

Hoyland Common Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2017

Forrester Boyd
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

THURSDAY



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08/02/2018
COMPANIES HOUSE

Hoyland Common Primary School

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Hoyland Common Primary School

Reference and Administrative Details

Members and Trustees	B Clegg (appointed 1 October 2016) J Nixson S Ramskill (appointed 1 October 2016) G Wilson (appointed 1 October 2016)
Trustees (Directors)	J Nixson, Chair Councillor J G Andrews (resigned 1 October 2016) E Clegg (resigned 1 October 2016) K Flanagan (resigned 1 October 2016) A Hastey (resigned 1 October 2016) C P Marlow (resigned 1 October 2016) M Marsh (resigned 1 October 2016) R L Paddock (resigned 1 October 2016) R O'Neill (resigned 1 October 2016) H Watts (resigned 1 October 2016) T W Banham, Accounting Officer (resigned 1 October 2016) S Gallagher (appointed 1 October 2016) W Greenhoff (appointed 1 October 2016) A Greenwood (appointed 1 October 2016) A Kent (appointed 1 October 2016) J C Kilburn D Marsh (appointed 1 October 2016)
Chief Executive Officer	T Banham
Company Secretary	V A Harrison
Senior Management Team	T W Banham, Accounting Officer V A Harrison, Trust Business Manager S Harrison, Deputy Head B Fallon, Head of School R Paddock, Assistant Head J Robinson, SENCO L Reekie, Academy Business Manager M Binns, Headteacher
Principal and Registered Office	Sheffield Road Hoyland Barnsley S74 0DJ
Company Registration Number	08654591

Hoyland Common Primary School

Reference and Administrative Details (continued)

Auditors	Forrester Boyd Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ 11 October 2017
Bankers	Royal Bank of Scotland 747 Attercliffe Road Sheffield South Yorkshire S9 3RF
Solicitors	Walker Morris LLP Kings Court 12 King Street Leeds West Yorkshire LS1 2HL

Hoyland Common Primary School

Trustees' Report for the 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 1st September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates 2 primary academies in Barnsley. Its academies have a combined pupil capacity of 831 and had a roll of 806 in the school census on May 2017.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 08654591.

The governors act as the trustees for the charitable activities of Hoyland Common Primary School and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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

The Academy Trust has purchased RPA Liability insurance from the EFA.

Method of recruitment and appointment or election of Trustees

All new Trustees are appointed by the members as it may determine. Full details relating to the appointment and removal of Trustees are contained within the Trusts Articles of Association.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board of Trustees has the necessary skills to contribute to the Trusts Development. This Board of Trustees is the overarching body of all schools within the Trust.

Each individual school have their own Local Governing Body (LGB) to undertake the operation of the school inline with the agreed Scheme of Delegation. The LGB constitutes as follows –

Type of governor	Hoyland Common Primary	Ward Green Primary
Head	1	
Parent	1	
Staff	2	
Community	3	
LA	1	
Total	8	

Local Governors will have a term of Office of 4 Years, with the exception of the Head of School. Subject to remaining eligible to be a particular type of Trustee or Governor, any Trustee or governor may be re-elected or reappointed.

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Policies and procedures adopted for the induction and training of Trustees

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

New governors will:

- Be welcomed to the governing body by the Chair
- Be invited by the Head teacher to visit the school to experience its atmosphere and understand its ethos
- Have the opportunity to tour the school and meet the staff and children
- Receive an informal briefing session regarding the school from the Head teacher to explain the roles between the Head, school and governing body
- Be encouraged to join the committee of their choice dependant on their skills
- Be given background information on the school and any current issues
- Be encouraged to ask questions about their role and the school
- Be encouraged to access training including induction training for governors

New governors will receive and be encouraged to read:

- Welcome and Induction Information
- A Governor Job Description
- The last Headteachers Report to Governors, List of Staff, responsible areas, job titles,
- Other Governors names and email addresses
- List of meetings
- Ofsted Report
- School Prospectus
- DFE Governors Handbook

Organisational structure

At Hoyland Common Academy Trust, the Board of Trustees, Governing Body, CEO and Head teachers believe it is essential that all new Trustees and Governors receive a comprehensive induction package covering a broad range of issues and topics. We are committed to ensure that the new Trustees and Governors are given the necessary information and support to fulfil their role with confidence. We see this as an investment, leading to more effective governance and retention of both Trustees and Governors.

Arrangements for setting pay and remuneration of key management personnel

The Trustees of Hoyland Common Primary School act with integrity, confidentiality, objectivity and honesty in the best interests of the school; are open about decisions made and actions taken, and are prepared to explain decisions and actions to interested persons. Its procedures for determining pay are consistent with the principles of public life: objectivity, openness and accountability.

The arrangements for setting the pay and remuneration of the school's Key Management Personnel are based upon the Schools Pay Policy that includes references to the Teachers Pay and Conditions document.

The pay awarded to key teaching and leadership personnel is derived from the school's head teacher group and the head's Individual School Range (ISR) in accordance with paragraphs 5, 6, 8 and 10 of the document School Teachers' Pay and Conditions.

