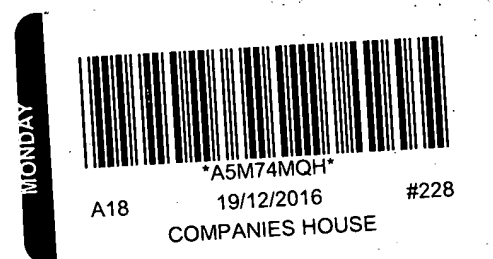


**WARREN FARM PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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



**Company Registration Number:  
08055393 (England and Wales)**

**WARREN FARM PRIMARY SCHOOL  
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FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2016**

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**WARREN FARM PRIMARY SCHOOL  
REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2016**

**Trustees**

<b>CATEGORY</b>	<b>NAME</b>	<b>Committee</b>	<b>ELECTED</b>	<b>LEFT</b>
Chair / Parent / SEN Governor / Safeguarding Governor  Chair from 06/10/16	Carla Bates	HT Performance Management / Complaints	02/05/2012	
Vice-Chair / Trustee  Chair to 06/10/2016  Vice-Chair from 06/10/2016	Desmond Hughes	Building & Site	02/05/2012	
Community	Christine Mercer-Smith	Finance - Chair	20/05/2013	
Community	Barbara Greaves	HT Performance Management	30/9/2013	
Parent	Trudy Evans	Exclusions	02/05/2012	31/08/2016
Parent / SEN Governor / Vice Chair	Sarah Bryan	HT Performance Management	02/05/2012	31/08/2016
Staff	Gillian Barr	Finance	02/05/2012	
Staff	James Cooke		07/10/2015	
Staff (HT)	Margaret Goodwin	Finance	02/05/2012	

The members of the academy are the chair, vice-chair and chair of the finance committee.

**Senior leadership team**

<b>CATEGORY</b>	<b>NAME</b>
Headteacher	Mrs Margaret Goodwin
Deputy Headteacher	Mrs Gillian Barr
Business Manager	Mr Mark McLaughlin

**WARREN FARM PRIMARY SCHOOL  
REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2016 - CONTINUED**

Company Secretary:	Gill Raven Mark McLaughlin	(resigned 07/03/2016) (appointed 08/03/2016)
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Registered Office:	Warren Farm Primary School Aylesbury Crescent Kingstanding Birmingham B44 0DT
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Company Registration Number:	08055393
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Auditors:	Ormerod Rutter Limited Registered Auditors Chartered Accountants The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY
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Bankers:	Lloyds TSB 2 <sup>nd</sup> Floor 125 Colmore Row Birmingham B3 3SF
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Solicitors:	Browne-Jacobson Victoria Square House Victoria Square Birmingham B2 4BU
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Insurance Brokers:	Bluefin Insurance Services Ltd Witan Court 287-297 Upper Forth Street Milton Keynes Buckinghamshire MK9 1EH
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Actuary:	Barnett Waddington LLP St James's House St James's Square Cheltenham GL50 3PR
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## WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS

The trustees, who are also directors of the Academy for the purposes of the Companies Act 2006, present their report with the financial statements of the Academy for the year ended 31 August 2016. The trustees have adopted the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 3 to 10 serving a catchment area in north Birmingham. It had an average of 332 pupils attending during the year.

### **Structure, Governance and Management**

#### Constitution

The Academy is a company limited by guarantee and an exempt charity incorporated 2 May 2012. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy.

The Governors act as the trustees for the charitable activities of Warren Farm Primary School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Warren Farm Primary School.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 2.

#### 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.

#### Governors' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omission occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim. This insurance does not extend to any claim arising from any act of omission which the governors knew to be a breach of trust or breach of their duty or which was committed by the governors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided and also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Governors in their capacity as directors of the Academy Trust.

#### Principal Activities

Warren Farm Primary School converted to Academy status on 1 July 2012 at which point the entity's operations commenced.

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

#### Method of Recruitment and Appointment or Election of Governors

The current composition of Governors includes:-

- Up to 6 parent governors who are elected by parents of registered pupils at the Academy (minimum 2 required).
- Up to 6 Partnership governors who are appointed by the Governing Body
- Up to 3 staff governors who are elected by staff at the Academy
- The Head teacher who is treated for all purposes as being an ex officio Governor
- Up to 1 governor appointed under Article 50 of the Articles of Association.

## **WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS - CONTINUED**

### *Policies and Procedures Adopted for the Induction and Training of Governors.*

Governors are appointed based on the skills that they will bring to the governing body or based on a proposal to the governing body by representative groups. On appointment, Governors receive information relating to the Academy and attend a briefing and receive an induction pack on the role and responsibilities of Governors.

The academy purchases support from Birmingham Governor Support Network through Birmingham City Council. This enhances and supports the governors in their role. We also subscribe to Ten Governor Management which is an on-line, interactive service offering help, support and guidance on all aspects of governance. All newly appointed governors are encouraged to attend the newly appointed governor course offered by Birmingham Governor Training Unit.

During the period, Governors were offered all necessary training.

### *Organisational Structure*

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

The Governing Body is responsible for setting all policies covering Personnel, Health & Safety, Curriculum and Financial aspects of the work of the academy and monitors this. It receives regular reports from the Senior Leadership Team, including budget allocation and expenditure and other data updates including teaching and learning and achievement and standards.

The Responsible Officer reports to the Governing Body who approves the Statutory Accounts. The levels of budget spend are detailed in the Structure of Financial Management of the Head Teacher and School Business Manager and these are reviewed annually by the Governing Body.

The day-to-day management of the academy is delegated by the Governing Body to the Head Teacher who is supported by the Senior Leadership Team which comprises: Head Teacher, Deputy Head/SENCO, Foundation and KS2 Assistant Head Teachers and the School Business Manager.

The initial School Development Plan is drawn up by the Head Teacher together with the Senior Leadership Team. This draft plan is reviewed by the Governing Body.

As a primary school, a high percentage of the academy's expenditure relates to staffing. The staffing structure is determined by the Governing Body working with the Head Teacher.

The School Development Plan and the staffing structure then inform the academy budget. The Head Teacher is the Accounting Officer and is responsible for the day-to-day financial management of the academy.

The Governing Body has established a Trustees and Finance Committee to review policies and performance of the school in all areas. Reports from this sub-committee are received and discussed at every meeting of the full Governing Body. Terms of reference are available for examination upon request from the school. The Governing Body also has delegated responsibility to separate Exclusions, Complaints and Head Teachers Performance Management sub-committees.

All Governors are members of the full Governing Body. In addition, Governors are members of committees who report to the full Governing Body.

### *Arrangements for setting pay and remuneration of key management personnel*

Key management personnel, as with all other employees of the academy, have their salary set by reference to either the NASUWT teacher pay scales or NJC non-teacher pay scales and their job grading.

A sub-committee of the trustees reviews all proposed changes to employee wages and makes recommendations to be approved by the full committee of trustees.

## **WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS - CONTINUED**

### **Risk Management**

The Governors have assessed the major risks to which the Academy is exposed, in particular those related to the operational areas of the site and facilities, of teaching and finances, and are satisfied that systems are in place to mitigate any exposure to major risks.

A formal review of the Academy's risk management process is undertaken on an annual basis and key controls in place include:-

- Formal agenda for all committee activity
- Terms of reference for all governing body and delegated committees under the direction of the Governing Body
- Pecuniary interests of governors reviewed at each meeting
- Comprehensive budgeting and management reporting
- Established organisational structure and clear lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable

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

### **Connected Organisations, including Related Party Relationships**

None.

### **Objectives and Activities**

#### **Objects and Aims**

The principal object and activity of the charitable company is the operation of Warren Farm Primary School to provide education and care for pupils of different abilities between the ages of 3 to 11.

