

Registered number: 7935515

NETHERTHORPE SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL
STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015



NETHERTHORPE SCHOOL

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

Members	Mr K Bacon Mr P Brown Mr J Hendley Mr N Hiller Mr S Poole Mr A C Senior
Trustees	Mr S Abdullah Mr K Bacon, Vice Chair Mr P Brown Revd W A Butt Mrs L Collins Mr I Else Mrs A Green Mr J Hendley, Chairman Mr N Hiller (resigned 31 October 2015) Revd S F Jones Mr G Mason Mr J Morehen Mr P Pierce Mr D Plummer (appointed 1 November 2015) Mr S Poole Mr S Riley Mr A C Senior, Head Teacher and Accounting Officer Mrs K Webster (resigned 27 April 2015) Miss K West (resigned 31 August 2015) Mr J Windle Miss C Wood
Endowment Governors	Councillor J Bacon, nominated representative of STC Councillor L Collins, nominated representative of STC (resigned 1 May 2015) Mr I Else, Duke of Devonshire's Representative Reverend S Jones, Rector & Churchwarden of Staveley Parish Mrs P McConnell Mrs J Needham Mr T Norton Mrs P Ripper Councillor E Tidd, nominated representative of STC Councillor J Williams, nominated representative of DCC
Senior Leadership Team	Mr P Bamford, Assistant Head Mr K Brown, Deputy Head Mrs N Connolly, Assistant Head Mrs S Dight, Deputy Head Mr A Doughty, Bursar Mr N Hemmingway, Personnel & Business Manager Mrs H McVicar, Assistant Head Mr A C Senior, Head Teacher and Accounting Officer
Company registered number	7935515

NETHERTHORPE SCHOOL

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

Administrative details (continued)

Principal and registered office	Ralph Road Staveley Chesterfield Derbyshire S43 3PU
Company secretary	D Tai
Independent auditors	BHP, Chartered Accountants 57-59 Saltergate Chesterfield S40 1UL
Bankers	Lloyds Bank Butt Dyke House 33 Park Row Nottingham NG61 6GY
Solicitors	Browne Jacobson Castle Meadow Road Nottingham NG2 1BJ

NETHERTHORPE SCHOOL

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2015

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

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee which was set up incorporated on 3 February 2012 and commenced operating on 1 March 2012.

The academy is constituted under a Memorandum of Association dated 3 February 2012.

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

b. 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.

c. Method of recruitment and appointment or election of Governors

Subject to Articles 48-49 and 64, the Academy Trust shall have the following governors:-

- (a) up to 1 Governor appointed by the member
- (b) up to 1 LA Governor
- (c) 7 Parent Governors
- (d) up to 3 Staff Governors
- (e) up to 4 Foundation Governors
- (f) up to 2 Community Governors
- (g) the Head Teacher
- (h) any additional Governors, if appointed under Article 62, 62A or 68A and
- (i) any further Governors, if appointed under Article 63 or Article 68A

The Members may appoint up to 1 Governor save that no more than one third of the total number of individuals appointed as Governors shall be employees of the Academy Trust (including the Head Teacher).

The LA may appoint the LA Governor

The Head Teacher shall be treated for all purposes as being an ex-officio Governor

Subject to Article 57, the Parent Governors shall be elected by parents of registered pupils at the Academy at the time he is elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

NETHERTHORPE SCHOOL

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

The arrangements for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy.

Where a vacant for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

If appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The Governing Body shall make all necessary arrangements for, and determine all matters relating to, the election and removal of Staff Governors.

The Foundation Governors may be appointed by the Endowment Governors to represent their interests on the Governing Body as owners of land and buildings.

The Community Governors may be appointed by the Governing Body provided that the person who is appointed as a Community Governor is:-

- (a) a person who lives or works in the community served by the Academy or
 - (b) a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy
- The Governors may not appoint an employee of the Academy Trust as a Community Governor if the number of Governors who are employed by the Academy Trust (including the Principal) would thereby exceed one third of the total number of Governors.

Co-opted Governors

The Governors may appoint up to 3 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust (including the Principal) would thereby exceed one third of the total number of Governors.

Appointment of Additional Governors

The Secretary of State may give a warning notice to the Governors where he is satisfied:

- (a) that the standards of performance of pupils at the Academy are unacceptably low or
- (b) that there has been a serious breakdown in the way the Academy is managed or governed or
- (c) that the safety of pupils or staff of the Academy is threatened (whether by a breakdown of discipline or otherwise).

The Secretary of State may appoint such Additional Governors as he thinks fit if the Secretary of State has

- (a) given the Governors a warning notice in accordance with Article 60 and
- (b) the Governors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

The Secretary of State may also appoint such Additional Governors where following an inspection by the Chief Inspector in accordance with the Education Act 2005 (an 'inspection') the Academy Trust receives an Ofsted grading (being a grade referred to in the Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one inspection to the next inspection or between two inspections carried out within a 5 year period, of two Ofsted grades. For the purpose of the foregoing the grade received by

NETHERTHORPE SCHOOL

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

Netherthorpe School (a maintained school) shall be regarded as the grade received by the Academy.

The Secretary of State may also appoint such further governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the Academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors in accordance with Articles 62,62A or 63, any Governors appointed under Article 50 and holding office immediately preceding the appointment of such Governors, shall resign immediately and the Members' power to appoint Governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

d. Policies and procedures adopted for the induction and training of Governors

At Netherthorpe School, the Governing Body and Headteacher believe it is essential that all new Governors receive a comprehensive induction package covering a broad range of issues and topics. We are committed to ensure that the new governors are given the necessary information and support to fulfil their role with confidence. We see this as an investment leading to more effective governance and retention of Governors. We want to make new Governors feel welcome to their Governing Body.

