floor has been extended, completely re-modelled and refurbished. The project has improved health and safety arrangements,

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

provided a dedicated library, a newly refurbished IT suite and renewed three classrooms, circulation/cloakroom area and toilets

During the previous year, the Academy secured a capital grant for this first floor extension and re-model. The academy directed further funds to undertake additional refurbishment at the same time. The newly added facilities and renewed areas have even further improved the learning environment for all.

Key Performance Indicators

The school's funding is based on pupil numbers and so this is an important measure and central to the school's capacity to deliver its development plans. Final pupil numbers for 2014-2015 were 348. This has risen to 355 in September 2015. The school is oversubscribed in its entry Year 3 and has a waiting list.

Total expenditure balanced against the academy's General Annual Grant (GAG) funding is a good indicator of the academy's financial health. During the year ended 31 August 2015, the Academy received recurring income (being unrestricted and restricted income excluding fixed assets) of £1,535,555 and incurred recurring expenditure (on the same basis) of £1,381,577. The excess of income over expenditure for the year was £153,978.

Staffing costs represent 83% of recurring GAG income, compared with 84% in 2014. These figures are consistent with a healthy and sustainable financial performance.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2015, total expenditure of £1,461,540 was covered by recurrent grant funding from the DfE, together with other incoming resources of £1,560,788. The excess of income over expenditure for the year (excluding restricted fixed asset funds, transfers and actuarial gains and losses) was £153,978.

At 31 August 2015 the net book value of fixed assets was £3,132,105 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements. This has been underwritten by the government from 18 July 2013.

The Financial Terms of Reference Policy which lays out the framework for financial management, including financial responsibilities and delegated authority levels is reviewed at least annually. This incorporates the Academy's guiding principles in relation to Investments, Reserves and Depreciation.

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

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

Investment Policy

Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Head teacher and School Business Manager within strict guidelines approved by the Board of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 91% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependant on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued high quality recruitment, development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has arranged for a regular internal audit to be carried out and findings are reported to the Trustees. The internal audit schedule involves checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

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**TRUSTEES' REPORT (continued)
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The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

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

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community. Formal collaboration opportunities are sought to promote sharing of best practice. The school is a longstanding member of the local School Business Manager partnership and a founding member of the newly formed Teaching and Learning partnership.

The Academy also works with the local Teaching School and it is planned that at least one member of staff will be appointed as a Senior Leader of Education (SLE).

The Academy will be working to establish the new library to make sure it used to optimum effect. Its aim is to engender in pupils a lifelong love of reading and appreciation of books. The school is investing in library software and refreshing its stocks of books to support this.

Full details of our plans are given in the Academy's School Development Plan, which is available from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

TRUSTEES INDEMNITIES

There were no third party indemnity provisions during the year or at the date of approval of the Trustees' report.

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

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 03/11/2015 and signed on the board's behalf by:



A Boyle
Chair of Trustees

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Elmlea Junior School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
A Boyle, Chair	6	6
J Britton	5	6
I Dickie	4	6
S Dyer	5	6
S Fenna	4	6
C Galliers, Headteacher	6	6
D Hale	0	0
C Haines	5	6
J Hollingbery	5	6
A Killick	5	6
B Lucas	3	6
J Morgan	5	6
S Rupprecht	6	6
A Short	6	6
L Sheffield	0	0
J Sloper	5	6
G Tomlinson	2	6
M Wilson	5	6
I Venn	5	6

There have been changes in the membership of the Governing body as individual's tenures (usually four years) have come up, but there have been no changes to the composition of the Governing Body.

Governance reviews

Committee effectiveness is reviewed annually through a self-evaluation process. During the last year, for example, it was identified that the procedures for Governor induction could be improved. A new induction process has been implemented.

Governors are also externally reviewed. In his most recent report, the School Improvement Partner stated that "Governors are fully involved in the school self-evaluation process, for example as evidenced in their participation in core visits as well as recorded feedback from a planned programme of individual governor school visits."

