

**COMPANY REGISTRATION NUMBER 08520286**



**NORWOOD GREEN JUNIOR SCHOOL**  
**FINANCIAL STATEMENTS**  
**31 AUGUST 2017**



# **NORWOOD GREEN JUNIOR SCHOOL**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2017**

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# NORWOOD GREEN JUNIOR SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

**YEAR ENDED 31 AUGUST 2017**

### Members and Trustees

	Trustee	Member
Mr R Khosla (co-opted Governor) (chair)	x	x
Mrs S Mann (co-opted Governor)	x	x
Mrs V Gerber (co-opted Governor) (resigned 7 November 2017)	x	x
Mrs C Norfolk (headteacher)	x	
Mrs P Sehgal (staff trustee)	x	
Ms G Mungroo (support staff trustee) (resigned 13 June 2017)	x	
Mrs B Kalyan (co-opted Governor) (appt Member 7 Nov 2017)	x	x
Mrs D Parker (co-opted Governor) (appt director 5 Dec 2017)	x	
Mr A Keynan (parent trustee) (appt director 5 Dec 2017)	x	
Mr S Vohra (parent trustee) (appt Member 7 Nov 2017)	x	x

**Company secretary** D Blakeburn

### Senior management team

Headteacher C Norfolk  
 Deputy Headteachers P Sehgal  
 J Makepeace

**Company name** Norwood Green Junior School

**Company registration number** 08520286

**Principal and registered office** Thorncliffe Road  
 Southall  
 Middlesex  
 UB2 5RN

**Independent Auditor** Audit for Business Development and Solutions Limited  
 Chartered Accountants  
 & Statutory Auditor  
 15 Oxford Street  
 Southampton  
 Hampshire  
 SO14 3DJ

**Bankers** NatWest plc  
 275-277 High Street  
 Hounslow, TW3 1ZA

**Financial Support Service** LMS Ltd., PO Box 599  
 Walton-on-Thames  
 Surrey  
 KT12, 9EZ

**Solicitors** Brownejacobson  
 Mowbray House  
 Castle Meadow Road  
 Nottingham  
 NG2 1BJ

# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT**

### **YEAR ENDED 31 AUGUST 2017**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2016 to 31 August 2017. The school converted to an academy on 1st July 2013. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy with a capacity of 420 pupils (409 on roll as at January 2017) aged 7 to 11 serving a catchment area in Hounslow.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of the academy are also directors of the charitable company for the purposes of company law. The charitable company is known as Norwood Green Junior School.

Details of the trustees who served during the year 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 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.

#### **Trustees' Indemnities**

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 is provided through the Risk Protection Arrangement (RPA) for Academy Trusts, which is an alternative to insurance whereby the UK Government cover losses that arise. The DfE are unable to break down the overall £/pupil RPA contribution to reflect the Governors element and therefore we are unable to disclose this amount.

#### **Method of Recruitment and Appointment or Election of Trustees/Governors**

The members appoint the governors. The members may appoint staff governors through such process as they may determine, provided that such total numbers (including the Headteacher) who are employees of the academy does not exceed one third of the total number of governors. Parent governors shall be elected by parents of registered pupils. The Secretary of State may appoint governors in certain circumstances.

Subject to Articles 48-49 of the Articles of Association which outline the initial members (named in the initial memorandum) of the Governing Body and the Secretary of State's right to appoint in specific circumstances additional Governors and remove Governors appointed under article 50, the Academy Trust (also referred to as the Governing Body) shall have the following Governors:

- At least 4 but no more than 5 Governors, appointed by the Governing Body under Article 50 recruited by nomination, recommendation or through periodic appeal for persons with specific skills, knowledge, and experience which will benefit the overall composition of the Governing Body.
- 2 Staff Governors, appointed by the Governing Body under Article 50A-D. The Governing Body has determined the election procedures and Staff Governors (other than the Headteacher) are recruited, when a vacancy arises, through election by secret ballot (if contested) of all the staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Principal/Executive Headteacher).

# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

### **YEAR ENDED 31 AUGUST 2017**

- 2 Parent Governors elected or appointed under Articles 53 - 58. The Governing Body determined the election procedures and Parent Governors are recruited, when a vacancy arises, through election by secret ballot (if contested) of all the known parents of pupils registered at the academy at the time. Vacancies are advertised at the most appropriate juncture to all those known to be the parents of a pupil registered at the school at the time of the election. In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a parent of a former pupil at the Academy or predecessor Cranford Community College; or where it is not reasonably practical to do so, a person who is the parent of a child of, or under, compulsory school age.

- The Headteacher shall be treated for all purposes as an ex-officio Governor.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

All new governors will be given a tour of the academy and the opportunity to meet staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

The Governing Body has a Governor Induction via Hounslow's Governing Bodies section which provides information and training activities which all new Governors must undertake. This includes core training, key documentation, a discussion of protocols, a further exploration of skills, experience and interests and how these might be best utilized.

On-going training is the responsibility of the Governing Body and is supported by expertise from within the academy and beyond. Skills audits are undertaken periodically and Governors are required to sign key declarations at least annually.

#### **Organisational Structure**

The Academy trust holds an annual general meeting every year in addition to any other meeting in that year. The Trustees hold at least 3 meetings in every school year, normally once every term. Committees are also required to meet 3 times a year.

The unified management structure consists of two levels: the Governors and the Senior Leadership Team of the Headteacher and the two Deputy Headteachers. In addition to this there are 5 members of staff who, together with the SLT, form the Senior Management team (SMT).

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

The senior leadership team control the Academy at an executive level implementing the policies laid down by the governors and reporting back to them. As a group the team is responsible for the authorisation of expenditure within agreed budgets and the appointment of staff, though appointment boards for posts in the team always contain a governor.

The Governing Body is organised as follows:

Full Governing Body, with Chair and Vice Chair

Personnel Committee

Finance and Audit Committee

Headteacher's PM committee - formed on a yearly basis

Appeals & Complaints Committee – formed as required

# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

### **YEAR ENDED 31 AUGUST 2017**

Headteacher/Deputy Headteacher Appointment Panel – formed as required

All Governors are assigned curriculum responsibility

SEN Governor on Full Governing Body

Child Protection/Safeguarding Governor (and deputy) on Full Governing Body

Looked After Children Governor on Full Governing Body

Hounslow Schools Governing Body Association Representative

The Governing Body has responsibility for monitoring its own performance and for its own training. It reports through the Annual General Meeting and is subject to scrutiny by the regulators, Ofsted. It has established protocols for the operation of the Governing Body, a clear structure, written terms of reference and a regular cycle of meetings and activities.

The school is subject to external review, scrutiny and validation through a variety of inspections and audits by a range of agencies including Ofsted, ABDS Ltd, (the auditors), the Education & Skills Funding Agency, the Health and Safety Executive, etc. and reports by these agencies are shared with the Governing Body and where required published.

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

Governing bodies are required to monitor the implementation and outcome of its pay policy and review its operation annually. All procedures for determining pay should be consistent with the principles of public life – objectivity, openness and accountability.

Decisions relating to pay must be made with reference to achievement against performance objectives.

The School Governance (Procedures) (England) Regulations 2007 enable the Governing Body to delegate a function or activity to a committee or individual Governor. The Governing Body has established a Personnel Committee with fully delegated authority to develop, implement and administer the pay policy on its behalf. The Personnel Committee is responsible for pay determinations in accordance with the Pay and Performance policies on behalf of the Governing Body and will report back on their actions.