In accordance with the Articles of Association, the charitable company has adopted the Funding Agreement approved by the Secretary of State for Education. The funding agreement specifies, amongst other things:-

- That the school has a broad and balanced curriculum including English, Maths and Science
- That the school shall make provision for the teaching of religious education and provide a daily act of worship;
- The Academy Trust shall ensure that the Academy complies with any guidance issued by the Secretary of State from time to time to ensure that pupils take part in assessments and in teacher assessments of pupil's performance as they apply to maintained schools;
- The Academy Trust shall have regard to any guidance issued by the Secretary of State further to section 403 of the Education Act 1996 on sex and relationship education to ensure that children at the Academy are protected from inappropriate teaching materials and they learn the nature of marriage and its importance for family life and for bringing up children. The Academy Trust shall also have regard to the requirements set out in section 405 of the Education Act 1996 which shall apply to the Academy as if it were a maintained school.

**WARREN FARM PRIMARY SCHOOL  
REPORT OF THE GOVERNORS - CONTINUED**

The aims of the academy during the year ended 31 August 2016 are summarised below:-

At Warren Farm Primary School we aim to:-

- Create a happy, safe, friendly, caring and welcoming school that provides for the needs of all of our pupils and parents.
- Provide a curriculum, which is enjoyable, enriching and matched to the ability of our children enabling them to fulfil their potential. It will also promote the importance of basic skills and life-long learning.
- Foster a school ethos which safeguards the physical, emotional and psychological well-being of all members of our school community.
- Prepare our pupils for their future place in the community as responsible and caring citizens.
- Nurture values that are morally, spiritually and culturally appropriate which empower the pupils to make positive choices in their lives.
- Promote a Healthy Lifestyle through knowledge, experience and activity.

Objectives, Strategies and Activities

The School's objectives for the period ending 31 August 2016 are summarised below:-

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- To raise the standard of educational achievement of all pupils
- To improve the effectiveness of the academy by keeping the curriculum and organisational structure under review
- To provide value for money of the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To conduct the academy's business in accordance with the highest standards of integrity and openness

The specific School Development Plan priorities for the year were as follows:

- 1) To raise attainment in Literacy
  - a) To further embed the practise of Talk4Writing in EYFS and middle phase.
  - b) In the middle phase, to develop inferential skills, vocabulary and comprehension through inference intervention.
  - c) Introduce SPAG to the middle phase.
- 2) To raise attainment in Numeracy
  - a) To develop the use of Numicon from EYFS to Y2.
  - b) To enhance the teaching for "More Able" mathematicians and their consequent attainment
  - c) To use assessments for clearer identification of 'gaps' in learning for S.E.N. children
- 3) To develop a new whole school curriculum for Science
  - a) Science curriculum brought in line with National curriculum 2014
  - b) To introduce the New Science Bug scheme across the school
  - c) To audit resources to further enhance the teaching of science (NC 14)
- 4) Assessment Without Levels
  - a) Introduce Reading Age Tests across the school and standardised reading scores across the school.
  - b) To embed the new assessment tracking system "Classroom Monitor".
  - c) Science, PSHE, IPC and ITP to be added to the Classroom Monitor tracking system
  - d) New structures established for progress tracking using classroom monitor.
- 5) The New SEN Code of Practice / Succession
  - a) To create a Succession Plan to guide the school into the future.
  - b) Develop the role of KS2 AHT in strategic management of upper KS2 / data analysis / action planning.
  - c) Reassignment of SENCO role



## **WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS - CONTINUED**

### **6) The New ICT Curriculum.**

- a) To increase staff confidence in the use of ICT.
- b) To integrate Clicker, Scratch and Weedo into the curriculum / PPA/
- c) Focus on "More Able".

Site priorities remained a continued rolling programme of refurbishment as detailed in the Site Development Plan to include window replacement, classroom decoration, investigation into increased classroom capacity and improved access for all users to the site. Energy efficiency measures also became a priority during the year.

### **Public Benefit**

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

The Academy Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

### **Achievements and Performance**

Warren Farm Primary School converted to Academy Status as an Ofsted graded "Good" school with several areas judged as outstanding. In July 2012, immediately following our conversion on 1 July 2012 we had a one day PSHE inspection and the school received an "Outstanding" judgement in all areas. On 9<sup>th</sup> February 2016 we had a one day inspection during which we were again judged as "Good".

Pupils' learning and progress is good overall as the large majority of pupils make at least "good" and often "outstanding progress". Our tracking continues to show consistent progress between year groups and our Performance Management Target indicators are pupil progress led.

Pupils are encouraged to develop and apply an extensive range of skills effectively, including reading, writing, communication and mathematical skills, across the curriculum. Given their starting points, children are progressing at least as well as all pupils nationally. Pupil performance comfortably exceeds floor standards. Our end of Key Stage 2 results were particularly strong this year.

### **Foundation Stage**

From a very low baseline on entry to nursery, children make very good progress through the EYFS.

Our development Matters data shows that almost 80% of our children on entry are working well below National expectations.

At the end of the Reception year the children are still well below National figures. Our Ofsted Inspection in February stated:

"Children in the Nursery and Reception Year make good progress, academically and socially, from very low starting points. You have taken action to maintain and improve provision for pupils in the early years, including improving the provision for outdoor play and learning. Children enjoy making appropriate choices about their learning, indoors and outdoors, suitably guided by adults".

# WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS – CONTINUED

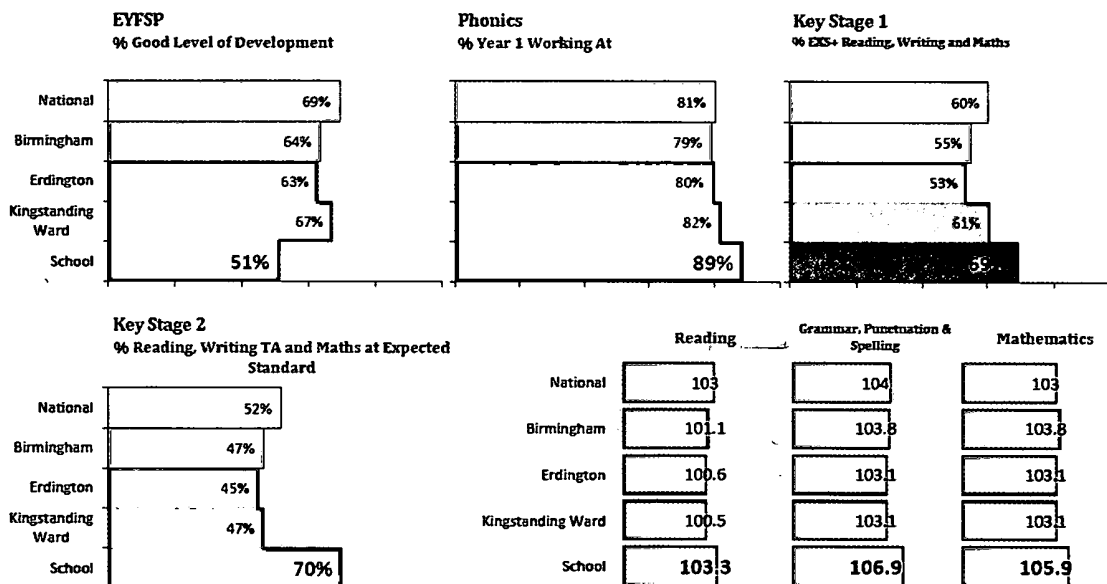
## Warren Farm Primary School



**DfE:** 3302068  
**Type:** Academy converter  
**Location:** Kingstanding Ward, Erdington (B44 0DT)  
**Ofsted:** Good (09/02/16)  
**Year Groups:** R - 6