New Governors will:-

- be welcomed to the Governing Body by the Chairman
- be invited by the Headteacher to visit the school to experience its atmosphere and understand its ethos
- have the opportunity to tour the school and meet staff and children
- receive an informal briefing on the school from the Headteacher to explain the partnership between the Headteacher, school and Governing Body
- have the opportunity to meet informally with an existing Governor who will then act as their mentor. They will explain how the Governing Body and its Committees work
- be encouraged to join the Committee(s) of their choice
- be accompanied by their mentor to their first Full Governing Body Meeting (if required)
- have the opportunity to review their first meeting with the mentor
- be given background material on the school and current issues
- be encouraged to ask questions about their role and/or the school
- be encouraged to access training including induction training for Governors

New Governors will receive and be encouraged to read:-

- The Department for Education and Skills 'Guide to the Law for Governors'
- School Prospectus
- Ofsted Report and Action Plan (if appropriate in the last 4 years)
- School Improvement Plan
- Last Headteacher's Report to the Governing Body
- List of staff, responsible areas and job titles (Head of Year etc)
- List of Governors' names and responsible areas (committee member etc)
- Map/Plan of the school
- List of school holidays
- Copy of the minutes of the last two Governing Body Meetings (not the confidential minutes)
- Copy of the school budget
- Copy of the latest school newsletter
- Dates of forthcoming Governing Body Meetings and Committees
- School Profile (a side of A4 describing the school current development issues)

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

e. Organisational structure

The Governing Body's Role in the Academy is, essentially, a strategic one. Acting on the advice of the Head Teacher the Governing Body sets aims and objectives for the school and policies and targets which will achieve these aims and objectives. It also monitors the progress of the school towards the achievements of the aims and objectives, in the light of that progress, review the strategic framework it has established.

To facilitate the working of the Governing Body some of its functions are delegated to committees, the Head Teacher and Senior Leadership Team. The committees are:-

- Finance H R and Resources Committee (6 meetings per year)
 - Behaviour and Safety Committee (3 meetings per year)
 - Curriculum and Standards Committee (3 meetings per year)
 - Teaching, Learning and Quality Assurance Committee (3 meeting per year)
 - Audit Committee (3 meetings per year)
 - Pay Review Committee (1 scheduled meeting per year)
 - Health & Safety Committee (1 meeting per year)
 - Governors' Disciplinary Panel (Staff and Students) meet as necessary
- Full Governors' Meet 5 times a year, Members meet once during the year and the Endowment Governors meet twice.

The Behaviour and Safety Committee consider Special Needs; Home-School links; Pastoral Welfare.

Delegated Powers:-

- Approval of policies relating to the welfare of pupils and home-school links
- To ensure the School is adhering to its Safeguarding statutory responsibilities
- To receive and challenge Pastoral Reviews
- To monitor exclusions
- To monitor attendance
- To monitor and raise standards.
- To consider any complaints about school procedures
- To review school self-evaluation procedures
- To consider admissions policy and procedures

The Curriculum and Standards Committee consider Curriculum and Staffing to ensure that the school meets its statutory requirements adhering to National changes.

Delegated Powers:-

- Approval of curriculum policy documents in pursuit of excellence.
- To approve targets for students and the school
- To monitor and track progress towards the targets
- To receive and challenge external reports on School Performance
- To receive regular reports on the staffing in curriculum areas
- To receive Departmental Reports
- To monitor the impact of budget spends relating to intervention.

The Finance H R and Resources Committee consider Finance; Personnel; Health & Safety; Premises Matters

Delegated Powers:-

- Approval of unbudgeted spending up to £10,000 and approval of all budgeted expenditure
 - Approval of first formal budget plan of the financial year
 - Approve virement of funds up to £20,000
 - Approval for the appointment of additional staffing as required to deliver new courses, or as required by additional numbers of students
 - Approval for changes to the staffing structure of the school below the level of the leadership group
 - Approval of school pay policy
-

NETHERTHORPE SCHOOL

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

- To consider marketing and publicity
- To identify a subgroup to consider Health & Safety matters
- To consider and approve Performance Management issues
- To appoint a Pay Policy Committee to consider pay and progression matters for all staff
- To appoint an Audit Committee to receive reports of internal and external audits and report
- To appoint a Head Teacher's Performance Review Advisor and Review Panel.

The Pay Review Committee is responsible for achieving the aims of the Pay Policy in a fair and equitable manner. The committee meets at least once a year.

The Teaching, Learning and Quality Assurance Committee consider the progress and performance of the School Staff.

Delegated Powers:-

- To monitor the Teaching and Learning Reports and challenge where appropriate
- To monitor the provision and impact of professions CPD within the school
- To monitor the standard of teaching within the school
- To monitor the consistency and quality of homework set
- To monitor the consistency and quality of marking and assessment
- To approve all School Policies relating to T&L
- To monitor issues raised through student and parent surveys.

The Head Teacher is responsible for:- monitoring monthly expenditure; miscellaneous financial decisions; entering into contracts/agreements provided they are under £49,999; appointment of staff; dismissal of staff; suspension of staff (except Head Teacher); establishing and implementing the curriculum policy; standards of teaching; individual children's education; implementing the performance management policies; ensuring all pupils take part in a daily act of worship; ensuring the health and safety regulations are followed; ensuring the school meets for 380 sessions in a school year; ensuring that the school lunch nutritional standards are met; school prospectus; ensuring the provision of free school meals for eligible students; additional needs services; ensuring delivery of services provided and acting as the Academy's Accounting Officer.

f. Connected organisations, including related party relationships

The Netherthorpe School Foundation owns the main school buildings and makes them available to the Academy Trust. It also has the power to appoint four foundation governors.

Netherthorpe works closely with other organisations and schools. There is a full programme of Science activities for local primary schools and they often attend for sporting events here. We have summer schools for our feeder schools and they take part in Musical events with our own students. The school is also part of the Chesterfield Learning Community and sends students to other schools and trainers, as well as the local College to broaden their curriculum experience. The Head Teacher is on the Strategic Planning group for this organisation.

g. Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. This has resulted in a risk register which is fully updated every September and monitored on a regular basis during the year. Higher priority entries are reviewed at every finance meeting.