The Pay Committee consists of a minimum of four members of the Governing Body, excluding the head teacher. It is not recommended that an individual governor be assigned to this role as this may leave decisions open to challenge. The head teacher shall be responsible for advising the pay committee on its decisions.

The Governing Body will ensure that appropriate funding is allocated for pay within the schools' staffing structure and pay policy, with regard to planned and potential determinations on performance pay progression.

#### **Pay arrangements for head teacher**

The Governing Body has a statutory duty to assign a school group size and a seven point individual school range for the head teacher whenever it sees fit e.g. when planning a new appointment, when the pay range for a deputy or assistant head teacher is set which overlaps with the Individual School Range (ISR), or when there is a change in the school, such as an increase in pupil numbers or the introduction of additional services, which leads to a change in responsibilities for the Headteacher.

Where the Governing Body has previously made a decision to increase the individual school range beyond the maximum of the leadership group pay spine, this will remain in place and the Governing Body will continue to determine the value of each point above the highest point for so long as that ISR applies.

The Governing Body will ensure that the process of determining the remuneration of the Head teacher is fair and transparent. There will be a proper record made of the reasoning behind the determination of the ISR and the ratification of decisions made in this respect.

# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

### **YEAR ENDED 31 AUGUST 2017**

#### Determination of discretionary payments to head teachers

The Governing Body will determine an ISR which takes into account the full responsibilities of the Headteacher's post as and when it sees fit. For pay determinations made from 1 September 2014, the Governing Body will consider additional discretionary payments only in exceptional circumstances.

The Governing Body will keep a full and accurate record of advice received and all decisions made by the Governing Body and the reasoning behind them.

In making any decision to exercise its discretion in this respect, the Governing Body will ensure that to action such an increase will offer the school value for money in the services it is able to provide in relation to the costs incurred and will require evidence to support any such case.

#### Pay arrangements for deputy and assistant head teachers

The Governing Body will determine a five point pay range for Deputy and Assistant Head teachers. The Governing Body must ensure that the pay range for Deputy and Assistant Head teachers is determined in accordance with the current STPCD (School Teachers Pay and Conditions document) with due regard to pay rates for other teaching posts and the Head teacher.

The Governing Body will determine the pay range for Deputy and Assistant Head teachers in the following circumstances:

- When it proposes to make new appointments, or
- Where there is a significant change in the responsibilities of serving deputy or assistant head teachers.

The pay range will be determined on 1 September each year or at any other time of year to reflect changes in circumstances or job description that lead to a change in the basis for calculating pay, or at any time if it is considered necessary to retain a Deputy or Assistant Head teacher. In making any decision to exercise its discretion in this respect, the Governing Body will ensure that to action such an increase will offer the school value for money in the services it is able to provide in relation to the costs incurred and will require evidence to support any such case.

#### **Related Parties and other Connected Charities and Organisations**

The academy is involved in a loose collaboration between a number of primary and secondary schools known as 'The Cranford Group of Schools' or 'The Cranford Group'. The main purpose of involvement has revolved around procurement of services to seek best value e.g. grounds maintenance and I.T. Managed Service. There is no joint Governance.

The school is a member of other school improvement networks including the Hounslow Education Improvement Partnership (EIP). This consists of a cluster of Hounslow Head teachers in decision making regarding issues affecting Hounslow schools. There is no joint Governance. This is likely to be restructured to become the Hounslow Education Partnership in 2018.

A Peer Challenge process is undertaken by the school with 2 other Hounslow Head teachers to challenge and raise performance of each of our three schools as part of the Hounslow Learning Partnership. There is no joint Governance with this or the EIP.

Joint SMT meetings occur with our Infant feeder school to ensure continuity of teaching and learning for pupils that transfer to the Academy. The two Hearing Impaired centres from the infant and junior school liaise regularly to ensure best outcomes for Hounslow's deaf pupils attached to our centres. There is no joint Governance.

The school undertakes moderation procedures with a number of other Hounslow schools across the core curriculum. There is no joint Governance.

The school is affiliated to Sport Impact for the provision of its staff training, competitions and in-school delivery on PE. Sports Grant funding is used for this purpose and the direction of the year's programme is decided by the facilitator, Headteacher and PE leader. There is no joint Governance.

# NORWOOD GREEN JUNIOR SCHOOL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 AUGUST 2017

Determination of discretionary payments to head teachers  
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# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

**YEAR ENDED 31 AUGUST 2017**

### **OBJECTIVES AND ACTIVITIES**

#### **Objects and aims**

The objective is to advance for the public benefit education in the United Kingdom, by establishing, maintaining, and further developing a school offering a broad and balanced curriculum.

#### **Objectives, Strategies and Activities**

The principal activity of the charitable company is the operation of the school to provide education for pupils of all abilities between the ages of 7 and 11.

The main objectives are:

- To provide a safe learning environment for every pupil.
- To provide facilities and opportunities to all pupils to stimulate creativity and learning and enable every student to achieve.
- To provide a broad and challenging curriculum.
- To enable all students to achieve their individual potential regardless of disability or background.
- To encourage all students to become independent, active, citizens who contribute positively to the community in which they live.

These are our overarching objectives which are subsequently developed through our policies, School Development Plan (SDP) and action plans around the SDP. All staff contribute to the outcomes of these objectives.

#### **Public Benefit**

The school's 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 and duties.

Norwood Green Junior School supports other schools through the delivery of professional development and the sharing of good practice: the work of the Hounslow Learning Partnership, Peer Challenge initiative provides support and Headteacher guidance to local schools to the benefit of their pupils and parents. The school has been included in the Hounslow brokering of good practice services for schools.

Opportunities are provided to support families in such things as personal health, the curriculum, bullying and behaviour, child protection, safeguarding and e-safety. After school clubs support pupils in expanding the breadth of opportunities and enabling them to experience activities they may not otherwise have access to.

## NORWOOD GREEN JUNIOR SCHOOL

### TRUSTEES' REPORT (continued)

**YEAR ENDED 31 AUGUST 2017**

#### School Development Plan 2016-17

Effectiveness of leadership & management	Quality of teaching, learning & assessment	Personal development, behaviour & welfare	Outcomes for children and learners	SMSC
1. To embed our newly devised aims and vision within the whole of the school community, articulating this clearly and widely so as to achieve cohesiveness and a shared direction with all interested parties.	4. To review the curriculum, to ensure that our curriculum is 'fit for purpose' to meet the needs of Norwood Green children.	7. To develop the 'whole child' and respond to children's academic, sporting, social and emotional needs, so that they become well-rounded individuals. This will include the use of: Jigsaw, BIG award, L2R, Zumos.	9. Pupils to develop ownership of learning and their personal development so as to become better learners and members of society.	12. To continue our development as a Rights Respecting School into the second year, embedding the values and ethos, and in particular developing our community links.
2. To continue to look at capacity issues faced and include these within our developing school business plan. Capacity issues faced include: staffing / grounds & building / CPD - staff meeting contributions / staff training / staff wellbeing / Government review - 3 docs / budget	5. To challenge the more able and develop good practice in 'deeper learning'.	8. To challenge parents' perceptions of areas identified in parent questionnaires (behaviour / bullying / homework) & support parents understanding of these issues.	10. To support the achievement of our vulnerable groups of pupils & in 2016/17: Maths progress / Reading - upper end whole school / PP - maths attainment & progress / boys, white, non-attenders	
3. To further develop partnerships, including parent relations & school links, to ensure the school is utilising opportunities and learning from good practice of others.	6. To embed accuracy of teacher assessment.		11. To support Year 2 to Yr 3 transition so that pupils achieve more in line with expectations in terms of: learning behaviour, handwriting & presentation, achievement.	