**Primary Roll / Ave Roll:**  
**Free school Meal:**  
**Disadvantaged:**  
**EAL:**  
**BME/BAME:**

School	Ward	District	LA	National
293	370 (8)	341 (29)	339 (325)	-
32%	43%	33%	28%	15%
52%	59%	48%	42%	26%
8%	9%	12%	25%	11%
28%	37%	45%	63%	24%



This dashboard is provisional and will change once KS1 - KS2 progress measures are made available to the LA

PROVISIONAL

Produced by Intelligence and Analysis Team

## Key Stage 1

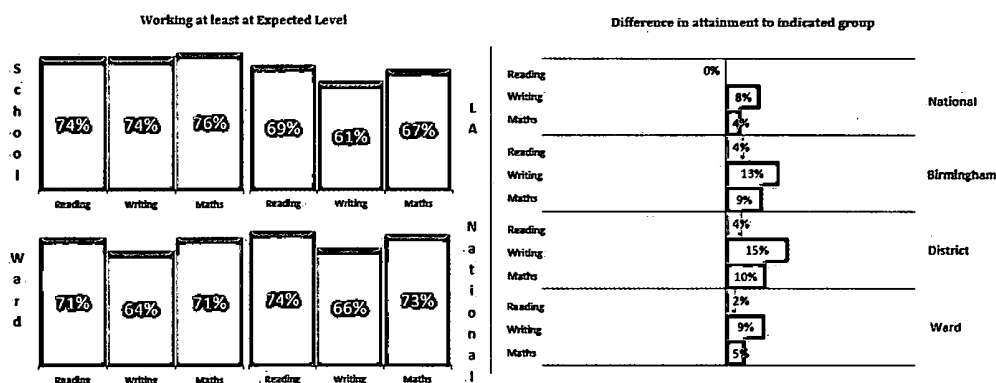
Key Stage 1 data shows a strong performance when compared to National and Local results for 2016 (see above table)

## Warren Farm Primary School



### Key Stage 1 Performance

	School			Kingstanding Ward			Erdington			Birmingham			National		
Cohort:	2014	2015	2016	2014	2015	2016	2014	2015	2016	2014	2015	2016	2014	2015	2016
Working within TA framework in Reading			100%			90%			90%			91%	n/a	n/a	nyp
At least at expected standard in Reading			74%			71%			70%			69%	n/a	n/a	74%
Working at greater depth in Reading			2%			15%			14%			14%	n/a	n/a	24%
Working within TA framework in Writing			100%			89%			89%			90%	n/a	n/a	nyp
At least at expected standard in Writing			74%			64%			59%			61%	n/a	n/a	66%
Working at greater depth in Writing			2%			7%			7%			6%	n/a	n/a	13%
Working within TA framework in Maths			100%			90%			89%			90%	n/a	n/a	nyp
At least at expected standard in Maths			76%			71%			67%			67%	n/a	n/a	73%
Working at greater depth in Maths			2%			10%			9%			11%	n/a	n/a	18%



# WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS – CONTINUED

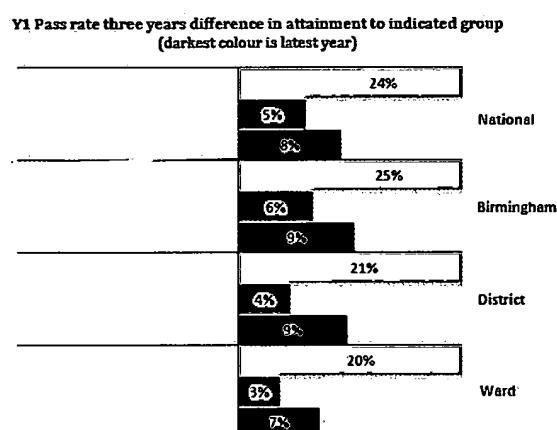
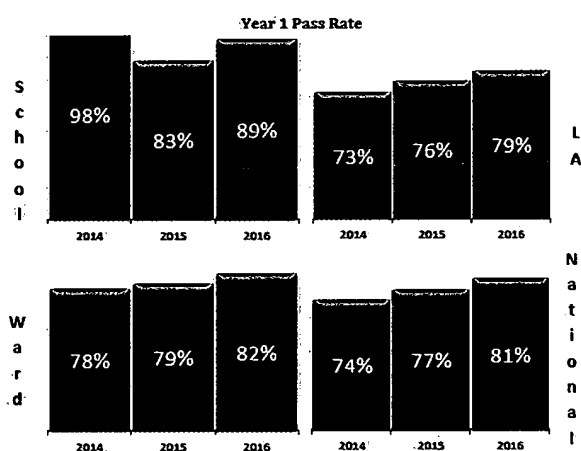
## Phonics Screening Check 2016

### Warren Farm Primary School



#### Phonics Screening Test Performance

	School			Kingstanding Ward			Erdington			Birmingham			National		
	2014	2015	2016	2014	2015	2016	2014	2015	2016	2014	2015	2016	2014	2015	2016
Number of Children in Y1	44	40	45	412	436	412	1338	1456	1450	15825	15994	15944	639928	638415	nyp
Year 1 Absent	0%	0%	0%	1%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	nyp
Year 1 Disapplied	0%	0%	0%	2%	1%	1%	3%	2%	2%	3%	3%	3%	2%	2%	nyp
Year 1 Not working at threshold	2%	18%	11%	19%	19%	17%	20%	20%	18%	24%	21%	18%	24%	21%	nyp
Year 1 Working at threshold	98%	83%	89%	78%	79%	82%	77%	78%	80%	73%	76%	79%	74%	77%	81%
End of Year 2 Cohort	41	41	42	394	404	443	1384	1379	1470	15121	15690	16095	615089	641307	nyp
End of Year 2 Absent	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	npn	npn	npn
End of Year 2 Disapplied	0%	0%	0%	2%	2%	1%	1%	2%	1%	2%	2%	2%			
End of Year 2 Not working at threshold	0%	2%	14%	11%	7%	10%	11%	8%	9%	11%	9%	8%	10%	9%	nyp
End of Year 2 Working at threshold	100%	98%	86%	87%	91%	89%	88%	90%	90%	87%	89%	90%	89%	90%	nyp



Y1 89% of children achieved the expected level (33/40)

### Key Stage 2

Data shows an overall maintaining of children's attainment over the last four years across all subjects as evidenced by the APS scores remaining fairly consistent.

Good use is made of internal assessment data to enable early identification of underperforming groups. These groups are a focus in pupil progress meetings and appropriate provision is planned, delivered and tracked via the schools provision map. The school has no key issues with attainment in Gender or EAL. The majority of pupils with pupil premium make very good progress.