In addition, as part of the School's Ofsted inspection in March 2015, the Inspectors noted that "Governors are very supportive and effective. They ask leaders challenging questions to make sure that the quality of teaching and learning is outstanding. Governors visit regularly to check pupils' progress and talk to them about their views of the school."

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GOVERNANCE STATEMENT (continued)

Individual skills audits are also undertaken annually, to ensure there is an appropriate distribution of skills suitably deployed across the governing body and its sub committees.

The **Finance and Audit Committee** is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the governing body, giving detailed consideration to the academy's finance and resources enabling the governing body to carry out its responsibility of ensuring sound management in these areas.

Responsibilities of the committee include financial planning, monitoring and probity and to make appropriate recommendations on such matters to the governing body. Major issues are referred to the full governing body for ratification.

Membership

The committee will be at least three governors.. The Headteacher is the Accounting Officer and is an automatic member. The School Business Manager is the Principal Finance Officer and attends meetings as an advisor. Additional non-voting members may be co-opted as considered necessary. Associate members have the right to attend any meeting in a non-voting capacity.

Quorum

The quorum for each meeting is three, of which either the Head teacher (Accounting Officer) or School Business Manager (Principal Finance Officer) must be one.

During the year J Morgan and J Hollingberry, both accountants, joined the committee. Attendance at meetings in the year was as follows:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C Galliers (Head & Accounting Officer)	4	5
S Rupprecht (SBM / Principal Finance Officer)	5	5
I Venn (Chair of Committee)	5	5
J Hollingberry (joined November 2014)	4	4
G Tomlinson	2	5
J Morgan (joined November 2014)	4	4

REVIEW OF VALUE FOR MONEY

As Accounting Officer the Head teacher 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 education and wider societal outcomes achieved in return for the tax payers 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:

Collaboration:

The school is an active member of two clusters: the local teaching and learning alliance as well as the School Business Manager Partnership. Both of which provide opportunities for efficiency, group procurement arrangements and the sharing of best practice.

Targeted improvement:

The School Development Plan (SDP) identifies the focus areas to deliver continual improvement. Reading was identified as a high priority area and so the school embarked upon and delivered a capital project to extend the building, providing a dedicated library space.

Quantifying improvements:

Governors are rigorous in ensuring that all projects offer value for money. This is demonstrated by this year's capital project, where further funding was committed for classroom refurbishment at the same time.

GOVERNANCE STATEMENT (continued)

In 2014 following an HMI Sport Premium inspection, the school was awarded the Youth Sport Trust Gold Mark. This in recognition of the range of opportunities and the inclusive approach for all pupils including those with SEND and those entitled to Pupil Premium.

In March 2015, the school achieved Ofsted's highest possible ranking of 'Outstanding' in all areas. This is the first Ofsted since becoming an academy in 2011. Its previous inspection report in 2008 prior to conversion was also 'Outstanding'.

The 2015 Ofsted inspection report provides many examples of how the school offers good value for money. There are specific comments relating to restricted funds, summarised as follows:

"Additional funding intended to improve physical education and sport is being used exceptionally well to promote pupils' well-being, physical fitness and enjoyment of sport. This strategy is very well led and monitored by the sports premium coordinator. The range of after-school sports clubs has been further extended and specialist sports coaches employed to improve pupils' expertise in a wide array of different sporting activities.

The pupil premium is spent particularly effectively to benefit disadvantaged pupils. Its impact on pupils' progress is carefully monitored and there is clear accountability to the governing body. Additional adults are employed in the classrooms to enable teachers to give extra attention to pupils who need it."

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at Elmlea Junior 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 Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Audit 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 Bishop Fleming LLP, the external auditors, to perform additional checks.

GOVERNANCE STATEMENT (continued)

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

- Accounting systems
- Expenditure
- Income
- Payroll

On a termly basis, the reviewer submits an internal assurance report to the finance and audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The reviewer has delivered the schedule of work as planned. There were no material control issues.