The SDP is formulated as a results of canvassing Governors, parents, pupils and staff opinions, as well as analysis of strengths and weaknesses via the SEF, and outcomes of the monitoring of lesson observations, work scrutiny, pupil interviews and data reviews, subject leader reviews, audits and external initiatives.

# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

**YEAR ENDED 31 AUGUST 2017**

### **School Development Plan 2016-17 Outcomes**

1. Norwood Green's aims and vision are clearly identified and shared widely via the website, school policies, the School Charter, and the school brochure. They encapsulate what NGJS is about well, and support the development of the whole child. This key priority has been fully achieved.
2. In terms of capacity and on-going school improvement, staffing continues to be a risk area, though currently we have very stable staffing and are very pleased with the quality of staff that we have. Staff have been recruited via a range of strategies: sponsorship routes, supply, student placements, and advertising via our website. Having a more stable staff has had a positive impact on the work we have been doing on educational pedagogy allowing messages to permeate over time. Staff wellbeing is being considered through work done with two other Headteachers, through looking at planning, having already considered aspects of marking, as well as curriculum structure and organisation. Last year, all members of teaching staff attended external training as it was decided it was time for staff to find out more about current thinking and take responsibility for trialling and feeding back the impact of what they had learnt. It was very valuable and much was subsequently shared with the whole staff in their CPD sessions. This year there will be less staff on external courses as the school wishes to embed some of the learning from 2016-17. Issues to do with the building capacity for a growing population have been identified and solutions found, such as increased provision for lunches being accommodated in the main school hall, and PE cupboard being bought and a new group room eco-pod being built. Capacity is an on-going concern, but the school is aware of the issues and are forward thinking in finding solutions.
3. In the Autumn of 2017, the school's Peer Challenge partners were changed: we are now linked with Cavendish Primary and Worple Primary. Nevertheless, the partnerships developed with St Mary's Isleworth and Fairholme were so fruitful that future work amongst the schools is planned. Meetings have occurred this term to discuss teacher workload and ways to reduce it, and a further date is planned to discuss how planning can be streamlined.

In recent years, moderation exercises with Hounslow Heath Juniors in writing and maths have taken place. We are expanding the number of schools to include 2 further primary schools in 2018.

With the demise of the EIP Hounslow partnerships, it is proposed that we support the formation of HEP (Hounslow Educational Partnership). This is a partnership trust of Hounslow schools, devised and run by Hounslow Headteachers.

The school continues to form strong links with Norwood Green Infant and Nursery School, especially around transition of Year 2 to 3 pupils, which was restructured and developed to include increased parent's meetings and parent taster sessions.

The link with St Mary's college has continued this year, taking a further 2 students. We find that this is mutually beneficial to both organisations: it helps the school identify potential new members of staff as well as experiencing new ideas and honing the ability of the school to support inexperienced teachers.

4. This review of the curriculum has been completed: a new long term overview is in place and curriculum statements devised. There is a greater range of subjects used as the drivers for the cross-curricular topics, rather than them being predominantly history-based. Topics are now led across history, geography, art and science and taught using a cross-curricular approach in the main. Topic maps are put on the website each term to support parents. This target is complete, though there is further on-going work around assessment of foundation subjects that is being undertaken.

# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

### **YEAR ENDED 31 AUGUST 2017**

5. Developing greater depth and understanding for more able pupils is still an area to develop further: the new curriculum and its increased expectations has proven to be challenging. The school has undertaken a number of initiatives to support this development, but it may take time to embed. Actions taken: introduction of the White Rose maths planning to support increased teaching of reasoning and problem solving; new structures around the use of the Inclusion Leader attached to each year group, to not only support pupils at the lower end, but those whose progress is insufficient at the top end too; restructuring of reading to include a greater emphasis on the love of reading and revision of Guided Reading guidelines; and increased emphasis on vocabulary and word finding and its application in writing.
6. Teacher assessment and test data were more aligned in summer 2017 results than in 2016. This is being tackled through Performance Management processes. Staff are becoming more familiar with the new terminology and structures in place since their introduction. This is on-going, though has shown development.
7. There have been a number of initiatives this year to support our aim to recognise the whole child further and support their varying needs. Initiatives have included: introducing Celebration Fridays, whereby children show off a 'hidden talent', end of year reports have a reflection on 'effort', Learn 2 Respect supports children's understanding as to what is acceptable and not acceptable within relationships and supports assertive behaviour training, and Jigsaw continues to structure our PSHE lessons. Pupils feel good about themselves and are able to express what they are good at and could develop. This has been identified through pupil interviews and observations.
8. Parents are extremely supportive of the school – the questionnaires in 2016-17 indicated that 98.5% of their children (from those that responded) are happy, safe and well looked after at school, with 100% feeling their child is taught well and 95% of parents agreeing that the school effectively deals with bullying. The school has increased our number of parent workshops and opportunities to meet parents, especially Year 2 to 3 parents, and it is felt that this has had an impact on changing some of the perceptions of parents.
9. Peer Challenge reviews of the school regularly commented on the ability of pupils to reflect appropriately on their learning, knowing what they did well and what they needed to improve upon. Work around meta-cognition has supported this. This target has been met, though the expectation on pupils to and staff around meta-cognition will continue.
10. At the end of Key Stage SATS, achievement of white boys in maths has been mixed. Their progress is lower than desired at -1.6, but their attainment is above the national average of 100, at 100.6. In terms of gender, the boys did better than the girls in attainment, achieving 104.8 compared to 103.2 for the girls. This is not reflective of the whole school pattern whereby girls are exceeding boys, especially in English. The data in maths for Yr 3-5 also shows it to be in line with expectations, being presently on track to have similar progress as the last 5 years however there are three factors which it is believed will increase rates of progress:
  - Our pupils fared worse in reasoning papers than arithmetic and these make up 2/3 of SATs test. The new Maths Hub resource which focuses far more on reasoning and problem solving has been well received by staff and has dramatically changed the way we teach with a much greater emphasis on reasoning. Y4 piloted it last year and their results were the best in the school.
  - The school is doing more to make teachers accountable for pupil outcomes with teachers presenting data in progress meetings and more rigorous safeguards against underachievement with the introduction of an assessment calendar which targets support for underachievement.

# NORWOOD GREEN JUNIOR SCHOOL

## TRUSTEES' REPORT (continued)

### YEAR ENDED 31 AUGUST 2017

- The introduction of the Inclusion Leader attached to each year group with short-sharp interventions supports catching children early and seeks to ensure no child goes under the radar. It also means teachers' practice in identifying underachievement is sharper.

	Y5	Y4	Y3
Teacher Assessment			
Progress:	99.9 VA	99.67 VA	99.83 VA
Attainment: % age related expectations	77%	72%	69%
Attainment: % Greater Depth Within age related expectations	23%	23%	27%
Testbase Test			
Attainment: % age related expectations	69% (61/88)	72 % (84/117)	56% (60/108)
Gap between TA & Test % age related	8%	0%	13%
Mean average	59% School 57% National	64% School 63% National	57 % School 60 % National
Gap between School and National	+2%	+1%	-3%

11. Transition between the infants and the juniors and ensuring appropriate progress across a range of aspects continues to be a focus and will take a number of years to achieve. Nevertheless, some progress has been made. In September 2016 longer 'settling in' phase for Year 3 was introduced – called 'Ready, Steady, Go'. The rest of the school have a two-week settling in phase. It was felt that this was necessary so as to set our expectations in terms of routines, expectations (including handwriting and presentation) and to allow the teachers to get to know their children better before embarking on the more formal curriculum. This approach has continued in September 2017 as it was felt to be beneficial. In terms of progress, there has been an improvement in maths, marginally in writing, while reading has slipped backwards, reflecting the main trend throughout the school.