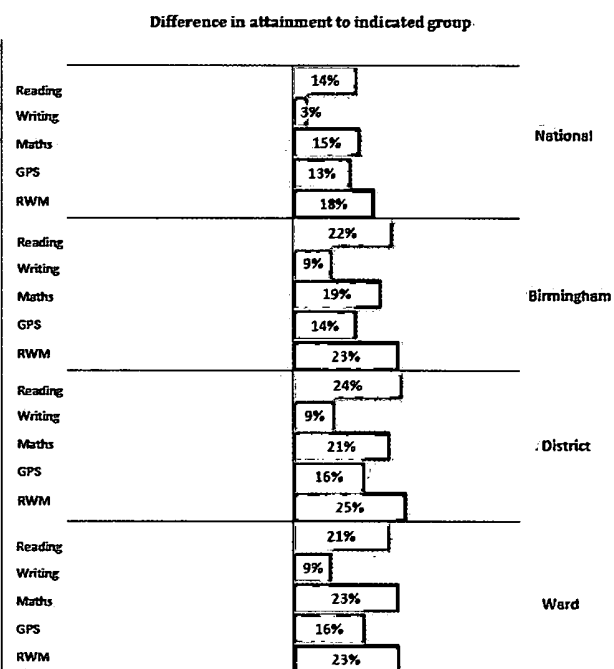
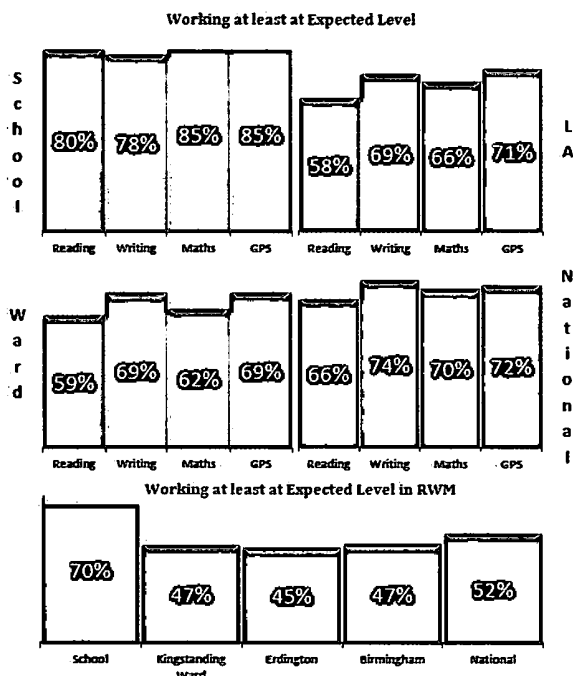
This year new standards were introduced nationally and we were delighted with how well our pupils and staff rose to the challenge. We achieved a scaled score above national averages in all subjects assessed.

# WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS - CONTINUED

## Warren Farm Primary School



### Key Stage 2 Performance Part 2



To ensure that standards are continually raised, the academy:-

- Implements a whole-school approach to self-evaluation;
- Follows well-established and clear assessment policies and procedures, whilst continuing to develop assessment processes;
- All staff are accountable for the progress of all children;
- Senior Leadership Teams and Phase Leaders monitor progress of all children regularly and rigorously (PPM Meetings);
- Tracks the progress of vulnerable groups;
- Plans thoroughly to meet the needs of all pupils;
- Sets individual, group and class targets that are challenging and aspirational;
- Sets appropriate interventions for children with Special Needs and puts in place individual programmes of work for underachievers or those who are gifted or talented; and
- Is committed to the continuing professional development of all staff through a well-established Performance management process.

### Going Concern

After making appropriate enquiries, the Governing Body 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 note of the financial statements.

## WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS - CONTINUED

### Key Performance Indicators

**Ofsted Grading: Good**

### **Financial Review**

The main sources of income for the academy are obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receive grants for capital expenditure from the EFA. In accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2016 the total expenditure was £1,815,269 (2015 - £1,947,606). The income was £1,906,286 (2015 - £1,986,843) for the year resulting in a net surplus before actuarial gains/losses of £91,017 (2015 - net surplus of £39,237). At 31 August 2016 the net book value of fixed assets was £2,339,059 (2015 - £2,404,669) and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

### Financial and Risk Management Objectives and Policies

The Academy has prepared a Risk Register and agreed a Risk Management Strategy. These include the financial and operational risks to the school. The register and strategy are regularly reviewed by the Senior Management Team in light of any new information and is formally reviewed annually by the Governing Body.

### Principal Risks and Uncertainties

The principal financial risk facing the academy is that funding is dependent upon pupil numbers. The school roll is growing and the school expanding but the governors are aware that, in the longer term, it may be affected by a fall in the birth rate or be affected by the reputation of the school. Governors do not consider these to be a high risk.

The Academy's future funding is also dependent upon Government Policy for Education. The impact of any school funding reviews will be assessed accordingly.

The Local Government Pension Scheme, a defined benefit scheme, is currently in deficit. The on-going contributions required, determined following a recent actuarial valuation, are considered to be manageable within the academy's budget.

The Head Teacher is retiring during the next academic year. This has been included as part of the school development plan for the year and succession planning is a high priority for the school. The existing Deputy Head has been appointed to the position of Head Teacher and the governors are confident that she can lead the school to maintained success.

## WARREN FARM PRIMARY SCHOOL REPORT OF THE GOVERNORS - CONTINUED

### Reserves Policy

The level of reserves held at 31 August 2016 total £1,698,847 (2015 - £2,238,830). The reserves will be allocated and spent as part of the School Development Plan, to update, improve and maintain its facilities and resources. A capital spending plan has been completed detailing the short, medium and long term needs and plans of the School for which the reserves will be allocated and determined in order of priority to meet the needs of the School. The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £6,204 (2015 - £5,241).

Due to the accounting rules for the Local Government Pension Scheme under FRS 102, the Academy is recognising a significant pension fund deficit of £1,051,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The Academy is currently making increased pension contributions at 11.5% along with annual lump sum amounts of £12,500 in 2015/16 and £13,000 in 2016/17. It is envisaged that should this amount be increased it will be met from its budgeted annual income. The recognition of this deficit has no direct impact on the free reserves of the Academy.

### Investment Policy

At present the school does not have an investment policy. However, by following the guidelines of the Financial Handbook, the school invests funds in a high interest account.

### **Plans for Future Periods**

Governors recognise the impact of the learning environment on the levels of pupil achievement and continue to develop and improve the teaching, learning and whole school environment in a continually evolving education system. They actively seek to improve the school building and space available for all pupils.

The expansion of the school will result in the need for additional classroom space in future years and plans are in hand to alter the layout of our Reception unit to create an additional classroom space. We are also considering applying for funding to remove our temporary classrooms and replace with a permanent structure with additional capacity.

We continue to utilise our pupil premium funding to tackle underachievement and will be using several custom IT packages to tackle underachievement in Reading, Writing and Numeracy. Further investment in IT hardware and programmes e.g. Clicker 6 will focus on individual needs. Additional teachers have also been employed to address pupil needs.

### **Funds held as Custodian Trustee on behalf of others**

There are no funds held as Custodian Trustee on behalf of others.

### **Auditor**

In so far as the governors are aware:

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

The auditors, Ormerod Rutter Limited, are willing to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

The governors' report, incorporating a strategic report, was approved by order of the members of the Governing Body, as the company directors, on 24<sup>th</sup> November 2016 and signed on its behalf by:



Carla Bates  
Chair of Governors

## WARREN FARM PRIMARY SCHOOL GOVERNANCE STATEMENT

### Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Warren Farm Primary 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 Governing Body 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 Warren Farm Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### Governance

The Full Governing Body has met formally 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:-

<b>Name</b>	<b>Committee</b>	<b>Possible</b>	<b>Attended</b>
Desmond Hughes	Full Governors	3	2
Margaret Goodwin	Full Governors	3	3
Gillian Barr	Full Governors	3	3
Carla Bates	Full Governors	3	3
Christine Mercer-Smith	Full Governors	3	1
Trudy Evans	Full Governors	3	1
Barbara Greaves	Full Governors	3	1
Sarah Bryan	Full Governors	3	2
James Cooke	Full Governors	3	2

The Finance & Trustees Committee met formally 3 times during the year. Attendance during the year at meetings of the Finance Committee was as follows:-

<b>NAME</b>	<b>Committee</b>	<b>Possible</b>	<b>Attended</b>
Christine Mercer-Smith	Finance & Trustees	3	3
Desmond Hughes	Finance & Trustees	3	2
Margaret Goodwin	Finance & Trustees	3	3
Gillian Barr	Finance & Trustees	3	3
Sarah Bryan	Finance & Trustees	2	1

## **WARREN FARM PRIMARY SCHOOL GOVERNANCE STATEMENT - CONTINUED**

### **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 value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the School's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the School has delivered improved value for money during the year by:

- Working in partnership with Pie Corbett and the Talk4Writing training group of schools we have attained "Talk4Writing approved school status". This has opened an income stream as we can charge to host training courses and also can supply bespoke support to schools around the country. This expertise has also benefited our children in improving their writing skills and our staff in their professional development. We can also now access free training for staff to continue to develop staff skills.
- Working in partnership with local schools in a "Talking Heads Group" to share the cost of training for Governors and also collaborative "More Able" sessions to share good practice.
- Identifying a considerable cost benefit (expected to save approximately £1,500 per annum) in changing our internal lights from traditional fluorescent tubes to LED panels and we have begun a programme of retrofitting. A more cost effective method of utilising existing light fittings with LED tubes was undertaken in our two halls. This programme will continue in the future to both improve the lighting around school and to reduce our carbon footprint and electricity usage. Solar panels have already been fitted to support our energy efficiency schemes.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy's 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 Warren Farm Primary School for the period ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Governing Body 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 Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period ended 31 August 2016 and up to the date of approval of the annual report and financial statements. This process has been developmental and is regularly reviewed by the Governing Body.