The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (eg. In relation to teaching, health and safety, bullying, safeguarding and school trips) and in relation to the control of finance and insurance cover. The have introduced systems, including operational procedures (eg. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk.

NETHERTHORPE SCHOOL

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

Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls, documented fully in its Financial Procedures Manual.

Objectives and Activities

a. Objects and aims

The Academy Trust's object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ('the Academy').

WE AIM TO BE :-

An outstanding school

1. where every student achieves the very best that they capable of.
2. where every student is challenged, developed and given extraordinary opportunities: where achievement is celebrated and every student feels valued and important.
3. where every member of the school (staff or student) is valued, supported and developed; where there is a sense of loyalty and community, a desire to give of one's best and to continue to improve – Team Netherthorpe.
4. where leadership and initiative are encouraged at all levels amongst both the staff and students and where risk taking in order to secure improvement, is fully supported.
5. that is always moving forwards, actively seeking out the best ideas and adapting them for our purposes.
6. with consistently high expectations
7. where lessons are interesting, challenging, varied and engaging, and staff/student relations are recognisably good – in short, a school where there is a good 'Climate for Learning' and Teaching and Learning is constantly improving.
8. that is acknowledged within the community, across the County and beyond for its excellence – a school with a high profile.
9. where there are effective systems (consistently applied), that are clear, open, fair and support both staff and students.
10. that engages the parents/guardians in the development of their child and actively looks for their support, welcoming their contributions
11. that provides a learning environment that inspires students, staff and the wider community.

Our motto is Learn, Enjoy, Succeed and we apply this to all we do.

b. Objectives, strategies and activities

Our 3 Key Aims for 2015/16 are now as follows.

Key Aim 1 - To improve outcomes for students by raising aspirations throughout the organisation

In particular:

- **to raise the performance of GCSE students** for all abilities and in all subjects ensuring that the **progress 8 value is 0.3 or higher**
- to increase the challenge in the target setting, particularly at KS3 and KS5.
- to ensure that progress data in all year groups collected is always **secure**
- **to raise standards of Literacy** so that all students reach a reading age of 10 by the end of Year8 and to focus on **levels of writing**.
- to close the gap in the performance of our **vulnerable (PP) students** at KS4 to 16% (matched against national non-PP students)
- to increase curriculum provision in English and Maths and ensure our curriculum aligns to Progress 8 measures
- To improve outcomes for our most able students

NETHERTHORPE SCHOOL

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

Key Aim 2 – To improve work ethos and punctuality.

In particular:

- To restructure the Pastoral system to improve capacity
- To develop a whole school mentoring system that involves the newly appointed Pastoral Support Managers
- To make changes to the homework detention system
- To regularly review pastoral performance through the development of data dashboards
- To ensure 6th form students have a more productive day by removing the freedom to leave the site whenever free.

Key Aim 3 – To improve the quality of teaching so that all 'typical' teaching seen delivers strong levels of progress, challenge and engagement. To improve students' written work and rate of progress through effective feedback.

In particular:

- to identify good practice and development needs through a rigorous programme of Learning Walks, Drop-ins and Work Scrutiny
- to improve the quality of feedback to increase the impact it has on progress
- to develop a culture of collaboration through a CPD programme that promotes self-evaluation and improvement
- to establish a rigorous QA process that impacts on the quality of teaching
- to develop and support middle leaders in improving the teaching in their departments
- to improve our Performance Management systems

c. Strategies to achieve objectives

Key Aim 1

- To Improve the reliability of performance data being collected and the intervention that follows each data collection.
- To increase 'pace' so that Year 11 finish syllabus teaching earlier and are better prepared for their examinations.
- To improve the target setting throughout the school – introduce flight path targets from Year 7, ALPs in the 6th form and challenging GCSE targets from Year 9/10 that will yield the desired Progress 8 scores.
- To replace effort grades with 'Behaviour for Learning' levels.
- Focus on Literacy and Writing skills
- Support work with Pupil Premium students through the appointment of a Pupil Premium Coordinator with a substantial budget.

Key Aim 2

- 6th form students no longer allowed out of school during free periods
- Compulsory homework club for repeat offenders
- Introduce a 'whole school' mentoring system
- To restructure the Pastoral system to build additional capacity – introduce the Pastoral Support Manager – member of support staff so no teaching commitment.
- Develop a pastoral dashboard to allow progress towards targets to be tracked – increased accountability.

Key Aim 3

- To strengthen 'typical' teaching by introducing 'drop-ins' – short 10-15 min observations that are not graded but measure typicality and are followed up with feedback and support where needed.
- To continue to build the 'coaching' model, with increased collaboration
- To introduce 'non-negotiables' in the classroom
- Relate all assessments of performance back to the T&L standards.
- Introduce the idea of 'student panels' to inform on general standards of teaching

NETHERTHORPE SCHOOL

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

d. Public benefit

The Governors have complied with their duty to manage and develop a school offering a broad and balanced curriculum for the benefit of the public.

Strategic report

Achievements and performance

a. Review of activities

The school specialises in Science and Mathematics and outcomes in these areas are good. In English, progress has improved dramatically.

Attainment in the school is significantly above National averages (67.5% gaining 5+A*-C including English and Maths – 73% of students gained a higher grade pass in English, 84% in Maths.). Value Added Progress Measures indicate that the school is making progress in line with the national average. Attainment is well above the national norm and improving the 'progress' our students are making remains our top priority.

Post-16 outcomes are good. At AS level our value added is well above the National norm and at A2 is in line with the national norm. We have a thriving Sixth Form with an extraordinary range of opportunities for our students – this has to be maintained and improved on if we are to maintain the high reputation the school currently enjoys.