	2016 progress for Yr 3	2017 progress for Yr 3	Difference
Maths	49.6%	60.9%	+11.3%
Writing	57.3%	58.2%	+0.9%
Reading	63.2%	58.2%	-5.0%

This year, more rigorous Guided Reading expectations have been introduced, CPD undertaken with staff in terms of reading, and have linked a maths specialist teacher in with Year 3 to support parents to help their children as well as have her working alongside our most vulnerable pupils. In addition a more rigorous transition programme was introduced with both Year 2 pupils and their parents. Unfortunately, due to the assessment process being an end of year assessment model, it is hard to assess whether these actions have had the desired impact on achievement until much later in the year.

12. The school's Rights Respecting Schools Award work has continued, with Phase 1 near completion and ready to be submitted for assessment, prior to moving onto phase 2. The school

# NORWOOD GREEN JUNIOR SCHOOL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 AUGUST 2017

The introduction of the Inclusion Leader attached to each year group with short-sharp interventions supports catching children early and seeks to ensure no child goes under the radar. It also means teachers' practice in identifying underachievement is sharper.

Y3	Y4	Y5	Teacher Assessment
99.83%	99.67%	99.9%	Progress:
69%	72%	77%	Attainment: % age related expectations
27%	23%	23%	Attainment: % Greater Depth Within age related expectations
			Testbase Test
26% (60/108)	72% (84/117)	69% (61/88)	Attainment: % age related expectations
13%	0%	8%	Gap between TA & Test % age related
27% National	64% School	29% National	Mean average
-3%	+1%	+2%	Gap between School and National

11. Transition between the infants and the juniors and ensuring appropriate progress across a range of aspects continues to be a focus and will take a number of years to achieve. Nevertheless, some progress has been made. In September 2016 longer 'settling in' phase for Year 3 was introduced - called 'Ready, Steady Go'. The rest of the school have a two-week settling in phase. It was felt that this was necessary so as to set out expectations in terms of routines, expectations (including handwriting and presentation) and to allow the teachers to get to know their children better before embarking on the more formal curriculum. This approach has continued in September 2017 as it was felt to be beneficial. In terms of progress, there has been an improvement in maths, marginally in writing, while reading has slipped backwards, reflecting the main trend throughout the school.

	2016 progress for Yr 3	2017 progress for Yr 3	Difference
Maths	49.6%	60.9%	+11.3%
Writing	27.3%	28.2%	+0.9%
Reading	63.2%	28.2%	-2.0%

This year, more rigorous Guided Reading expectations have been introduced, CPD undertaken with staff in terms of reading, and have linked a maths specialist teacher in with Year 3 to support parents to help their children as well as have her working alongside our most vulnerable pupils. In addition a more rigorous transition programme was introduced with both Year 2 pupils and their parents. Unfortunately, due to the assessment process being an end of year assessment model, it is hard to assess whether these actions have had the desired impact on achievement until much later in the year.

12. The school's Rights Respecting Schools Award work has continued, with Phase 1 near completion and ready to be submitted for assessment, prior to moving onto phase 2. The school

# NORWOOD GREEN JUNIOR SCHOOL

## TRUSTEES' REPORT (continued)

### YEAR ENDED 31 AUGUST 2017

has continued to develop links with our local Care Home, taught specific lessons on Children's rights and hold it as key to NGJS's assembly and behaviour management systems. It has been shared with parents in newsletters and in parent meetings and the ethos is very much at the heart of the school. In January, a 'Celebrating Languages' event for parents and pupils will be held. This term we have celebrated diversity with a focus on 'our history', 'local history' and 'Black History' for homework.

#### Context data for Norwood Green Junior School

School Profile		Norwood Green Junior School						URN	139869
No on Roll (PLASC May 17)	406	% EAL (PLASC May 17)	94.3%	Fixed Term Exclusions 16/17		Most Recent Ofsted Inspection	02/02/10	Overall Effectiveness	1
No of Boys	217	% SEN (PLASC May 17)	22.2%	% Persistent Absentees (4 terms)	8.6%	Achievement of Pupils	2	Behaviour and Safety of Pupils	1
No of Girls	189	% Attendance (4 terms)	96.4%	School Mobility 16/17	4.5%	Quality of Teaching	2	Leadership and Management	2
% FSM (Ever6) (PLASC May 17)	26.6%	Permanent Exclusions 16/17		LBH Mobility 16/17	4.0%	Early Years Provision		HLP Grade	O/V
								LA Category	LT/O

#### End of KS Outcomes

Key Stage 2	2016	2017	LA	National
No of Y6 Pupils	86	87	2876	
GPS % Expected+	86.0%	83.9%	84.3%	77.0%
Reading % Expected+	79.1%	69.0%	73.5%	71.0%
Writing % Expected+	90.7%	86.2%	82.4%	76.0%
Maths % Expected+	72.1%	78.2%	81.2%	75.0%
RWM % Expected+	62.8%	63.2%	66.3%	61.0%
GPS % Above Expected	41.9%	44.8%	43.1%	31.0%
Reading % Above Expected	33.7%	24.1%	24.7%	25.0%
Writing % Above Expected	17.4%	17.2%	25.2%	18.0%
Maths % Above Expected	23.3%	25.3%	31.7%	23.0%
RWM % Above Expected	11.6%	8.0%	13.4%	9.0%
Reading Avg Progress	1.29	-0.59	-0.05	
Writing Avg Progress	1.31	0.97	1.37	
Maths Avg Progress	0.24	0.03	1.50	

NB The 2017 Key Stage 2 school and national results are provisional as at October 2017

Contextual Results 2017	Key Stage 2			
	Reading % Exp+	Writing % Exp+	Maths % Exp+	RWM % Exp+
Male	75%	85%	80%	65%
Female	59%	88%	75%	59%
FSM (Ever6)	58%	83%	71%	50%
Not FSM (Ever6)	73%	87%	81%	68%
EAL	68%	85%	79%	63%
Not EAL	83%	100%	67%	67%
SEN	55%	64%	50%	41%
Not SEN	74%	94%	88%	71%

#### Key Financial Performance Indicators

The governors have identified the following key financial performance indicators:

- Average gross income per pupil - £5,609
- Ratio of staff costs to total costs – 72%
- Surplus before transfers and movements on fixed assets fund as percentage of income – 3.2%
- Free reserves expressed as number of days expenditure – 13 days

# NORWOOD GREEN JUNIOR SCHOOL

## TRUSTEES' REPORT (continued)

YEAR ENDED 31 AUGUST 2017

### Performance Indicator

Budget setting

Budget monitoring

Staying within budget

Sound systems and controls

Debtors pursued

Reconciliations

Cash flow

Reserves

Adequate insurance cover

Payroll Administration

Financial oversight and decision making

Fixed asset administration

### Performance

Detailed budget setting by Headteacher and LMS Ltd and approved by the Academy Trust Board

Constant monitoring by LMS Ltd, HT and Governors termly

No deficits

Evidenced by Auditor visits and audit, Financial Regulations Manual

Regular invoicing and chasing by Company Secretary / SBM

All monthly reconciliations complete – audit

Always sufficient

Adequate reserves

Adequate insurance covers ensures by HT and SBM in liaison with insurance broker

Sound authorisation procedures and separation of duties between HR and Payroll departments

Experienced governors, Register of Interests completed, meetings in line with agree schedule

New assets recorded, depreciation applied, asset register maintained.