## WARREN FARM PRIMARY SCHOOL GOVERNANCE STATEMENT - CONTINUED

### 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 Governing Body;
- regular reviews by the Trustees and 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed School's Financial Services as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The first report, covering the period 1<sup>st</sup> September to 9<sup>th</sup> December 2015 was presented to the Finance & Trustees Committee on 24<sup>th</sup> February 2016. The second report covering the period 9<sup>th</sup> December to 23<sup>rd</sup> March 2016 was presented to the Finance & Trustees Committee on 25<sup>th</sup> May 2016. The final report covering the period 23<sup>rd</sup> March to 20<sup>th</sup> July was presented to the Full Governing Body meeting on 6<sup>th</sup> October 2016. There were no material control issues arising as a result of the RO's work.

### Review of Effectiveness

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

- the work of the Responsible Officer;
- the work of the Schools Financial Services officer (Vivien Totty);
- the work of the external auditor;
- the Financial Management and Governance Evaluation;
- the work of the School Business Manager who has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 24<sup>th</sup> November 2016 and signed on its behalf by:



.....  
Carla Bates  
Chair of Governors

  
.....  
Margaret Goodwin  
Accounting Officer

**WARREN FARM PRIMARY SCHOOL  
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31ST AUGUST 2016**

As accounting officer of Warren Farm Primary School I have considered my responsibility to notify the charitable company board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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

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



.....  
Margaret Goodwin - Accounting Officer

Date: 24<sup>th</sup> November 2016

**WARREN FARM PRIMARY SCHOOL  
STATEMENT OF GOVERNORS RESPONSIBILITIES  
FOR THE YEAR ENDED 31ST AUGUST 2016**

The governors (who act as trustees of Warren Farm Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors 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.

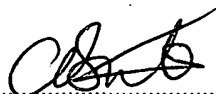
Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources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

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

The 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 the EFA/DfE have been applied for the purposes intended.

Approved by order of the members of the board of trustees on 24th November 2016 and signed on its behalf by:



.....  
Carla Bates – Chair of Governors

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WARREN FARM PRIMARY SCHOOL**

We have audited the financial statements of Warren Farm Primary School for the year ended 31st August 2016 on pages twenty two to forty-four. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2015 to 2016 issued by the Education Funding Agency (EFA).

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

### **Respective responsibilities of governors and auditors**

As explained more fully in the Statement of Governors Responsibilities set out on page eighteen, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2015 to 2016.

### **Opinion on other matter prescribed by the Companies Act 2006**

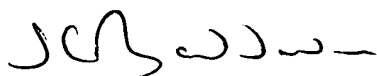
In our opinion the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
WARREN FARM PRIMARY SCHOOL - CONTINUED**

**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.



Joanne Baldwin FCCA (Senior Statutory Auditor)  
for and on behalf of Ormerod Rutter Limited  
Statutory Auditor  
The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire  
WR9 9AY

Date: 24<sup>th</sup> November 2016

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WARREN FARM PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

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

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

### **Respective responsibilities of Warren Farm Primary School's accounting officer and the reporting accountant**

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

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

### **Conclusion**

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



Ormerod Rutter Limited  
Chartered Accountants  
The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire  
WR9 9AY

Date: 24<sup>th</sup> November 2016

**WARREN FARM PRIMARY SCHOOL  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST AUGUST 2016**

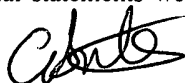
				2016	2015	
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £	Total funds £
<b>INCOMING RESOURCES</b>						
Donations and capital grants	3	9,440	-	7,598	17,038	151,689
Academy's educational activities	4	35,240	1,845,143	-	1,880,383	1,834,439
Other trading activities	5	8,074	-	-	8,074	-
Investment income	6	791	-	-	791	715
<b>Total</b>		53,545	1,845,143	7,598	1,906,286	1,986,843
<b>RESOURCES EXPENDED</b>						
Academy's educational activities		(52,582)	(1,651,718)	(110,969)	(1,815,269)	(1,947,606)
<b>NET INCOME/ (EXPENDITURE)</b>						
		963	193,425	(103,371)	91,017	39,237
Transfers between funds	19	-	(5,698)	5,698	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/losses on defined benefit schemes		-	(631,000)	-	(631,000)	(62,000)
Net movement in funds		963	(443,273)	(97,673)	(539,983)	(22,763)
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		5,241	(203,143)	2,436,732	2,238,830	2,261,593
<b>TOTAL FUNDS CARRIED FORWARD</b>						
		6,204	(646,416)	2,339,059	1,698,847	2,238,830

The notes form part of these financial statements

**WARREN FARM PRIMARY SCHOOL**  
**(REGISTERED NUMBER: 08055393)**  
**BALANCE SHEET**  
**AT 31ST AUGUST 2016**

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	14	2,339,059	2,404,669
<b>CURRENT ASSETS</b>			
Debtors	15	80,166	87,188
Cash at bank		<u>378,682</u>	<u>298,351</u>
		458,848	385,539
<b>CREDITORS</b>			
Amounts falling due within one year	16	(48,060)	(80,378)
<b>NET CURRENT ASSETS</b>		<u>410,788</u>	<u>305,161</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,749,847	2,709,830
<b>PENSION LIABILITY</b>	20	(1,051,000)	(471,000)
<b>NET ASSETS</b>		<u>1,698,847</u>	<u>2,238,830</u>
<b>FUNDS</b>	19		
<i>Unrestricted funds:</i>			
General funds		<u>6,204</u>	<u>5,241</u>
		<u>6,204</u>	<u>5,241</u>
<i>Restricted funds:</i>			
General Annual Grant (GAG)		404,584	267,770
Pupil Premium		-	88
Pension Reserve		(1,051,000)	(471,000)
Restricted fixed asset funds		2,339,059	2,404,669
Capital Maintenance		<u>-</u>	<u>32,062</u>
		<u>1,692,643</u>	<u>2,233,589</u>
<b>TOTAL FUNDS</b>		<u>1,698,847</u>	<u>2,238,830</u>

The financial statements were approved by the Board of Governors on 24<sup>th</sup> November 2016 and were signed on its behalf by:



.....  
Carla Bates – Chair of Governors

The notes form part of these financial statements



**WARREN FARM PRIMARY SCHOOL  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST AUGUST 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>77,640</u>	<u>19,663</u>
<b>Net cash provided by (used in) operating activities</b>		<u>77,640</u>	<u>19,663</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(5,698)	(4,133)
Capital grants from DfE/EFA		7,598	143,774
Interest received		<u>791</u>	<u>715</u>
<b>Net cash provided by (used in) investing activities</b>		<u>2,691</u>	<u>140,356</u>
<b>Change in cash and cash equivalents in the reporting period</b>		80,331	160,019
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>298,351</u>	<u>138,332</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>378,682</u></u>	<u><u>298,351</u></u>

The notes form part of these financial statements

**WARREN FARM PRIMARY SCHOOL  
NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST AUGUST 2016**

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

	2016	2015
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	91,017	39,237
<b>Adjustments for:</b>		
Depreciation	71,308	72,230
Capital grants from DfE/EFA	(7,598)	(143,774)
Interest received	(791)	(715)
Decrease/(increase) in debtors	7,022	(12,801)
(Decrease)/increase in creditors	(32,318)	38,486
Difference between pension charge and cash contributions	<u>(51,000)</u>	<u>27,000</u>
<b>Net cash provided by/(used in) operating activities</b>	<u><u>77,640</u></u>	<u><u>19,663</u></u>

**WARREN FARM PRIMARY SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST AUGUST 2016**

**1. ADMINISTRATIVE INFORMATION**

Warren Farm Primary School is a company limited by guarantee incorporated in England and Wales under the Companies Act 2006.