The school experience in attending Netherthorpe is outstanding with a wide range of educational trips, extra-curricular opportunities and opportunities for students to lead. Students have a voice through the school Parliament and Council and every Form has representation.

The gap between those vulnerable (PP) students, and those who are not, is closing and our vulnerable students in 2015 did particularly well at GCSE.

The ethos, behaviour and relationships that exist within the school are outstanding and visitors and inspectors comment on this regularly. Our challenge is to maintain and improve this further whilst keeping the number of external exclusions as low as we possibly can.

The school was oversubscribed in September 2015 for places in Year 7 and our Year 7 is currently full. In the 6th form we took more than our desired number because of being oversubscribed and the sixth form currently stands at 300 students, more than ever before.

The school's attendance figures reached 95.7%, our highest ever and substantially above the National Average.

Key indicator – higher grade passes

67.5% gained 5 or higher grade passes including in English and Maths – above National average

84% of students in Maths gained higher grade passes – above National average

85% of students in Science gained higher grade passes in two Sciences – above National average

73% of students in English gained higher grade passes – just above National average

Key Indicator - Average points (capped) gives an indication of performance across all grades and subjects

School 329 was not as strong as last year.

Key Indicator – Our EBACC figure was 29.4% - above National average

NETHERTHORPE SCHOOL

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

The AS results showed a value added performance which was considerably better than the National norm and at A2 the VA performance was 'in line' with national.

Financial review

a. Financial review

In this financial year the academy has received the majority of its income from the EFA in the form of recurrent grants. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown in the statement of financial activities. The outcome is a deficit for the year on GAG and unrestricted funds of £216,000 but this includes £68,000 of insurance costs relating to previous periods.

b. Financial and risk management objectives and policies

As noted previously the academy has a Risk Management Policy from which a Risk Register is drafted. The financial risks for the academy are described below.

c. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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 Accounting Policies.

d. Principal risks and uncertainties

The governors of the academy are aware of the risks that the academy faces in the short, medium and long term, the principal risks and uncertainties have been identified following the risk management process.

Principal risks and uncertainties (other than pension deficit) are:-

- Pupil numbers
- Uncertainty over timeline for ending of public sector pay freeze
- New national funding agreement
- Single Status
- Public sector pensions
- Success of capital building projects

e. Reserves policy

At the year end, the Academy held free reserves (in unrestricted funds and GAG funds) of £133,000 together with a balance of £73,000 on pupil premium and SEN funding. These free reserves are held in order to provide a cushion for buildings maintenance, to cover increases in staffing costs (e.g conversion to single status) and protect us against falling roles. Some of our buildings are several hundred years old.

f. Investment policy

Investments must be made only when approved by the Governing Body.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to

NETHERTHORPE SCHOOL

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

be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

Periodically (at least annually) review interest rates and compare with other investment opportunities. A working balance of £250,000 to £500,000 should be maintained in the main academy's current account.

The academy's current position is to only invest funds in risk free and easily accessible deposit accounts. Funds can be invested up to 12 months if appropriate. Investing cash over more than a year had to be approved by the Governing Body and referenced with detailed cash flow workings.

Plans for future periods

a. Future objectives

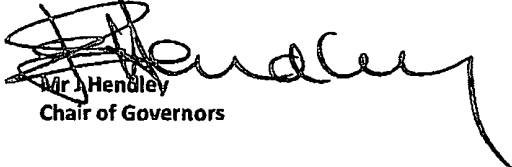
1. To raise examination performance so that our students are making progress in line with outstanding schools across the country.
2. To increase levels of literacy so that this is no longer a barrier to success, but helps students to achieve all that they are capable of.
3. To ensure the continued success of the Sixth Form in light of increased local competition
4. To improve standards of behaviour and levels of attendance to outstanding levels, from the very good levels currently experienced.
5. To improve teaching so that all teaching is at least 'Good' (to include marking and the setting of homework) and each year the number of outstanding lessons delivered increases.

Disclosure of information to auditors

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

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

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2015 and signed on the board's behalf by:


Mr. Hendley
Chair of Governors

NETHERTHORPE SCHOOL

GOVERNANCE STATEMENT

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Netherthorpe 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 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 Netherthorpe 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 Governors' report and in the Governors' responsibilities statement. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Mr P Brown	5	5
Mr S Abdullah	5	5
Mr K Bacon, Vice Chair	4	5
Mr P Brown	5	5
Revd W A Butt	3	5
Mrs L Collins	2	5
Mr I Else	5	5
Mrs A Green	5	5
Mr J Hendley, Chairman	3	5
Mr N Hiller	5	5
Revd S F Jones	1	5
Mr G Mason	5	5
Mr J Morehen	4	5
Mr P Pierce	5	5
Mr S Poole	4	5
Mr S Riley	4	5
Miss K West	5	5
Mr J Windle	5	5
Mrs K West	2	5
Mrs K Webster	1	5

NETHERTHORPE SCHOOL

GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to consider finance, personnel, health & safety and premises matters. A list of its delegated powers can be found in the Governors' Report.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr K Bacon	3	4
Mr I Else	4	4
Mr J Hendley	3	4
Mr N Hiller	4	4
Mr S Riley	1	4
Mr A C Senior, Head Teacher	4	4
Mrs K Webster	3	4
Mr J Windle	3	4
Mr A Doughty, Bursar	3	4
Mr N Hemmingway P&BM	4	4
Mr G Mason	4	4

The Audit Committee is also a sub-committee of the main board of trustees. Its purpose is to review the reports of internal and external auditors.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs L Collins	3	3
Mr N Hiller	3	3
Mr S Riley	3	3
Miss C Wood	3	3
Mr A C Senior, Head Teacher	3	3
Mr A Doughty	3	3

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 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:

- Ensuring that utility cost were kept low, in particular by securing lower rates for Gas and Electricity and by installing over 600 solar panels.
- Ensuring staff appointments were only made where absolutely necessary, making savings wherever they could be made without affecting the quality of education for the students.
- Securing a more economical reprographics contract.