### Going Concern

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

### FINANCIAL REVIEW

The school's income and expenditure for the period is set out in the Statement of Financial Activities. Income and expenditure is separately disclosed by type of fund, as follows:

#### 1. Unrestricted Funds

Funds which must be spent for the benefit of the school generally and at the discretion of the governors.

#### 2. Restricted Funds

Funds which must be spent for the benefit of a particular aspect of the school and at the discretion of the governors.

#### 3. Restricted Fixed Asset Funds

A specific Restricted Fund relating to the school's fixed assets, including its land and buildings.

96% of the school's income consisted of recurrent grants from the Department for Education's delivery agency, the Education & Skills Funding Agency (ESFA). The grants received from the ESFA during the period ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the period ended 31 August 2017, total income from recurrent grant funding and other incoming resources was £2.29m. Expenditure in the same period was £2.21m. The surplus of income over expenditure for the period (excluding transfers of funds and movements on the Restricted Fixed Assets Fund) was £74k.

The school also received grants for fixed assets from the ESFA which are shown in the Statement of Financial Activities within the Restricted Fixed Assets Fund.



# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

**YEAR ENDED 31 AUGUST 2017**

### **Reserves Policy**

The governors review the reserve levels of the school annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The governors have determined that the appropriate level of free reserves should be equivalent to 30 days of average expenditure, approximately £165k. This is to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide the ability to deal with unexpected emergencies such as urgent maintenance. Net current assets of £904k approximate to 143 days expenditure.

The school's current level of free reserves held (being the income funds that are freely available for general purposes which under the SORP, would generally be unrestricted funds) is £80k, equivalent to 13 days of average expenditure.

The school will aim to hold reserves to support the rolling three year budget projection.

Cash balances are deposited with UK banks.

### **Financial and Risk Management Objectives and Policies**

The Local Government Pension Scheme (LGPS) for support staff is a defined benefit pension scheme. A deficit of £1,042k is to be eliminated over 22 years by increased contribution percentages and annual payments.

### **Principal Risks and Uncertainties**

The governors have assessed the major risks to which the school is exposed, in particular those relating to:

1. Operational areas of the school including teaching, recruitment, health and safety, school trips, pupil safety and the suitability of facilities.
2. Finances and the internal controls over accounting procedures.

The governors have implemented systems, including operational procedures and internal financial controls in order to minimise risks. The school has an effective system of internal control and this is explained in more detail on pages 17/18.

### **Plans for Future Periods**

The academy is also very aware that, while it had an expansion of building to reflect an increase in pupil numbers to 480 (2018-19), its playground was not expanded. There is therefore a financial commitment in 2017-18 towards this development, as well as a need to provide further group / intervention rooms for the additional pupil population once all new classrooms are in full operational use by 2018/19.

Through converting to Academy Status the school has accessed additional revenue funding streams that have enabled governors to protect the educational provision currently provided while moving to a more sustainable structure over time. It has also given the school access to bid for capital grants that would otherwise not have been available.

This additional funding has limited the impact of the pupil based formula funding changes that have significantly reduced the standards grants and Special Education Needs (SEN) funding that the school was historically dependent upon.

It is likely that existing cash reserves will be absorbed as the school adjusts to a more austere funding environment.

# **NORWOOD GREEN JUNIOR SCHOOL**

## **TRUSTEES' REPORT (continued)**

**YEAR ENDED 31 AUGUST 2017**

### **AUDITOR**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2017 and signed on the board's behalf by:



**R Khosla**  
Chair of Governors

# NORWOOD GREEN JUNIOR SCHOOL

## GOVERNANCE STATEMENT

**YEAR ENDED 31 AUGUST 2017**

### Scope of Responsibility

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

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

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 3 times during the year. There were no changes in the composition of the board of trustees over the year. Attendance during the year at meetings of the board of governors was as follows:

<b>Full Governing Board</b>	<b>Attended</b>	<b>Out of</b>
S Mann	1	3
B Kalyan	3	3
R Khosla	3	3
K Norfolk	3	3
P Sehgal	3	3
V Gerber	3	3
G Mungroo	2	3
D Parker	3	3
A Keynan	1	3
S Vohra	3	3

### Committees

The academy has 2 committees which are run concurrently and include the same members. The Finance Committee oversees the financial strategic direction of the school and undertake audit duties. The Personnel Committee oversees the academy's responsibilities for performance management, recruitment & retention and pay decisions, amongst other roles. Further details of each committees full remit, membership and procedures are outlined in their Terms of Reference.

The Personnel and Finance Committee of governors has formally met 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

<b>Personnel and Finance Committee</b>	<b>Attended</b>	<b>Out of</b>
R Khosla	2	3
S Mann	2	3
C Norfolk	3	3
G Mungroo	3	3
P Sehgal	2	3
V Gerber	3	3
S Vohra	2	3

# **NORWOOD GREEN JUNIOR SCHOOL**

## **GOVERNANCE STATEMENT (continued)**

**YEAR ENDED 31 AUGUST 2017**

### **Governance review**

An external provider (via Hounslow Governing Bodies Section) worked with the Governing Body in June 2016 to review the effectiveness of the Governing Body. There was no review in 2017, but one is planned for 2018.

### **Review of Value for Money**

As accounting officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Undertaking a tendering process for a new classroom POD to ensure that the design would be fit for purpose and provided good value for money.
- Reconsideration of the extension at the back of main hall. Planning permission had been obtained for the building of a PE cupboard at the back of the hall however quotes received were double the planned expenditure and deemed not good value. The plans were therefore changed and an alternative option identified in the form of an external shed and storage areas.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of school policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the School for the period from 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The board of governors has reviewed the key risks to which the school is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing the school's significant risks that has been in place for the period from 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

### **The Risk and Control Framework**

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

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

# **NORWOOD GREEN JUNIOR SCHOOL**

## **GOVERNANCE STATEMENT (continued)**

**YEAR ENDED 31 AUGUST 2017**

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the governors have delegated to the external auditors the giving of advice on financial matters and the performance of a range of checks on the school's financial systems, including testing of:

- payroll systems
- purchase systems
- control account/ bank reconciliations
- income.

The external auditors reported to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities, as a result of which no material control issues arose.

### **Review of Effectiveness**

As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been performed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and ensures continuous improvement of the system is in place.

Approved by order of the members of the board of governors on 12 December 2017 and signed on its behalf by:



**R Khosla**  
Chair of Governors



**C Norfolk**  
Accounting Officer

# **NORWOOD GREEN JUNIOR SCHOOL**

## **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

**YEAR ENDED 31 AUGUST 2017**

As accounting officer of Norwood Green Junior School I have considered my responsibility to notify the school board of governors and the Education & Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the school and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



**C Norfolk**  
Accounting Officer

12 December 2017

**NORWOOD GREEN JUNIOR SCHOOL**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**YEAR ENDED 31 AUGUST 2017**

The trustees (who act as governors of Norwood Green Junior School) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting 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; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2017 and signed on its behalf by:



**R Khosla**  
Trustee

# **NORWOOD GREEN JUNIOR SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORWOOD GREEN JUNIOR SCHOOL**

**YEAR ENDED 31 AUGUST 2017**

We have audited the financial statements of Norwood Green Junior School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 company's trustees those matters we are required to state to them in an auditor's 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 company and the company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the Trustees' Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017.