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

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

Approved by order of the members of the Board of Trustees on 3 December 2015 and signed on its behalf, by:



A Boyle
Chair of Trustees



C Galliers
Accounting Officer

**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and EFA.



C Galliers
Accounting Officer

Date: 03/12/2015

**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees (who act as governors of Elmlea Junior School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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



A Boyle
Chair of Trustees

Date: 03/12/2015

**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELMLEA JUNIOR SCHOOL

We have audited the financial statements of Elmlea Junior School for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELMLEA JUNIOR 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.



Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

16/12/15

**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 27 August 2013 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 Elmlea Junior School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Elmlea Junior School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Elmlea Junior School and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Elmlea Junior School and EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Elmlea Junior School's funding agreement with the Secretary of State for Education dated 23 June 2011, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Joseph Scaife FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date:

16/12/15

ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure account and a Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	10,243	37,381	17,475	65,099	45,081
Activities for generating funds	3	22,534	-	-	22,534	17,039
Investment income	4	2,623	-	-	2,623	954
Incoming resources from charitable activities	5	86,923	1,375,851	7,758	1,470,532	1,522,852
TOTAL INCOMING RESOURCES		122,323	1,413,232	25,233	1,560,788	1,585,926
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	6	-	-	-	-	998
Charitable activities		76,428	1,291,824	79,963	1,448,215	1,426,845
Governance costs	10	-	13,325	-	13,325	12,010
TOTAL RESOURCES EXPENDED	7	76,428	1,305,149	79,963	1,461,540	1,439,853
NET INCOMING RESOURCES BEFORE TRANSFERS		45,895	108,083	(54,730)	99,248	146,073
Transfers between Funds	19	-	(113,871)	113,871	-	-
NET INCOME FOR THE YEAR		45,895	(5,788)	59,141	99,248	146,073
Actuarial gains and losses on defined benefit pension schemes		-	(20,000)	-	(20,000)	(72,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		45,895	(25,788)	59,141	79,248	74,073
Total funds at 1 September		168,069	(117,434)	3,072,964	3,123,599	3,049,526
TOTAL FUNDS AT 31 AUGUST		213,964	(143,222)	3,132,105	3,202,847	3,123,599

All of the Academy Trust's activities derive from continuing operations.

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

The notes on pages 24 to 43 form part of these financial statements.

ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07626956

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		3,132,105		2,899,110
CURRENT ASSETS					
Debtors	16	93,944		211,462	
Cash at bank and in hand		574,294		445,576	
		<u>668,238</u>		<u>657,038</u>	
CREDITORS: amounts falling due within one year	17	(226,983)		(114,549)	
NET CURRENT ASSETS			441,255		542,489
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,573,360</u>		<u>3,441,599</u>
CREDITORS: amounts falling due after more than one year	18		(9,513)		-
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>3,563,847</u>		<u>3,441,599</u>
Defined benefit pension scheme liability	24	(361,000)		(318,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>3,202,847</u></u>		<u><u>3,123,599</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	19	217,778		200,566	
Fixed asset funds	19	3,132,105		3,072,964	
Restricted funds excluding pension liability		<u>3,349,883</u>		<u>3,273,530</u>	
Pension reserve		<u>(361,000)</u>		<u>(318,000)</u>	
Total restricted funds			2,988,883		2,955,530
Unrestricted funds	19		<u>213,964</u>		<u>168,069</u>
TOTAL FUNDS			<u><u>3,202,847</u></u>		<u><u>3,123,599</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 03/12/2015 and are signed on their behalf, by:


C Galliers
Accounting Officer


A Boyle
Chair of Trustees

The notes on pages 24 to 43 form part of these financial statements.

**ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	21	432,344	59,580
Returns on investments and servicing of finance	22	881	(305)
Capital expenditure and financial investment	22	(315,378)	(17,805)
CASH INFLOW BEFORE FINANCING		117,847	41,470
Financing	22	10,871	-
INCREASE IN CASH IN THE YEAR		128,718	41,470

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

	2015 £	2014 £
Increase in cash in the year	128,718	41,470
Cash outflow from decrease in debt	(10,871)	-
MOVEMENT IN NET FUNDS IN THE PERIOD	117,847	41,470
Net funds at 1 September 2014	445,576	404,106
NET FUNDS AT 31 AUGUST 2015	563,423	445,576

The notes on pages 24 to 43 form part of these financial statements.

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

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 FUND ACCOUNTING

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

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

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

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

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

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

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare the accounts on the going concern basis for the period ended 31 August 2015.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

Long term leasehold land	-	Over the term of the lease
Long term leasehold property	-	2% Straight Line
Office equipment	-	10-15% Straight Line
Computer equipment	-	20% Straight Line

1.7 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES (continued)

1.8 TAXATION

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

1.9 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	10,243	54,856	65,099	45,081

ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	13,331	-	13,331	12,079
Other	9,203	-	9,203	4,960
	<u>22,534</u>	<u>-</u>	<u>22,534</u>	<u>17,039</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	2,623	-	2,623	954
	<u>2,623</u>	<u>-</u>	<u>2,623</u>	<u>954</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	7,758	7,758	173,854
General Annual Grant	-	1,306,708	1,306,708	1,182,991
Pupil Premium	-	28,696	28,696	29,705
	<u>-</u>	<u>1,343,162</u>	<u>1,343,162</u>	<u>1,386,550</u>
Other grant funding				
High Needs Funding	-	28,417	28,417	49,962
Sports Premium	-	9,685	9,685	9,665
Other local authority grants	-	2,345	2,345	-
	<u>-</u>	<u>40,447</u>	<u>40,447</u>	<u>59,627</u>
Other educational income				
Internal catering income	67,723	-	67,723	55,872
Music income	9,200	-	9,200	9,303
Income for hosting trainee teachers	10,000	-	10,000	11,500
	<u>86,923</u>	<u>-</u>	<u>86,923</u>	<u>76,675</u>
	<u>86,923</u>	<u>1,383,609</u>	<u>1,470,532</u>	<u>1,522,852</u>

ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
School fundraising costs	-	-	-	998

7. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other 2015 £	Total 2015 £	Total 2014 £
Costs of generating voluntary income	-	-	-	-	998
COSTS OF GENERATING FUNDS	-	-	-	-	998
Direct costs	845,579	50,906	180,482	1,076,967	1,108,693
Support costs	164,467	70,642	136,139	371,248	318,152
CHARITABLE ACTIVITIES	1,010,046	121,548	316,621	1,448,215	1,426,845
GOVERNANCE	1,409	-	11,916	13,325	12,010
	1,011,455	121,548	328,537	1,461,540	1,439,853

8. DIRECT COSTS

	Total 2015 £	Total 2014 £
Pension finance costs	12,000	7,000
Educational supplies (including educational trips)	76,895	64,868
Examination fees	204	1,225
Staff development	10,649	9,258
Other costs	13,336	16,493
Supply teachers	45,902	28,417
Technology costs	25,059	21,279
Professional costs	14,058	27,365
Wages and salaries	654,905	697,254
National insurance	43,925	43,862
Pension cost	100,847	99,337
Depreciation	79,187	92,335
	1,076,967	1,108,693

ELMLEA JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

9. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Other costs	8,975	7,373
Recruitment and support	1,242	1,314
Maintenance of premises and equipment	22,187	25,414
Cleaning	18,520	17,834
Rates	10,721	8,277
Energy costs	16,686	16,434
Insurance	25,816	19,710
Security and transport	2,528	1,636
Catering	70,677	58,666
Technology costs	2,495	2,017
Office overheads	16,395	16,387
Professional costs	8,797	11,441
Bank interest and charges	1,742	1,259
Wages and salaries	123,768	100,341
National insurance	6,648	4,731
Pension cost	34,051	25,318
	371,248	318,152

10. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	5,500	5,500	4,900
Auditors' non audit costs	-	3,875	3,875	5,000
Governor training costs	-	2,526	2,526	950
Trustees expenses reimbursed	-	15	15	-
Clerk to trustees - wages and salaries	-	1,246	1,246	1,029
Clerk to trustees - pension costs	-	163	163	131
	-	13,325	13,325	12,010

11. NET INCOMING RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	79,187	92,335
Auditors' remuneration	5,500	4,900
Auditors' remuneration - non-audit	3,875	5,000

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12. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	779,919	798,624
Social security costs	50,573	48,593
Other pension costs (Note 24)	135,061	124,786
	965,553	972,003
Supply teacher costs	45,902	28,417
	1,011,455	1,000,420

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teachers	14	14
Learning support	5	5
Administration and other support	5	5
Management	4	4
	28	28

c. Higher paid staff

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

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

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2014, pension contributions for this member of staff amounted to £10,111 (2014: £8,699).

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13. TRUSTEES' REMUNERATION AND EXPENSES

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

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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: C Galliers: Remuneration £65,000 - £70,000 (2014: £65,000 - £70,000), Employer's pension contributions £10,000 - £15,000 (2014: £5,000 - £10,000), J Sloper: Remuneration £35,000 - £40,000 for 10 months (2014: £Nil), Employer's pension contributions £5,000 - £10,000 for 10 months (2014: £Nil), S Dyer: Remuneration £40,000 - £45,000 (2014: £35,000 - £40,000), Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000), S Rupprecht: Remuneration £25,000 - £30,000 (2014: £25,000 - £30,000), Employer's pension contributions £0 - £5,000 (2014: £0 - £5,000), L Sheffield: Remuneration £0 - £5,000 for 1 month (2014: £45,000 - £50,000), Employer's pension contributions £0 - £5,000 for 1 month (2014: £5,000 - £10,000).

During the year ended 31 August 2015, expenses totalling £15 (2014: £NIL) were reimbursed to 1 Trustees (2014: Nil).

14. 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 £10,000,000 on any one claim. For the year ended 31 August 2015 this cover was provided through the Education Funding Agency's Risk Pooling Arrangement. Accordingly, the cost of the trustee indemnity element is not separately identifiable (2014: £610).

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FOR THE YEAR ENDED 31 AUGUST 2015

15. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Office equipment £	Computer equipment £	Total £
COST				
At 1 September 2014	2,977,943	32,362	122,146	3,132,451
Additions	297,833	1,080	16,465	315,378
Disposals	-	-	(10,654)	(10,654)
At 31 August 2015	3,275,776	33,442	127,957	3,437,175
DEPRECIATION				
At 1 September 2014	160,821	14,751	57,769	233,341
Charge for the year	50,906	5,016	23,265	79,187
On disposals	-	-	(7,458)	(7,458)
At 31 August 2015	211,727	19,767	73,576	305,070
NET BOOK VALUE				
At 31 August 2015	3,064,049	13,675	54,381	3,132,105
At 31 August 2014	2,817,122	17,611	64,377	2,899,110

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16. DEBTORS

	2015	2014
	£	£
Trade debtors	102	138
VAT recoverable	69,677	16,356
Prepayments and accrued income	24,165	194,968
	<u>93,944</u>	<u>211,462</u>

17. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Other loans	1,358	-
Trade creditors	115,168	50,541
Other taxation and social security	13,478	14,642
Other creditors	18,870	18,807
Accruals and deferred income	78,109	30,559
	<u>226,983</u>	<u>114,549</u>

DEFERRED INCOME

	£
Deferred income at 1 September 2014	5,810
Resources deferred during the year	5,843
Amounts released from previous years	<u>(5,810)</u>
Deferred income at 31 August 2015	<u>5,843</u>

At the balance sheet date the academy trust was holding funds received in relation to devolved formula capital, received from the EFA, for the 15/16 financial year.