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

NETHERTHORPE SCHOOL

GOVERNANCE STATEMENT (continued)

to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Netherthorpe School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint BHP, Chartered Accountants as internal auditor.

The internal auditor'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:

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations
- testing of income systems

On a termly basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The appointee has delivered their schedule of work as planned. No material control issues arose as a result of the appointee's work.

Review of Effectiveness

As accounting officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
-

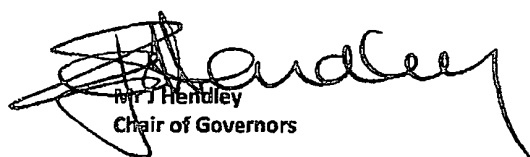
NETHERTHORPE SCHOOL

GOVERNANCE STATEMENT (continued)

- 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 Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 14 December 2015 and signed on its behalf, by:



Mr J Hentley
Chair of Governors

Mr A C Senior
Accounting Officer

NETHERTHORPE SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Netherthorpe 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 (2014).

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 (2014).

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.



Mr A C Senior
Accounting Officer

Date: *14th December 2015.*

NETHERTHORPE SCHOOL

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

The Governors (who act as governors of Netherthorpe School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

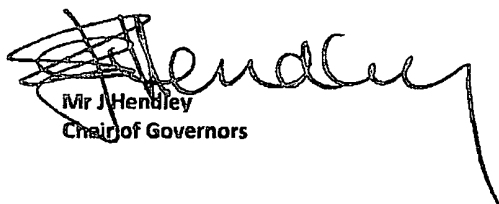
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 Governors 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 Governors 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 Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 14 December 2015 and signed on its behalf by:



Mr J Hendley
Chair of Governors

NETHERTHORPE SCHOOL

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NETHERTHORPE SCHOOL

We have audited the financial statements of Netherthorpe 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 Governors and auditors

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' 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 Governors' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

NETHERTHORPE SCHOOL

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NETHERTHORPE 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Philip Allsop (Senior statutory auditor)

for and on behalf of

BHP, Chartered Accountants

Statutory Auditors

57-59 Saltergate

Chesterfield

S40 1UL

Date: 16 December 2015

NETHERTHORPE SCHOOL

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

In accordance with the terms of our engagement letter dated 17 July 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 Netherthorpe 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 Netherthorpe School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Netherthorpe 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 Netherthorpe School and EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Netherthorpe School's funding agreement with the Secretary of State for Education dated 28 February 2012, 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.

The work undertaken to draw our conclusions includes:

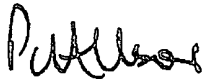
- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately;
- Review of the academy's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues;
- Ensure that EFA approval has been obtained for relevant transactions;
- Discussions with Governors, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that all regularity threats have been addressed.

NETHERTHORPE SCHOOL

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO NETHERTHORPE 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.



Philip Allsop

BHP, Chartered Accountants

Statutory Auditors

57-59 Saltergate
Chesterfield
S40 1UL

Date: 16 December 2015

NETHERTHORPE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
	Note					
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	40	32,041	-	32,081	6,355
Activities for generating funds	3	28,547	211,481	-	240,028	205,445
Investment income	4	683	-	-	683	1,159
Incoming resources from charitable activities	5	-	5,722,814	42,325	5,765,139	5,713,098
Total incoming resources		29,270	5,966,336	42,325	6,037,931	5,926,057
Resources expended						
Fundraising expenses and other costs		13,321	171,293	-	184,614	179,385
Charitable activities		-	6,095,913	545,577	6,641,490	6,226,802
Governance costs	10	-	22,165	-	22,165	26,320
Total resources expended	6	13,321	6,289,371	545,577	6,848,269	6,432,507
Net incoming / (outgoing) resources before transfers		15,949	(323,035)	(503,252)	(810,338)	(506,450)

NETHERTHORPE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
	Note					
Transfers between Funds	18	(173,537)	188,384	(14,847)	-	-
Net income for the period		(157,588)	(134,651)	(518,099)	(810,338)	(506,450)
Actuarial gains and losses on defined benefit pension schemes and liability inherited on conversion		-	13,000	-	13,000	(338,000)
Net movement in funds for the period		(157,588)	(121,651)	(518,099)	(797,338)	(844,450)
Total funds at 1 September 2014		290,435	(1,129,136)	18,205,323	17,366,622	18,211,072
Total funds at 31 August 2015		132,847	(1,250,787)	17,687,224	16,569,284	17,366,622

All activities relate to continuing operations.

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

The notes on pages 27 to 46 form part of these financial statements.

NETHERTHORPE SCHOOL

REGISTERED NUMBER: 7935515

BALANCE SHEET

AS AT 31 AUGUST 2015

	Note	£	2015 £	As restated 2014 £
Fixed assets				
Tangible assets	15		17,687,224	18,161,183
Current assets				
Debtors	16	460,769		402,317
Cash at bank and in hand		247,112		578,643
		707,881		980,960
Creditors: amounts falling due within one year	17	(426,821)		(493,521)
Net current assets			281,060	487,439
Total assets less current liabilities			17,968,284	18,648,622
Defined benefit pension scheme liability	23	(1,399,000)		(1,282,000)
Net assets including pension scheme liability			16,569,284	17,366,622
Funds of the academy				
Restricted funds :				
Restricted funds	18	148,213		152,864
Restricted fixed asset funds	18	17,687,224		18,205,323
Restricted funds excluding pension liability		17,835,437		18,358,187
Pension reserve		(1,399,000)		(1,282,000)
Total restricted funds			16,436,437	17,076,187
Unrestricted funds	18		132,847	290,435
Total funds			16,569,284	17,366,622

The financial statements were approved by the Governors, and authorised for issue, on 14 December 2015 and are signed on their behalf, by:


Mr J Hendley
Chair of Trustees

The notes on pages 27 to 46 form part of these financial statements.