# **NORWOOD GREEN JUNIOR SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORWOOD GREEN JUNIOR SCHOOL (continued)**

**YEAR ENDED 31 AUGUST 2017**

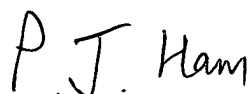
### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



**P J Ham**

(Senior Statutory Auditor)

For and on behalf of

Audit for Business Development and Solutions Limited

Chartered Accountants & Statutory Auditor

15 Oxford Street  
Southampton  
Hampshire  
SO14 3DJ

12 December 2017

# **NORWOOD GREEN JUNIOR SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORWOOD GREEN JUNIOR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

**YEAR ENDED 31 AUGUST 2017**

In accordance with the terms of our engagement letter dated 6 October 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Norwood Green Junior School during the period from 1 September 2016 to 31 August 2017 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 Norwood Green Junior School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Norwood Green Junior School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the School and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Norwood Green Junior School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Norwood Green Junior School's funding agreement with the Secretary of State for Education dated 28 June 2013 and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 from 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by the ESFA. 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 school's income and expenditure.

# **NORWOOD GREEN JUNIOR SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORWOOD GREEN JUNIOR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

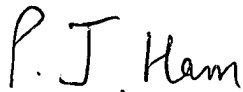
**YEAR ENDED 31 AUGUST 2017**

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

### **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 from 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



### **P J Ham**

Reporting Accountant

For and on behalf of

Audit for Business Development and Solutions Limited

Chartered Accountants

15 Oxford Street

Southampton

Hampshire

SO14 3DJ

12 December 2017

# NORWOOD GREEN JUNIOR SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted Fund £	Restricted General Fund £	Restricted Fixed Asset Fund £	Total Funds 2017 £	Total Funds 2016 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	11,805	–	8,016	19,821	7,843
Charitable activities:						
Funding for the academy trust's educational operations	3	–	2,272,763	–	2,272,763	2,247,613
Other trading activities	4	580	–	–	580	744
Investment income	5	1,100	–	–	1,100	3,766
<b>TOTAL</b>		<b>13,485</b>	<b>2,272,763</b>	<b>8,016</b>	<b>2,294,264</b>	<b>2,259,966</b>
<b>EXPENDITURE ON:</b>						
Charitable activities:						
Funding for the Academy trust's educational operations	6	(2,020)	(2,209,891)	(103,244)	(2,315,155)	(2,159,469)
<b>TOTAL</b>		<b>(2,020)</b>	<b>(2,209,891)</b>	<b>(103,244)</b>	<b>(2,315,155)</b>	<b>(2,159,469)</b>
<b>NET INCOME/EXPENDITURE</b>		<b>11,465</b>	<b>62,872</b>	<b>(95,228)</b>	<b>(20,891)</b>	<b>100,497</b>
Transfer between funds	8		(115,016)	115,016	–	–
<b>OTHER RECOGNISED GAINS/(LOSSES)</b>						
Actuarial loss on defined benefit pension scheme	22	–	(222,000)	–	(222,000)	(292,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>11,465</b>	<b>(274,144)</b>	<b>19,788</b>	<b>(242,891)</b>	<b>(191,503)</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward	15	68,893	55,622	8,262,585	8,387,100	8,578,603
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>80,358</b>	<b>(218,522)</b>	<b>8,282,373</b>	<b>8,144,209</b>	<b>8,387,100</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.  
All of the above amounts relate to continuing activities.

The notes on pages 28 to 41 form part of these financial statements.

# NORWOOD GREEN JUNIOR SCHOOL

## BALANCE SHEET

YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	12	8,282,373	8,262,585
<b>CURRENT ASSETS</b>			
Debtors	13	177,352	88,031
Cash at bank and in hand		1,108,086	1,027,660
		<u>1,285,438</u>	<u>1,115,691</u>
<b>CREDITORS: Amounts falling due within one year</b>	14	<u>(381,602)</u>	<u>(230,176)</u>
<b>NET CURRENT ASSETS</b>		<b>903,836</b>	<b>885,515</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>9,186,209</b>	<b>9,148,100</b>
<b>PROVISIONS FOR LIABILITIES</b>			
Pensions	22	<u>(1,042,000)</u>	<u>(761,000)</u>
<b>NET ASSETS</b>		<b>8,144,209</b>	<b>8,387,100</b>
<b>FUNDS OF THE ACADEMY</b>			
<b>RESTRICTED FUNDS</b>			
Fixed asset fund	15	8,282,373	8,262,585
Restricted income fund	15	823,478	816,622
Pension reserve	15	<u>(1,042,000)</u>	<u>(761,000)</u>
<b>TOTAL RESTRICTED FUNDS</b>		<b>8,063,851</b>	<b>8,318,207</b>
<b>UNRESTRICTED INCOME FUNDS</b>	15	<b>80,358</b>	<b>68,893</b>
<b>TOTAL FUNDS</b>		<b>8,144,209</b>	<b>8,387,100</b>

These financial statements were approved by the members of the board of trustees and authorised for issue on the 12 December 2017 and are signed on their behalf by:



**R Khosla**  
Trustee

Company Registration Number: 08520286

The notes on pages 28 to 41 form part of these financial statements.

# **NORWOOD GREEN JUNIOR SCHOOL**

## **STATEMENT OF CASH FLOWS**

**YEAR ENDED 31 AUGUST 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
<b>CASH INFLOW FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	<b>19</b>	<b>194,342</b>	211,829
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>20</b>	<b>(113,916)</b>	(19,350)
<b>INCREASE IN CASH</b>		<b>80,426</b>	192,479
<b>CASH AT 1 SEPTEMBER 2016</b>		<b>1,027,660</b>	835,181
<b>CASH AT 31 AUGUST 2017</b>	<b>21</b>	<b>1,108,086</b>	1,027,660

The notes on pages 28 to 41 form part of these financial statements.

# **NORWOOD GREEN JUNIOR SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2017**

### **1. ACCOUNTING POLICIES**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty is set out below.

#### **Basis of preparation**

These financial statements of the academy trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), 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 (Charities SORP 2015), the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

Norwood Green Junior School meets the definition of a public benefit entity under FRS102.

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

Leasehold land and buildings were transferred from the local authority on 1 July 2013. A depreciated replacement cost valuation of the long leasehold buildings was not obtained so the rebuild insurance value has been used instead. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as income/net expenditure in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. The ESFA considers that such valuations were undertaken on a depreciated replacement cost basis. The ESFA instructs Mouchel to value the property as a "desktop" exercise only, without visiting the property. The ESFA will include the valuation for land and buildings in their consolidated group accounts.

Fixtures and equipment were transferred for nil consideration and have been included at nil value except for a few recently identifiable major items.

#### **Going Concern**

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

#### **Incoming resources**

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

#### **Grants receivable**

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

**NORWOOD GREEN JUNIOR SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES (continued)**

General Annual Grant (GAG) is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

**Donations**

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

**Other income**

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

**Charitable trading**

Rents and lettings are included in the statement of financial activities on a receivable basis.