The address of the registered office is Warren Farm Primary School, Aylesbury Crescent, Kingstanding, Birmingham, West Midlands, B44 0DT.

The nature of the company's operations and its principal activities is that of running a primary school.

The functional currency of Warren Farm Primary School is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

Warren Farm Primary School meets the definition of a public benefit entity under FRS 102.

*First time adoption of FRS 102*

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

**Going concern**

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

**Income**

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

**Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**2. ACCOUNTING POLICIES - continued**

**Donations**

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

**Other income**

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

**Donated goods, facilities and services**

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

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

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Charitable activities**

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

**Tangible fixed assets**

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

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

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

Long leasehold buildings	50 years / 2% on cost
Fixtures, fittings and equipment	10 years / 10% on cost
	7 years / 14% on cost
Motor vehicles	4 years / 25% on cost
Computer equipment	4 years / 25% on cost

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

**WARREN FARM PRIMARY SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST AUGUST 2016**

**2. ACCOUNTING POLICIES - continued**

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

**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 part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust 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 with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

**Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**Pension costs and other post-retirement benefits**

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

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

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

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

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**2. ACCOUNTING POLICIES - continued**

**Critical accounting estimates and areas of judgement**

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability.

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**3. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Donations	9,440	-	9,440	7,915
Grants	-	7,598	7,598	143,774
	<u>9,440</u>	<u>7,598</u>	<u>17,038</u>	<u>151,689</u>

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

	2016 £	2015 £
Academies Capital Maintenance Fund	<u>7,598</u>	<u>143,774</u>

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Grants	-	1,845,143	1,845,143	1,807,405
Contributions towards school trips and extra-curricular activities	35,240	-	35,240	27,034
	<u>35,240</u>	<u>1,845,143</u>	<u>1,880,383</u>	<u>1,834,439</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
<b>DfE/EFA revenue grant</b>				
General Annual Grant(GAG)	-	1,422,169	1,422,169	1,368,856
Universal Infant Free School Meals	-	38,456	38,456	35,835
Pupil Premium	-	210,795	210,795	226,360
Sports Premium	-	9,250	9,250	9,200
Rates Relief	-	2,887	2,887	-
	-	1,683,557	1,683,557	1,640,251
<b>Other government grant</b>				
Pupil Premium	-	1,600	1,600	2,000
Early Years Single Funding Formula	-	150,986	150,986	165,154
Awards For All	-	9,000	9,000	-
	-	161,586	161,586	167,154
	-	1,845,143	1,845,143	1,807,405

**5. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Catering income	<u>8,074</u>	<u>-</u>	<u>8,074</u>	<u>-</u>

During the year the academy's arrangement with their catering provider changed such that the academy and not the catering provider now collects catering income.

**6. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Deposit account interest	<u>791</u>	<u>-</u>	<u>791</u>	<u>715</u>

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**7. EXPENDITURE**

				2016	2015
	Staff costs	Non-pay expenditure		Total	Total
	£	Premises £	Other costs £	£	£
<b>Charitable activities</b>					
Direct costs	842,146	45,180	177,416	1,064,742	1,052,508
Allocated support costs	<u>505,791</u>	<u>114,728</u>	<u>130,008</u>	<u>750,527</u>	<u>895,098</u>
	<u>1,347,937</u>	<u>159,908</u>	<u>307,424</u>	<u>1,815,269</u>	<u>1,947,606</u>

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

	2016	2015
	£	£
Auditors' remuneration	4,500	4,800
Auditors' remuneration for non audit work	950	1,275
Depreciation - owned assets	<u>71,308</u>	<u>72,230</u>

Auditors' remuneration for non-audit services includes fees for completion of EFA Accounts Return and Teaches Pension Scheme audit.

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2016	2015
	£	£
Teaching and educational support staff	842,146	798,426
Technology costs	3,611	6,289
Educational supplies	45,342	48,595
Staff development	9,231	20,522
Educational consultancy	50,178	76,094
Other direct costs	50,056	37,575
Depreciation	<u>64,178</u>	<u>65,007</u>
	<u>1,064,742</u>	<u>1,052,508</u>



**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**9. SUPPORT COSTS**

Support costs, included in the above, are as follows:

	2016	2015
	£	£
Wages	392,211	380,513
Social security	26,580	22,873
Pensions	87,000	64,854
Technology costs	7,208	12,579
Maintenance of premises and equipment	83,021	173,825
Cleaning	6,789	11,892
Rent and rates	1,092	6,811
Energy costs	16,448	18,521
Insurance	13,055	17,811
Security and transport	2,358	1,546
Catering	94,018	69,015
LGPS non-wage adjustments	(84,000)	12,000
Depreciation of tangible fixed assets	7,130	7,223
Other costs	92,167	89,560
Auditors' remuneration	4,500	4,800
Auditors' remuneration for non audit work	950	1,275
	<u>750,527</u>	<u>895,098</u>

**10. GOVERNORS' REMUNERATION AND BENEFITS**

The Head Teacher and other Staff Governors been paid remuneration and other benefits from their employment with the academy. The Head Teacher and other Staff Governors have only received remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment, and not in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

Mrs M Goodwin (Head Teacher and Governor):

Remuneration	£65,000 to £70,000	(2015 - £65,000 to £70,000)
Employer's pension contributions	£10,000 to £15,000	(2015 - £5,000 to £10,000)

Mrs G Barr (Staff Governor):

Remuneration	£50,000 to £55,000	(2015 - £50,000 to £55,000)
Employer's pension contributions	£5,000 to £10,000	(2015 - £5,000 to £10,000)

Mr J Cooke (Staff Governor) - appointed 03/07/2015:

Remuneration	£30,000 to £35,000
Employer's pension contributions	£5,000 to £10,000

Mrs S Bryan (Parent Governor (formerly Staff Governor)) - resigned 31/08/2016:

Remuneration	£	(2015 - £5,000 to £10,000)
Employer's pension contributions	£nil	(2015 - £nil)

**Governors' expenses**

There were no governors' expenses paid for the year ended 31st August 2016 nor for the year ended 31st August 2015.

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**11. STAFF COSTS**

	2016	2015
	£	£
Wages and salaries	1,064,089	1,039,151
Social security costs	80,160	66,819
Other pension costs	<u>194,890</u>	<u>153,851</u>
	1,339,139	1,259,821
Supply teacher costs	<u>8,798</u>	<u>6,845</u>
	<u><u>1,347,937</u></u>	<u><u>1,266,666</u></u>

**Average staff numbers**

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

	2016	2015
Teachers	17	17
Administration and support	<u>32</u>	<u>28</u>
	<u><u>49</u></u>	<u><u>45</u></u>

**Employees earning more that £60,000 p.a.**

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

	2016	2015
£60,001 - £70,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. Total employer pension contributions for this employee totalled £10,929 (2015 - £9,258).

**Key management personnel**

The key management personnel of the academy comprise of the senior management team listed on page 1. The total amount of employee benefits (including employer pension contributions) received by the key management personnel for their services to the academy was £189,483 (2015 - £183,175).