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18. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £	2014 £
Other loans	9,513	-

Included within the above are amounts falling due as follows:

	2015 £	2014 £
BETWEEN TWO AND FIVE YEARS		
Other loans	5,436	-

OVER FIVE YEARS

Other loans	4,077	-
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Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	4,077	-

Included within other creditors due after more than one year is a loan from Salix Limited under the Schools Energy Efficiency Loans Programme. At the year end £10,871 (2014: £Nil) remains outstanding. The loan is unsecured and interest free. It is repayable by instalments with 8 years remaining at the year end.

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19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	168,069	122,323	(76,428)	-	-	213,964
RESTRICTED FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	200,566	1,306,708	(1,175,625)	(113,871)	-	217,778
School standards funds	-	28,417	(28,417)	-	-	-
Pupil premium	-	28,696	(28,696)	-	-	-
Sports premium funding	-	9,685	(9,685)	-	-	-
Donations	-	37,381	(37,381)	-	-	-
Sustainable gardens funding	-	2,345	(2,345)	-	-	-
Pension reserve	(318,000)	-	(23,000)	-	(20,000)	(361,000)
	(117,434)	1,413,232	(1,305,149)	(113,871)	(20,000)	(143,222)
RESTRICTED FIXED ASSET FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	2,795,592	-	(55,428)	-	-	2,740,164
Fixed assets purchased from GAG and DfE/EFA Capital grants	96,938	7,758	(24,358)	113,871	-	194,209
Fixed Assets purchased from donations	171,918	-	-	-	-	171,918
	8,516	17,475	(177)	-	-	25,814
	3,072,964	25,233	(79,963)	113,871	-	3,132,105
Total restricted funds	2,955,530	1,438,465	(1,385,112)	-	(20,000)	2,988,883
Total of funds	3,123,599	1,560,788	(1,461,540)	-	(20,000)	3,202,847

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

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the EFA during the period in order to fund the continuing activities of the school.

High Needs funding is received from the Local Authority to cater for children with statements of special educational needs.

Donations largely represent income received from the Junior School Parent Teacher Association to spend on specific educational resources and income contributed towards educational trips.

Pupil premium funding represents amounts received from the EFA to cater for disadvantaged pupils.

Devolved formula capital grants represent funding from the EFA to cover the maintenance and purchase of the schools assets.

Sports premium funding relates to funds received from the DfE/EFA to assist the academy in developing PE and sport at the academy.

The pension fund represents the Local Government Pension Scheme deficit.

FIXED ASSETS FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from Bristol City Council on conversion to an academy.

Fixed assets purchase from General Annual Grant represents amounts spent on fixed assets from the GAG funding received from the EFA.

DfE/EFA Capital grants is £171,918 of Academies capital maintenance was awarded during the prior period in relation to a capital project which was undertaken in the period under review.

Fixed assets purchased from donations represent amounts donated to be spent on specific fixed asset additions.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	168,069	122,323	(76,428)	-	-	213,964
Restricted funds	(117,434)	1,413,232	(1,305,149)	(113,871)	(20,000)	(143,222)
Restricted fixed asset funds	3,072,964	25,233	(79,963)	113,871	-	3,132,105
	3,123,599	1,560,788	(1,461,540)	-	(20,000)	3,202,847

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NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	3,132,105	3,132,105	2,899,110
Current assets	213,964	454,274	-	668,238	657,038
Creditors due within one year	-	(226,983)	-	(226,983)	(114,549)
Creditors due in more than one year	-	(9,513)	-	(9,513)	-
Pension scheme liability	-	(361,000)	-	(361,000)	(318,000)
	<u>213,964</u>	<u>(143,222)</u>	<u>3,132,105</u>	<u>3,202,847</u>	<u>3,123,599</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	99,248	146,073
Returns on investments and servicing of finance	(881)	305
Depreciation of tangible fixed assets	79,187	92,335
Deficit on disposal of tangible fixed assets	776	-
Decrease/(increase) in debtors	119,938	(179,127)
Decrease in creditors	111,076	(14,006)
Defined benefit pension scheme adjustments	23,000	14,000
NET CASH INFLOW FROM OPERATIONS	<u>432,344</u>	<u>59,580</u>