NETHERTHORPE SCHOOL

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

	Note	2015 £	As restated 2014 £
Net cash flow from operating activities	20	(259,913)	(857,824)
Capital expenditure and financial investment	21	(71,618)	(23,024)
Decrease in cash in the year		(331,531)	(880,848)

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

	2015 £	As restated 2014 £
Decrease in cash in the year	(331,531)	(880,848)
Movement in net funds in the year	(331,531)	(880,848)
Net funds at 1 September 2014	578,643	1,459,491
Net funds at 31 August 2015	247,112	578,643

The notes on pages 27 to 46 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 Governors.

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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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.

1. Accounting Policies (continued)

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

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 Governors' meetings and reimbursed expenses.

1.5 Going concern

The Governors 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 Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

NETHERTHORPE SCHOOL

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

1. Accounting Policies (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

The school's main buildings are on land owned by the Netherthorpe School Foundation and made available to the Trust without charge under the terms of a supplemental agreement between the Foundation, the Trust and the Secretary of State for Education. This occupancy is in the nature of a licence agreement and the Foundation has the right to give two years notice to terminate the occupancy. However the Trustees have concluded that it is very unlikely that the Foundation will exercise this right and that in fact the school will realistically have the full benefit of continuing occupancy of the school for the foreseeable future. In light of the guidance in Academies Accountants Direction 2014 to 2015, the property has therefore been included in the 2015 balance sheet on the basis of its value in use.

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.

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 carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Property	-	2% straight line
Plant and machinery	-	10-20% straight line
Fixtures and fittings	-	10% straight line
Computer equipment	-	10-20% straight line

1.7 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.

NETHERTHORPE SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015****1. Accounting Policies (continued)****1.8 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1.9 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 25.

2. Voluntary Income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	40	31,839	31,879	3,500
Grants	-	202	202	2,855
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	40	32,041	32,081	6,355
	<hr/>	<hr/>	<hr/>	<hr/>

NETHERTHORPE SCHOOL

**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	10,755	-	10,755	13,444
Other	17,792	211,481	229,273	192,001
	<u>28,547</u>	<u>211,481</u>	<u>240,028</u>	<u>205,445</u>

4. Investment income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	683	-	683	1,159
	<u>683</u>	<u>-</u>	<u>683</u>	<u>1,159</u>

5. Incoming resources from charitable activities

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Education	-	5,765,139	5,765,139	5,713,098
	<u>-</u>	<u>5,765,139</u>	<u>5,765,139</u>	<u>5,713,098</u>

NETHERTHORPE SCHOOL

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

Funding for Academy's educational operations

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant	-	5,259,566	5,259,566	5,286,557
Other DfE/EFA grants	-	347,068	347,068	313,674
Devolved Capital	-	42,325	42,325	-
	-	5,648,959	5,648,959	5,600,231
Other government grants				
Special Educational Needs	-	116,180	116,180	112,867
	-	116,180	116,180	112,867
Other funding				
	-	-	-	-
	-	5,765,139	5,765,139	5,713,098

6. Resources expended

	Staff costs 2015 £	Non Pay Expenditure Other costs 2015 £	Total 2015 £	As restated Total 2014 £
Fundraising expenses	10,200	174,414	184,614	179,385
Contribution to property development	10,200	174,414	184,614	179,385
Direct costs	4,164,858	631,730	4,796,588	4,600,453
Support costs	642,079	1,202,823	1,844,902	1,626,349
Charitable activities	4,806,937	1,834,553	6,641,490	6,226,802
Governance	11,165	11,000	22,165	26,320
	4,828,302	2,019,967	6,848,269	6,432,507

NETHERTHORPE SCHOOL

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

7. Direct costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Wages and salaries	-	3,354,708	3,354,708	3,276,618
National insurance	-	252,580	252,580	247,853
Pension cost	-	557,570	557,570	493,883
Staff development	-	20,474	20,474	21,755
Educational supplies	-	260,154	260,154	203,538
Examination fees	-	103,224	103,224	111,320
Technology costs	-	202,908	202,908	203,535
Pension finance costs (note 15)	-	38,000	38,000	32,000
Other costs	-	6,970	6,970	9,951
Total	-	4,796,588	4,796,588	4,600,453

8. Support costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
Wages and salaries	-	561,904	561,904	495,759
National insurance	-	26,582	26,582	22,787
Pension cost	-	53,593	53,593	46,237
Recruitment and other staff costs	-	23,711	23,711	23,366
Maintenance of premises and equipment	-	84,775	84,775	66,587
Cleaning	-	13,381	13,381	14,905
Rent and rates	-	84,976	84,976	31,945
Heat and light	-	86,906	86,906	102,503
Insurance	-	138,768	138,768	39,443
Security and transport	-	4,906	4,906	20,966
Catering	-	85,928	85,928	76,543
Other support costs	-	133,895	133,895	138,880
Depreciation	-	545,577	545,577	546,428
Total	-	1,844,902	1,844,902	1,626,349

Note - of the insurance costs, £68,000 relates to previous years.

NETHERTHORPE SCHOOL

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

9. Costs of generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Other expenses	3,121	171,293	174,414	148,960
Wages and salaries	10,200	-	10,200	30,425
Total	13,321	171,293	184,614	179,385

10. Governance costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Internal audit costs	-	1,500	1,500	1,500
Auditors' remuneration	-	8,000	8,000	9,845
Auditors' non audit costs	-	1,500	1,500	1,625
Governance expense - wages and salaries	-	11,165	11,165	13,350
Total	-	22,165	22,165	26,320

11. Staff

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,864,346	3,764,871
Social security costs	279,162	270,640
Other pension costs (Note 23)	611,163	540,120
Total	4,754,671	4,575,631
Supply teacher costs	73,631	51,281
Total	4,828,302	4,626,912

b. Staff severance payments

There were no non-contractual severance payments withing staff restructuring costs (2014: £9,824).