**12. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim. This insurance is included in a schools combined insurance policy which includes cover for multiple other types of insurance and the cost of insurance to protect trustees and officers cannot be easily determined as an individual element of the total cost of this combined insurance policy.

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £
<b>INCOMING RESOURCES</b>				
Donations and capital grants	7,915	-	143,775	151,690
Academy's educational activities	27,034	1,807,404	-	1,834,438
Investment income	715	-	-	715
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	35,664	1,807,404	143,775	1,986,843
<b>RESOURCES EXPENDED</b>				
Academy's educational activities	<u>(34,740)</u>	<u>(1,728,924)</u>	<u>(183,942)</u>	<u>(1,947,606)</u>
<b>NET INCOME/(EXPENDITURE)</b>	924	78,480	(40,167)	39,237
<b>Transfers between funds</b>	-	(4,133)	4,133	-
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	<hr/> -	<hr/> (62,000)	<hr/> -	<hr/> (62,000)
<b>Net movement in funds</b>	924	12,347	(36,034)	(22,763)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<hr/> 4,317	<hr/> (215,490)	<hr/> 2,472,766	<hr/> 2,261,593
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>5,241</u></u>	<u><u>(203,143)</u></u>	<u><u>2,436,732</u></u>	<u><u>2,238,830</u></u>

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**14. TANGIBLE FIXED ASSETS**

	Leasehold land & buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1st September 2015	2,510,000	57,584	2,000	60,535	2,630,119
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,698</u>	<u>5,698</u>
At 31st August 2016	<u>2,510,000</u>	<u>57,584</u>	<u>2,000</u>	<u>66,233</u>	<u>2,635,817</u>
<b>DEPRECIATION</b>					
At 1st September 2015	158,967	22,346	2,000	42,137	225,450
Charge for year	<u>50,200</u>	<u>7,429</u>	<u>-</u>	<u>13,679</u>	<u>71,308</u>
At 31st August 2016	<u>209,167</u>	<u>29,775</u>	<u>2,000</u>	<u>55,816</u>	<u>296,758</u>
<b>NET BOOK VALUE</b>					
At 31st August 2016	<u>2,300,833</u>	<u>27,809</u>	<u>-</u>	<u>10,417</u>	<u>2,339,059</u>
At 31st August 2015	<u>2,351,033</u>	<u>35,238</u>	<u>-</u>	<u>18,398</u>	<u>2,404,669</u>

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Other debtors	6,983	-
VAT recoverable	6,515	19,927
Prepayments and accrued income	<u>66,668</u>	<u>67,261</u>
	<u>80,166</u>	<u>87,188</u>

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Trade creditors	-	50,228
Other creditors	-	3,496
Deferred income	25,142	20,904
Accrued expenses	<u>22,918</u>	<u>5,750</u>
	<u>48,060</u>	<u>80,378</u>

**Deferred income**

Deferred income relates to UIFSM grants received early relating to the next financial year.

	2016	2015
	£	£
Deferred income at 1 September 2015	20,904	16,634
Amounts released from previous years	(20,904)	(16,634)
Resources deferred in the year	<u>25,142</u>	<u>20,904</u>
Deferred income at 31 August 2016	<u>25,142</u>	<u>20,904</u>

**17. MEMBERS' LIABILITY**

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

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

				2016	2015
	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Funds £	Total funds £	Total funds £
Fixed assets	-	-	2,339,059	2,339,059	2,404,669
Current assets	6,204	452,644	-	458,848	385,539
Current liabilities	-	(48,060)	-	(48,060)	(80,378)
Pension liability	<u>-</u>	<u>(1,051,000)</u>	<u>-</u>	<u>(1,051,000)</u>	<u>(471,000)</u>
	<u>6,204</u>	<u>(646,416)</u>	<u>2,339,059</u>	<u>1,698,847</u>	<u>2,238,830</u>

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**19. MOVEMENT IN FUNDS**

	As at 1st September 2015 £	Incoming resources £	Resources expended £	Transfers & actuarial gains and losses £	As at 31st August 2016 £
<b><i>Unrestricted funds</i></b>					
General fund	5,241	53,545	(52,582)	-	6,204
	<u>5,241</u>	<u>53,545</u>	<u>(52,582)</u>		<u>6,204</u>
<b><i>Restricted general funds</i></b>					
General Annual Grant (GAG)	267,769	1,422,169	(1,279,656)	(5,698)	404,584
EYSFF	-	150,986	(150,986)	-	-
UIFSM	-	38,456	(38,456)	-	-
Pupil Premium	88	212,395	(212,483)	-	-
Sports Premium	-	9,250	(9,250)	-	-
Rates Relief	-	2,887	(2,887)	-	-
Awards For All	-	9,000	(9,000)	-	-
Pension Reserve	(471,000)	-	51,000	(631,000)	(1,051,000)
	<u>(203,143)</u>	<u>1,845,143</u>	<u>(1,651,718)</u>	<u>(636,698)</u>	<u>(646,416)</u>
<b><i>Restricted fixed asset funds</i></b>					
General Fixed Asset Fund	2,404,669	-	(71,308)	5,698	2,339,059
Capital Maintenance	32,063	7,598	(39,661)	-	-
	<u>2,436,732</u>	<u>7,598</u>	<u>(110,969)</u>	<u>5,698</u>	<u>2,339,059</u>
<b>TOTAL FUNDS</b>	<u><u>2,238,830</u></u>	<u><u>1,906,286</u></u>	<u><u>(1,815,269)</u></u>	<u><u>(631,000)</u></u>	<u><u>1,698,847</u></u>

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 as at 31st August 2016.

Excluding the Pension Reserve fund, the Academy is not carrying a deficit on any restricted general funds.

**Transfers between funds**

During the year £5,698 was transferred from General Annual Grant funds to restricted fixed asset funds in regard to tangible fixed asset additions paid using General Annual Grant funds.

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**19. MOVEMENT IN FUNDS - continued**

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

**Unrestricted Funds**

General Fund Relates to all unrestricted fund activities.

**Restricted Revenue Funds**

General Annual Grant (GAG) Relates to activities undertaken in the running of the school funded by the General Annual Grant and other related grants.

Early Years Single Funding Formula (EYSFF) Relates to income received from the Local Council in order to fund free early education for two to four year olds.

Universal Infant Free School Meals (UIFSM) Relates to income received from the EFA in order to support the academy's legal requirement to offer free school meals to all their pupils in year groups reception, year 1 and year 2.

Pupil Premium Fund Relates to additional funding received to help raise the attainment of disadvantaged pupils and close the gap between them and their peers.

Sports Premium Fund Relates to additional funding from the EFA to help primary schools improve the quality of the PE and sport activities they offer their pupils.

Rates Relief Fund Relates to EFA funding received to help settle local council rates charges.

Awards For All Fund Relates to a grant received to help fund summer sports activities.

Pension Fund Relates to the academy's share of the LGPS deficit provided for in the financial statements shown as a separate restricted fund in accordance with Academies - Accounts Direction 2015 to 2016.

**Restricted Capital Funds**

Restricted Fixed Asset Fund Relates to the fixed assets of the academy.

Capital Maintenance Fund Relates to funding received from the EFA to fund improvements to buildings and other facilities, including ICT, or capital repairs/refurbishment and minor works.

**20. PENSION AND SIMILAR OBLIGATIONS**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. Both are multi-employer defined benefit schemes.

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

There were no outstanding contributions at either the beginning or the end of the financial year. However included in prepayments as at the year end is LGPS amounts paid relating to the next financial year totalling £7,459 (2015 - £nil).

**WARREN FARM PRIMARY SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST AUGUST 2016**

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

**Teachers' Pension Scheme**

*Introduction*

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

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

*Valuation of the Teachers' Pension Scheme*

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

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

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

The employer's pension costs paid to TPS in the period amounted to £105,483 (2015 - £87,719).