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

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	2,623	954
Interest and charges paid	(1,742)	(1,259)
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>881</u>	<u>(305)</u>
	2015 £	2014 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	<u>(315,378)</u>	<u>(17,805)</u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
FINANCING		
Other new loans	10,871	-

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	445,576	128,718	-	574,294
DEBT:				
Finance leases	-	-	-	-
Debts due within one year	-	-	(1,358)	(1,358)
Debts falling due after more than one year	-	-	(9,513)	(9,513)
NET FUNDS	445,576	128,718	(10,871)	563,423

24. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bristol City Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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

NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (continued)

Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%));
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS in the period amounted to £145,105 (2014: £119,679).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £44,000, of which employer's contributions totalled £32,000 and employees' contributions totalled £12,000. The agreed contribution rates for future years are 14.4% in 2015/16 and 15.4% in 2016/17 for employers and 5.5 - 6.8% 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.

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24. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.50	114,000	7.00	86,000
Government bonds	2.50	18,000	2.90	14,000
Property	6.10	17,000	6.20	12,000
Cash	0.50	5,000	0.50	5,000
Other bonds	3.60	23,000	3.80	17,000
Other	6.50	28,000	7.00	23,000
Total market value of assets		205,000		157,000
Present value of scheme liabilities		(566,000)		(475,000)
Deficit in the scheme		(361,000)		(318,000)

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(566,000)	(475,000)
Fair value of scheme assets	205,000	157,000
Net liability	(361,000)	(318,000)

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

	2015 £	2014 £
Current service cost	(46,000)	(39,000)
Interest on obligation	(21,000)	(18,000)
Expected return on scheme assets	9,000	11,000
Total	(58,000)	(46,000)

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24. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	475,000	391,000
Current service cost	46,000	39,000
Interest cost	21,000	18,000
Contributions by scheme participants	12,000	12,000
Actuarial Losses	13,000	16,000
Benefits paid	(1,000)	(1,000)
Closing defined benefit obligation	566,000	475,000

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

	2015 £	2014 £
Opening fair value of scheme assets	157,000	159,000
Expected return on assets	9,000	11,000
Actuarial gains and (losses)	(7,000)	(56,000)
Contributions by employer	35,000	32,000
Contributions by employees	12,000	12,000
Benefits paid	(1,000)	(1,000)
	205,000	157,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(81,000) (2014: £(61,000)).

The Academy expects to contribute £40,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	55.60 %	55.10 %
Government Bonds	9.00 %	8.60 %
Other Bonds	11.30 %	10.70 %
Other	13.80 %	14.70 %
Property	8.10 %	7.60 %
Cash	2.20 %	3.30 %

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	5.28 %	5.66 %
Rate of increase in salaries	3.80 %	3.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.20 %

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24. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	23.4 years	22.9 years
Females	25.9 years	25.9 years
Retiring in 20 years		
Males	25.8 years	25.2 years
Females	28.8 years	28.2 years

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

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

Defined benefit pension schemes

	2015	2014	2013	2012
	£	£	£	£
Defined benefit obligation	(566,000)	(475,000)	(391,000)	(335,000)
Scheme assets	205,000	157,000	159,000	104,000
Deficit	(361,000)	(318,000)	(232,000)	(231,000)
Experience adjustments on scheme liabilities	(13,000)	(16,000)	-	(21,000)
Experience adjustments on scheme assets	(7,000)	(56,000)	11,000	(4,000)

25. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015	2014
	£	£
EXPIRY DATE:		
Within 1 year	-	3,301
Between 2 and 5 years	3,507	366

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26. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account.

27. CONTROLLING PARTY

The Academy is under joint control of the Trustees. There is no ultimate controlling party.