**Fund accounting**

General funds represent those resources which may be used towards meeting any of the objects of the school at the discretion of the governors. Restricted funds comprise grants from the Department for Education and other donors which may be used for specific purposes.

**Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation will be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

This includes all expenditure incurred to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**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 school 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.



# **NORWOOD GREEN JUNIOR SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2017**

### **1. ACCOUNTING POLICIES (continued)**

#### **Fixed assets**

Tangible fixed assets acquired since the school was established are included in the accounts at cost. 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 life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities) and carried forward in the balance sheet. The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

#### **Depreciation**

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

Long leasehold land and buildings - 0.8% (125yrs) Straight line

Plant and Machinery - 20% (5yrs) Straight line with nil residual value

Computer Equipment and Software - 50% (2yrs) Straight line with nil residual value

Assets costing less than £500 are written off in the year of acquisition. All other assets are capitalised.

#### **Stock**

Clothing and unused stationery are valued at the lower of cost or net realizable value and are included in prepayments.

#### **Taxation**

The school 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 Corporation Tax purposes. Accordingly, the school is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that income or gains are applied exclusively to charitable purposes.

#### **Pensions Benefits**

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 London Borough of Hounslow. Both are multi employer 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 school in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 22, the TPS is a multi-employer scheme and the school is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the school in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance

# **NORWOOD GREEN JUNIOR SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2017**

### **1. ACCOUNTING POLICIES (continued)**

sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The LGPS defined benefit pension scheme has a deficit of £1,042K which is to be eliminated over 22 years according to the actuary by increased contribution percentages and annual payments.

#### **Fund Accounting**

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

Restricted fixed assets funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education & Skills Funding Agency/Department for Education.

#### **Critical accounting estimates and areas of judgement**

The school 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 22, 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 2016 has been used by the actuary in valuing the pension liability at 31 August 2017. 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.

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 2. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Capital grant	-	8,016	8,016	-
Other donations	11,805	-	11,805	7,843
	<u>11,805</u>	<u>8,016</u>	<u>19,821</u>	<u>7,843</u>

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Fund £	Total Funds 2016 £
Other donations	7,843	-	-	7,843
	<u>7,843</u>	<u>-</u>	<u>-</u>	<u>7,843</u>

### 3. FUNDING FOR THE SCHOOL'S EDUCATIONAL OPERATIONS

	Restricted and Total Funds 2017 £	Restricted and Total Funds 2016 £
<b>DfE/ESFA grants</b>		
General Annual Grants	1,861,158	1,848,202
Other ESFA Grants	9,920	9,740
	<u>1,871,078</u>	<u>1,857,942</u>
<b>Other government grants</b>		
Local authority grants	349,848	317,917
Other income from the school's educational operations	51,837	71,754
	<u>2,272,763</u>	<u>2,247,613</u>

### 4. OTHER TRADING ACTIVITIES

	Unrestricted and Total Funds 2017 £	Unrestricted and Total Funds 2016 £
Lettings	580	744

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 5. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2017	Total Funds 2016
	£	£	£
Bank interest receivable	<b>1,100</b>	<b>1,100</b>	3,766

### 6. EXPENDITURE

	Staff costs £	Non Pay Premises £	Expenditure Other £	Total 2017 £	Total 2016 £
School's educational operations:					
Direct costs	<b>1,281,079</b>	–	<b>201,351</b>	<b>1,482,430</b>	1,427,463
Support costs	<b>385,995</b>	<b>283,096</b>	<b>163,634</b>	<b>832,725</b>	732,006
	<b>1,667,074</b>	<b>283,096</b>	<b>364,985</b>	<b>2,315,155</b>	2,159,469

#### 2016

	Staff costs £	Non Pay Premises £	Expenditure Other £	Total 2016 £
School's educational operations:				
Direct costs	1,127,644	–	211,642	1,339,286
Support costs	371,539	232,951	215,693	820,183
	1,499,183	232,951	427,335	2,159,469

### 7. ANALYSIS OF SUPPORT COSTS – EDUCATIONAL OPERATIONS

	2017 £	2016 £
Support staff costs	<b>385,995</b>	371,539
Depreciation	<b>103,244</b>	102,227
Premises costs	<b>179,851</b>	130,724
Other support costs	<b>153,517</b>	205,293
Governance costs	<b>10,118</b>	10,400
Total support costs	<b>832,725</b>	820,183

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 7. ANALYSIS OF SUPPORT COSTS – EDUCATIONAL OPERATIONS (continued)

Net income/(expenditure) for the period includes:

	2017	2016
	£	£
Depreciation	103,244	102,227
Auditors' remuneration:		
- audit of the financial statements	6,600	6,400

### 8. FUND TRANSFERS

Fund transfers are transfers from unrestricted income funds to restricted income funds and also from restricted income funds to restricted fixed asset funds in order to equalise fixed assets with restricted fixed asset fund.

### 9. STAFF COSTS AND EMOLUMENTS

#### a. Total staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	1,249,907	1,112,749
Social security costs	123,595	85,800
Other pension costs	236,016	152,968
	1,609,518	1,351,517
Supply staff costs	57,556	147,666
	1,667,074	1,499,183

Other pension costs above represents the total operating charge included in resources expended in the statement of financial activities and does not include amounts included in other finance costs.

#### b. Particulars of employees:

The number of employees during the year was as follows:

	Year to 31 Aug 17	Year to 31 Aug 16
	No	No
Teachers	24	20
Administration and support	22	19
Management	3	3
	49	42

#### c. Higher paid staff

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

	2017	2016
£80,001-£90,000	1	1
	=	=

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 9. STAFF COSTS AND EMOLUMENTS (continued)

#### d. Key management personnel

The key management personnel comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the school was £256,738 (2016 £228,814).

### 10. RELATED PARTY TRANSACTIONS

The Headteacher and other staff governors receive remuneration only in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments. The value of governors' remuneration was as follows:

	2017	2016
C Norfolk (Headteacher and ex-officio governor)		
Remuneration	<b>£80,001-£85,000</b>	£80,001-£85,000
Employer's pension contribution	<b>£10,001-£15,000</b>	£10,001-£15,000
P Sehgal (Staff governor)		
Remuneration	<b>£55,001-£60,000</b>	£55,001-£60,000
Employer's pension contribution	<b>£5,001-£10,000</b>	£5,001-£10,000
G Mungroo (Support staff governor)		
Remuneration	<b>£10,001-£15,000</b>	£10,001-£15,000
Employer's pension contribution	<b>£1-£5,000</b>	£1-£5,000

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

### 11. TRUSTEES' AND OFFICERS' INSURANCE

The academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 12. TANGIBLE FIXED ASSETS

	Long leasehold property £	Computer equipment £	Furniture and equipment £	Total £
<b>COST</b>				
At 1 September 2016	8,426,416	45,343	86,394	8,558,153
Additions	114,915	3,605	4,512	123,032
<b>At 31 August 2017</b>	<b>8,541,331</b>	<b>48,948</b>	<b>90,906</b>	<b>8,681,185</b>
<b>DEPRECIATION</b>				
At 1 September 2016	243,297	32,363	19,908	295,568
Charge for the year	83,287	11,749	8,208	103,244
<b>At 31 August 2017</b>	<b>326,584</b>	<b>44,112</b>	<b>28,116</b>	<b>398,812</b>
<b>NET BOOK VALUE</b>				
<b>At 31 August 2017</b>	<b>8,214,747</b>	<b>4,836</b>	<b>62,790</b>	<b>8,282,373</b>
At 31 August 2016	8,183,119	12,980	66,486	8,262,585

### 13. DEBTORS

	2017 £	2016 £
Trade debtors	112,328	38,047
Other debtors - VAT	44,166	31,753
Prepayments	20,858	18,231
	<b>177,352</b>	<b>88,031</b>

### 14. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	281,608	215,726
Accruals and deferred income	99,994	14,450
	<b>381,602</b>	<b>230,176</b>

#### Deferred income

Deferred income at 1 September 2016	13,632	12,294
Released from previous years	(13,632)	(12,294)
Resources deferred in the year	16,197	13,632
Deferred income at 31 August 2017	<b>16,197</b>	<b>13,632</b>

Deferred income comprises funds received in advance for grants and trips.