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

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

**Local Government Pension Scheme**

*Introduction*

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee- administered funds. The total contribution made for the year ended 31 August 2016 was £67,213 (2015 - £61,692), of which employer's contributions totalled £43,789 (2015 - £40,664) and employees' contributions totalled £23,424 (2015 - £21,028). The agreed contribution rates for future years are 13% for employers and between 5.5% and 12.5% depending on the level of salary earned for employees.

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



**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

*Valuation of the Local Government Pension Scheme*

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Present value of funded obligations	(1,884,000)	(1,101,000)
Fair value of plan assets	<u>833,000</u>	<u>630,000</u>
	<u>(1,051,000)</u>	<u>(471,000)</u>
Deficit	<u>(1,051,000)</u>	<u>(471,000)</u>
Liability	<u><u>(1,051,000)</u></u>	<u><u>(471,000)</u></u>

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

	Defined benefit pension plans	
	2016	2015
	£	£
Current service cost	84,000	70,000
Net interest from net defined benefit asset/liability	<u>(84,000)</u>	<u>12,000</u>
	<u>-</u>	<u>82,000</u>
Actual return on plan assets	<u>-</u>	<u>-</u>

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

	Defined benefit pension plans	
	2016	2015
	£	£
Actuarial (gains)/losses from changes in financial assumptions	<u>(631,000)</u>	<u>(62,000)</u>
	<u><u>(631,000)</u></u>	<u><u>(62,000)</u></u>

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

	Defined benefit pension plans	
	2016	2015
	£	£
Obligations brought forward	(1,101,000)	(910,000)
Current service cost	(84,000)	(70,000)
Contributions by scheme participants	(23,000)	(21,000)
Interest cost	(45,000)	(38,000)
Actuarial (gains)/losses from changes in financial assumptions	<u>(631,000)</u>	<u>(62,000)</u>
	<u><u>(1,884,000)</u></u>	<u><u>(1,101,000)</u></u>

**WARREN FARM PRIMARY SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST AUGUST 2016**

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

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

	Defined benefit pension plans	
	2016	2015
	£	£
Assets brought forward	630,000	528,000
Contributions by employer	51,000	55,000
Contributions by scheme participants	23,000	21,000
Interest on assets	27,000	23,000
Return on plan assets (excluding interest income)	102,000	3,000
	<u>833,000</u>	<u>630,000</u>

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

	Defined benefit pension plans	
	2016	2015
	£	£
Equities	495,000	375,000
Government bonds	58,000	47,000
Other bonds	71,000	64,000
Property	66,000	54,000
Cash/liquidity	53,000	32,000
Other	90,000	58,000
	<u>833,000</u>	<u>630,000</u>

Principal actuarial assumptions

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

	2016	2015
Discount rate	2.2%	4%
Future salary increases	3.75%	4.15%
Future pension increases	2%	2.4%
CPI increase	1.2%	2.4%

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

	2016	2015
<u>Retiring today</u>		
Males	23.1 years	23.0 years
Females	25.8 years	25.6 years
<u>Retiring in 20 years</u>		
Males	25.3 years	25.2 years
Females	28.1 years	28.0 years

**21. RELATED PARTY DISCLOSURES**

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

**WARREN FARM PRIMARY SCHOOL**  
**RECONCILIATION OF STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31ST AUGUST 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>INCOMING RESOURCES</b>				
Donations and capital grants	1	7,915	143,774	151,689
Charitable activities	1	1,978,213	(143,774)	1,834,439
Investment income		<u>715</u>	<u>-</u>	<u>715</u>
<b>Total</b>		<b>1,986,843</b>	<b>-</b>	<b>1,986,843</b>
<b>RESOURCES EXPENDED</b>				
Charitable activities	2 & 3	(1,934,531)	(13,075)	(1,947,606)
Governance costs	2	<u>(6,075)</u>	<u>6,075</u>	<u>-</u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>46,237</b>	<b>(7,000)</b>	<b>39,237</b>
<b>OTHER RECOGNISED GAINS/LOSSES</b>				
Actuarial gains/losses on defined benefit schemes	3	<u>(69,000)</u>	<u>7,000</u>	<u>(62,000)</u>
<b>NET MOVEMENT IN FUNDS</b>		<b><u>(22,763)</u></b>	<b><u>-</u></b>	<b><u>(22,763)</u></b>

**Notes to the reconciliation of income and expenditure**

- 1 Academies Accounts Direction 2015 to 2016 has recommended that capital grants are to be classified as voluntary income, rather than as funding for charitable activities as recommended by Academies Accounts Direction 2014 to 2015, in order to better comply with the requirements of Charities SORP 2015 which replaces Charities SORP 2005 on transition to FRS 102.
- 2 Charities SORP 2015 no longer prescribes that governance costs be separated out from support costs included within charitable activities on the face of the statement of financial activities.
- 3 The actuary has reassessed the 2015 movements in the multi-employer defined benefit pension provision based on the requirements of FRS 102. The main change is the removal of expected return on assets, to be replaced by a net interest cost comprising interest income on the assets and interest expenses on the defined benefit obligation, which are both calculated with reference to the discounted rate. This has resulted in £5,000 previously recognised as actuarial losses now being recognised as defined benefit pension scheme interest costs.

**WARREN FARM PRIMARY SCHOOL  
RECONCILIATION OF BALANCE SHEET  
AT 1ST SEPTEMBER 2014  
(DATE OF TRANSITION TO FRS 102)**

	- UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>			
Tangible assets	<u>2,472,766</u>	-	<u>2,472,766</u>
	2,472,766	-	2,472,766
<b>CURRENT ASSETS</b>			
Debtors	74,387	-	74,387
Cash at bank	<u>138,332</u>	-	<u>138,332</u>
	212,719	-	212,719
<b>CREDITORS</b>			
Amounts falling due within one year	(41,892)	-	(41,892)
	<u>170,827</u>	-	<u>170,827</u>
<b>NET CURRENT ASSETS</b>			
	2,643,593	-	2,643,593
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>PENSION LIABILITY</b>	(382,000)	-	(382,000)
	<u>2,261,593</u>	-	<u>2,261,593</u>
<b>FUNDS</b>			
Unrestricted funds	4,317	-	4,317
Restricted revenue funds	(215,490)	-	(215,490)
Restricted fixed asset funds	<u>2,472,766</u>	-	<u>2,472,766</u>
<b>TOTAL FUNDS</b>	<u>2,261,593</u>	-	<u>2,261,593</u>

**WARREN FARM PRIMARY SCHOOL  
RECONCILIATION OF BALANCE SHEET  
AT 31ST AUGUST 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>			
Tangible assets	2,404,669	-	2,404,669
<b>CURRENT ASSETS</b>			
Debtors	87,188	-	87,188
Cash at bank	<u>298,351</u>	<u>-</u>	<u>298,351</u>
	385,539	-	385,539
<b>CREDITORS</b>			
Amounts falling due within one year	(80,378)	-	(80,378)
<b>NET CURRENT ASSETS</b>	<u>305,161</u>	<u>-</u>	<u>305,161</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	2,709,830	-	2,709,830
<b>PENSION LIABILITY</b>	(471,000)	-	(471,000)
<b>NET ASSETS</b>	<u><u>2,238,830</u></u>	<u><u>-</u></u>	<u><u>2,238,830</u></u>
<b>FUNDS</b>			
Unrestricted funds	5,241	-	5,241
Restricted revenue funds	(203,142)	-	(203,142)
Restricted fixed asset funds	<u>2,436,731</u>	<u>-</u>	<u>2,436,731</u>
<b>TOTAL FUNDS</b>	<u><u>2,238,830</u></u>	<u><u>-</u></u>	<u><u>2,238,830</u></u>