NETHERTHORPE SCHOOL

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

11. Staff (continued)

c. Staff numbers

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

	2015 No.	2014 No.
Teachers	68	66
Administration and support	52	51
Management	8	8
	<u>128</u>	<u>125</u>

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £ 80,001 - £ 90,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers Pension Scheme. During the period ended 31 August 2015, pension contributions for this employee amounted to £12,121 (2014: £12,001).

12. Governors' remuneration and expenses

The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy in respect of their role as Governors. The value of staff Governors' remuneration and other benefits fell within the following bands: Mr A C Senior: Remuneration £85,000 - 90,000 (2014: £85,000 - £90,000) Employer's pension contributions £10,000 - £15,000 (2014: £10,000 - £15,000), Mr G M Mason: Remuneration £40,000 - 45,000 (2014: £35,000 - £40,000) Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000), Mrs A Green: Remuneration £40,000 - 45,000 (2014: £40,000 - £45,000) Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000), Miss K West: Remuneration £15,000 - 20,000 (2014: £15,000 - £20,000) Employer's pension contributions £0 - £5,000 (2014: £0 - £5,000)

During the period, no Governors received any benefits in kind or expenses (2014: £168).

NETHERTHORPE SCHOOL

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

13. Governors' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £827 (2014 - £803). The cost of this insurance is included in the total insurance cost.

14. Other finance expense

	2015	2014
	£	£
Expected return on pension scheme assets	34,000	47,000
Interest on pension scheme liabilities	(72,000)	(79,000)
	<u>(38,000)</u>	<u>(32,000)</u>

NETHERTHORPE SCHOOL

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

15. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	17,725,000	340,431	671,946	562,188	19,299,565
Additions	-	33,747	1,475	36,396	71,618
At 31 August 2015	17,725,000	374,178	673,421	598,584	19,371,183
Depreciation					
At 1 September 2014	673,410	107,255	134,088	223,629	1,138,382
Charge for the year	300,000	58,859	67,342	119,376	545,577
At 31 August 2015	973,410	166,114	201,430	343,005	1,683,959
Net book value					
At 31 August 2015	16,751,590	208,064	471,991	255,579	17,687,224
At 31 August 2014	17,051,590	233,176	537,858	338,559	18,161,183

Land and buildings

On conversion to Academy status, Rotherham MBC's Land and Property Team were appointed to carry out a valuation of the land transferred to the Academy. The valuation was carried out on 1 April 2013.

The School's main buildings are on the land owned by the Netherthorpe School Foundation and made available to the Academy Trust without charge under a licence. This is not a lease and so the value of the property was not included in the Trust's balance sheet in previous years. However in the light of updated guidance by the EFA in the Academies Accounts Direction 2014 to 2015, the property has been included in these accounts, by the way of a prior period adjustment. It has been included on the basis of a valuation by Rotherham MBC land and property team dated 25 June 2012.

16. Debtors

	2015 £	2014 £
Trade debtors	38,825	35,764
Other debtors	31,396	36,564
Prepayments and accrued income	390,548	329,989
	460,769	402,317

NETHERTHORPE SCHOOL

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

**17. Creditors:
Amounts falling due within one year**

	2015	2014
	£	£
Trade creditors	90,278	158,508
Other taxation and social security	83,932	82,265
Accruals and deferred income	252,611	252,748
	426,821	493,521
		£
Deferred income		
Deferred income at 1 September 2014		9,109
Resources deferred during the year		3,693
Deferred income at 31 August 2015		12,802

At the balance sheet date the academy was holding grants in advance which relate to 2015/2016.

NETHERTHORPE SCHOOL

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

18. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	290,435	29,270	(13,321)	(173,537)	-	132,847
Restricted funds						
General Annual Grant (GAG)	69,057	5,259,566	(5,561,048)	232,425	-	-
Sponsor capacity fund	-	75,000	-	-	-	75,000
Special needs funding	85	116,180	(100,418)	-	-	15,847
Pupil premium	62,809	272,068	(277,616)	-	-	57,261
Trips	-	182,998	(171,293)	(11,705)	-	-
Sixth form bursaries	20,913	-	(20,413)	(500)	-	-
Staff Gifts	-	1,210	(1,105)	-	-	105
Charity Fund	-	5,136	(5,139)	3	-	-
Other	-	54,178	(22,339)	(31,839)	-	-
Pension reserve	(1,282,000)	-	(130,000)	-	13,000	(1,399,000)
	(1,129,136)	5,966,336	(6,289,371)	188,384	13,000	(1,250,787)
Restricted fixed asset funds						
Fixed assets transferred on conversion	18,205,323	42,325	(545,577)	(14,847)	-	17,687,224
Total restricted funds	17,076,187	6,008,661	(6,834,948)	173,537	13,000	16,436,437
Total of funds	17,366,622	6,037,931	(6,848,269)	-	13,000	16,569,284

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

General Annual Grant (GAG): The GAG Income must be used for the normal running costs of the Academy.

Sponsor capacity fund: Funding for the conversion to a Multi Academy Trust.

Special needs funding: Funding received from the Local Authority for those students who have more than 9 hours of statement of special need and used to pay for Teaching Assistants to fulfil this increased support.

Pupil Premium: DfE funding to address the current underlying inequalities between children eligible for free school meals (FSM) and their wealthier peers by ensuring that funding to tackle the disadvantage reaches the pupils who need it most.

Trips: Funds from parents/carers for school trips.

NETHERTHORPE SCHOOL

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

18. Statement of funds (continued)

Sixth form bursaries: Funds from EFA to provide assistance to 16-18 year old students whose access to, or completion of, education is inhibited by financial constraints or barriers.