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 15. FUNDS

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant	816,622	1,807,899	(1,801,043)	-	823,478
Local authority grants	-	349,848	(349,848)	-	-
Pension reserve	(761,000)	-	(59,000)	(222,000)	(1,042,000)
	<u>55,622</u>	<u>2,157,747</u>	<u>(2,209,891)</u>	<u>(222,000)</u>	<u>(218,522)</u>
<b>Restricted fixed asset funds</b>					
Transfer from local authority	8,050,265	123,032	(103,244)	-	8,070,053
DfE/EFA capital grants	212,320	-	-	-	212,320
	<u>8,262,585</u>	<u>123,032</u>	<u>(103,244)</u>	<u>-</u>	<u>8,282,373</u>
<b>Total restricted funds</b>	<b>8,318,207</b>	<b>2,280,779</b>	<b>(2,313,135)</b>	<b>(222,000)</b>	<b>8,063,851</b>
<b>Total unrestricted funds</b>	<b>68,893</b>	<b>13,485</b>	<b>(2,020)</b>	<b>-</b>	<b>80,358</b>
<b>Total funds</b>	<b>8,387,100</b>	<b>2,294,264</b>	<b>(2,315,155)</b>	<b>(222,000)</b>	<b>8,144,209</b>

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

GAG/EFA revenue grant fund relates to the school's development and educational activities.

Restricted fixed assets fund relates to fixed assets transferred from the state maintained school. EFA capital grant fund relates to refurbishment grant.

Under the funding agreement with the Secretary of State, the school was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	8,282,373	8,282,373
Current assets	80,358	1,205,080	-	1,285,438
Current liabilities	-	(381,602)	-	(381,602)
Pension fund liability	-	(1,042,000)	-	(1,042,000)
	<u>80,358</u>	<u>(218,522)</u>	<u>8,282,373</u>	<u>8,144,209</u>



# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 AUGUST 2017**

### 17. CAPITAL COMMITMENTS

	<b>2017</b>	2016
	<b>£</b>	£
Contracted for but not provided in the financial statements	<b>6,045</b>	-

### 18. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2017 the total of the school's future minimum lease payments under non-cancellable operating leases was:

	<b>2017</b>	2016
	<b>£</b>	£
Amounts due within one year	<b>4,540</b>	4,540
Amounts due between two and five years	<b>2,830</b>	7,370
	<b>7,370</b>	11,910

### 19. RECONCILIATION OF NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<b>2017</b>	2016
	<b>£</b>	£
Net (outgoing)/ incoming resources before transfers	<b>(20,891)</b>	100,497
Interest receivable	<b>(1,100)</b>	(3,766)
Depreciation	<b>103,244</b>	102,227
Capital grant	<b>(8,016)</b>	-
Current service cost less employer contributions	<b>43,000</b>	8,000
Interest cost less return on asset	<b>16,000</b>	17,000
(Increase)/Decrease in debtors	<b>(89,321)</b>	(20,098)
Increase/(Decrease) in creditors	<b>151,426</b>	7,969
<b>Net cash provided by operating activities</b>	<b>194,342</b>	211,829

### 20. CASH FLOWS FROM INVESTING ACTIVITIES

	<b>2017</b>	2016
	<b>£</b>	£
Interest	<b>1,100</b>	3,766
Capital grant	<b>8,016</b>	-
Purchase of tangible fixed assets	<b>(123,032)</b>	(23,116)
<b>Net cash used in investing activities</b>	<b>(113,916)</b>	(19,350)

### 21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	<b>31 Aug 17</b>	31 Aug 16
	<b>£</b>	£
Cash in hand and at bank	<b>1,108,086</b>	1,027,660

# **NORWOOD GREEN JUNIOR SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2017**

### **22. PENSION AND SIMILAR OBLIGATIONS**

The school'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 Hounslow Council. Both are multiemployer defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £nil were payable to the schemes at 31 August 2017.

#### **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 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**

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

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

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

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 22. PENSION AND SIMILAR OBLIGATIONS (continued)

The employer's pension costs paid to TPS in the period amounted to £145,006 (2016 £130,324).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. Under the definitions set out in FRS102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year was £60,214 (2016 £47,715) of which employer's contributions totaled £48,010 (2016 £37,930) and employees' contributions totaled £12,204 (2016 £9,785).

The agreed contribution rates for future years are 13.5% for employers and various % 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 of Education. The guarantee came into force on 18 July 2013.

The deficit of £1042K is envisaged to be eliminated over 17 years by increased contribution rates and annual contributions.

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	4.2%	4.1%
Rate of increase for pensions in payment/inflation	2.7%	2.3%
Discount rate for scheme liabilities	2.6%	2.2%

Members will exchange half of their commutable pensions for cash at retirement.

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2017	Approximate monetary amount £000
0.1% increase to discount rate	84
1 year increase in member life expectancy	89
0.1% increase in the salary increase rate	86
0.1% increase in the pension increase rate	88

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

	At 31 August 2017	At 31 August 2016
Retiring today		
Males	21.4	22.1
Females	25.1	26.7
Retiring in 20 years		
Males	23.6	24.4
Females	27.4	29.1

# NORWOOD GREEN JUNIOR SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

### 22. PENSION AND SIMILAR OBLIGATIONS (continued)

The school's share of the assets and liabilities in the scheme:

	At 31 August 2017	At 31 August 2016
	£000	£000
Equities	66.0% 445	65.0% 341
Gilts	3.0% 23	6.0% 25
Other bonds	11.0% 76	16.0% 92
Property	5.0% 33	6.0% 25
Absolute return funds	14.0% 99	4.0% 20
Cash	1.0% 10	3.0% 14
Total market value of assets	686	517
Present value of scheme liabilities –		
Funded	(1728)	(1278)
(Deficit) in the scheme	(1042)	(761)

Amounts recognised in the statement of financial activities:

	At 31 August 2017	At 31 August 2016
	£000	£000
Current service cost (net of employee contributions)	86	52
Net interest	16	17
Expected return on scheme assets	-	-
Total	102	69

The actuarial gains and losses for the current year are recognised in the statement of financial activities.

	2017	2016
	£000	£000
At 1 September Obligation	1278	839
Current service cost	86	52
Interest cost	28	34
Employee contributions	12	11
Change in financial assumptions	324	342
At 31 August Obligation	1728	1278

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

	2017	2016
	£000	£000
Opening fair value of employer assets	517	395
Interest on assets	12	17
Return on assets less interest	49	50
Contributions by members	12	11
Contributions by employer	43	44
Other actuarial gains	53	-
Closing fair value of employer assets	686	517

The estimated value of employer contributions for the year ended 31 August 2018 is £186,000.