Staff gifts: Contributions from staff towards gifts for other staff members.

Charity fund: Funds raised for charitable purposes.

Other: Small and one off restricted income items.

Pension reserve: The deficit on the Local Government Pension Scheme has been recognised against restricted funds in order to match it against GAG as recommended by the EFA Accounts Direction.

Restricted fixed asset funds: Restricted funds set aside for capital items.

Restricted fixed asset funds opening balance adjustment: As explained in note 15 the Schools main buildings have been brought onto the balance sheet for the first time this year and the comparatives have been adjusted accordingly. This has resulted in the opening balance of the fixed asset reserves fund been increased by £16,331,590.

Transfers: The restricted fund transfers in the year relate to monies received in the previous accounting period that were incorrectly included in the brought forward GAG reserves. The unrestricted transfer in the year relates to a re-allocation of unrestricted reserves to cover overspent GAG in the year.

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	290,435	29,270	(13,321)	(173,537)	-	132,847
Restricted funds	(1,129,136)	5,966,336	(6,289,371)	188,384	13,000	(1,250,787)
Restricted fixed asset funds	18,205,323	42,325	(545,577)	(14,847)	-	17,687,224
	<u>17,366,622</u>	<u>6,037,931</u>	<u>(6,848,269)</u>	<u>-</u>	<u>13,000</u>	<u>16,569,284</u>

NETHERTHORPE SCHOOL

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

19. Analysis of net assets between funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
Tangible fixed assets	-	-	17,687,224	17,687,224	1,829,593
Current assets	132,847	575,034	-	707,881	980,959
Creditors due within one year	-	(426,821)	-	(426,821)	(493,520)
Provisions for liabilities and charges	-	(1,399,000)	-	(1,399,000)	(1,282,000)
	<u>132,847</u>	<u>(1,250,787)</u>	<u>17,687,224</u>	<u>16,569,284</u>	<u>17,366,622</u>

20. Net cash flow from operations

	2015 £	2014 £
Net incoming resources before revaluations	(810,338)	(506,450)
Depreciation of tangible fixed assets	545,577	246,428
Increase in debtors	(58,452)	(125,170)
Decrease in creditors	(66,700)	(549,632)
FRS 17 adjustments	130,000	77,000
Net cash outflow from operations	<u>(259,913)</u>	<u>(857,824)</u>

21. Analysis of cash flows for headings netted in cash flow statement

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(71,618)</u>	<u>(23,024)</u>

NETHERTHORPE SCHOOL

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

22. Analysis of changes in net funds

	1 September 2014	Cash flow	Other non-cash changes	31 August 2015
	£	£	£	£
Cash at bank and in hand:	578,643	(331,531)	-	247,112
Net funds	578,643	(331,531)	-	247,112

23. Pension commitments

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

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

NETHERTHORPE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

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 £32,834 (2014: £29,841).

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 £173,000, of which employer's contributions totalled £130,000 and employees' contributions totalled £43,000. The agreed contribution rates for future years are 12.8% for employers and between 5.5% and 6.8% for employee's.

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.

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

23. 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	3.80	494	6.40	376
Bonds	3.80	146	3.20	104
Property	3.80	44	4.50	27
Cash	3.80	44	3.30	38
Total market value of assets		728		545
Present value of scheme liabilities		(2,127)		(1,827)
(Deficit)/surplus in the scheme		(1,399)		(1,282)

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

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(2,127,000)	(1,827,000)
Fair value of scheme assets	728,000	545,000
Net liability	(1,399,000)	(1,282,000)

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

	2015 £	2014 £
Current service cost	(222,000)	(152,000)
Interest on obligation	(72,000)	(79,000)
Expected return on scheme assets	34,000	47,000
Total	(260,000)	(184,000)

NETHERTHORPE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

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

	2015	2014
	£	£
Opening defined benefit obligation	1,827,000	1,628,000
Current service cost	222,000	152,000
Interest cost	72,000	79,000
Contributions by scheme participants	43,000	37,000
Actuarial Gains	(30,000)	(63,000)
Benefits paid	(7,000)	(6,000)
Closing defined benefit obligation	2,127,000	1,827,000

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

	2015	2014
	£	£
Opening fair value of scheme assets	545,000	761,000
Expected return on assets	34,000	47,000
Actuarial gains and (losses)	(17,000)	(401,000)
Contributions by employer	130,000	107,000
Contributions by employees	43,000	37,000
Benefits paid	(7,000)	(6,000)
	728,000	545,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £536,000 (2014 - £549,000).

The academy expects to contribute £133,000 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
European equities	68.00 %	69.00 %
European bonds	20.00 %	19.00 %
Property	6.00 %	5.00 %
Cash	6.00 %	7.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	3.60 %	3.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

NETHERTHORPE SCHOOL

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

23. 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	22.0	22.0
Females	24.2	24.2
Retiring in 20 years		
Males	24.1	24.1
Females	26.6	26.6

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(2,127,000)	(1,827,000)	(1,628,000)
Scheme assets	728,000	545,000	761,000
Deficit	(1,399,000)	(1,282,000)	(867,000)
Experience adjustments on scheme liabilities	30,000	63,000	(251,000)
Experience adjustments on scheme assets	(17,000)	(401,000)	40,000

24. 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 organisations, transactions may take place with organisations in which a governors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The school's main buildings are owned by the Netherthorpe School Foundation and made available to the Academy Trust without charge.

25. Agency Arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. On 1 September 2014 it was holding undistributed funds of £20,913, which were corrected to £20,413 during the year via the transfer in note 18. During the accounting period ending 31 August 2015 the trust received £26,370 and disbursed £28,572 from the fund. An amount of £18,211 is included in accruals and deferred income relating to undistributed funds that is repayable to EFA.