The pay of key support staff is determined on appointment in accordance with the scale of grades, currently where applicable in relation to employment with the LA, which the Trustees consider appropriate for the post.

The Trustees may from time to time review the scale of grades for support staff if there is a significant change to the role they were initially appointed to.

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Risk management

The Governors have assessed the major risks to which the academy is exposed, in particular those related to the specific teaching, provision of facilities and other operational areas of the academy and its finances. This has resulted in a risk register and policy that is updated every summer term and monitored regularly.

The Governors have implemented a number of systems to assess the risks that academies face in relation to teaching, health and safety, financial controls etc. and have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where any significant financial risk may still remain they have ensured that adequate insurance cover is in place.

Connected organisations, including related party relationships

R L Paddock, a trustee, has a material interest in Lily Pad Web Services. During the year transactions totalling £750 (2016:£900) were paid to this party.

T W Banham, a trustee, has a material interest in Tykes Teaching School Alliance. During the year transactions totalling £40,336 (2016:£nil) were paid to this party. Hoyland Common Academy Trust holds 50% of the voting rights of Tykes Teaching School Alliance, a company limited by guarantee (company registered number – 10227087). Every Child Matters Academy Trust holds the remaining 50%. The CEO is a Director of Tykes Teaching School Alliance.

Objectives and activities

Objects and aims

The development of HCAT is rooted in ensuring that children receive a world-class education. Children get one chance at their school education and we believe that, by schools working effectively in collaboration, we can ensure that one chance unlocks the potential for lifelong learning for all of our children.

The HCAT trustees are determined to see a high performing Multi Academy Trust that delivers the very best education for all pupils. The aims of each Academy during the period ended 31 August 2017 are summarised below:

- Develop a caring attitude with self-esteem – respecting themselves, others and their environment
- Developing confident, happy, self-motivated learners who enjoy learning and see it as a life long adventure
- An expectation that everyone achieves their full potential
- Achieve the highest standards possible in all areas of the curriculum regardless of age, sex, creed, needs and ability and to raise the standard of educational achievement of all pupils; to develop the quality of learning, teaching and assessment;
- Develop values such as communication, commitment and relationships based on mutual respect and develop the ethos of each school and the Trust as a whole;
- Develop an effective home/school partnership
- to raise the standard of educational achievement of all pupils; to develop the quality of learning, teaching and assessment;
- to improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review and ensuring a strong infrastructure throughout the Multi Academy Trust.
- to comply with all appropriate statutory and curriculum requirements; to provide value for money for the funds expended; and
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

Our schools will be the most forward thinking and innovative organisations within the communities that they serve, and all children will leave our care as well rounded individuals who have achieved high levels of academic success and are well prepared for life in modern Britain.

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Objectives, strategies and activities

Key influences for the Academy's Development Plan for the period under review were to ensure that pupils attain highly and the vast majority of pupils made expected progress and a large proportion made better than expected progress in all subjects, specifically in Reading.

Hoyland Common Academy Trust meets all its statutory obligations as a multi academy trust. The quality of education in all schools in the multi academy trust improves and outcome for pupils continues to improve.

There was also the continued capacity to improve especially with the challenges and opportunities arising from the conversion to a Multi Academy Trust.

Public benefit

The Academy Trust has referred to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The Academy Trust makes a contribution to public benefit in the following ways:

- the education it provides learners is balanced and broadly based
- it promotes spiritual, moral, cultural and physical development
- prepares learners for the opportunities, responsibilities and experiences of later life
- promotes knowledge and understanding in areas of study, skills and expertise

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Achievements and performance

Academic Achievements

The table below highlights the positive outcomes for all children at Hoyland Common Academy Trust across both schools within the MAT.

		National	HCPS 2016	HCPS 2017	WGPS 2016	WGPS 2017
Attainment	% ARE on Entry F1 2016	n/a		17%		4%
	GLD	70.70%	74%	71% ↓	64%	67% ↑
	Y1 Phonics	81%	83%	0% ↑	81%	80.40% ↓
	Y2 Phonics	92%	96%	0% ↓	85%	94% ↑
	KS1 National Standard Reading	76%	78%	0% ↓	57%	60% ↑
	Greater Depth Reading	25.20%	18%	0% ↑	15%	14% ↔
	National Standard Writing	68.20%	74%	0% ↓	51%	60% ↑
	Greater Depth Writing	15.60%	12%	0% ↑	8%	4% ↑
	National Standard Maths	75.10%	74%	0% ↑	53%	64% ↑
	Greater Depth Maths	20.50%	12%	0% ↑	6%	16% ↑
	WRM Combined N/S	63.70%	62%	71% ↑	47%	56% ↑
	WRM Combined H/S	9.00%	8%	10% ↑	0%	4% ↑
	KS2 National Standard Reading	71.50%	76%	0% ↑	46%	63% ↑
	Higher Score Reading	24.50%	11%	0% ↑	15%	23% ↑
	National Standard Writing	76%	91%	0% ↔	80%	84% ↑
	Greater Depth Writing	17.70%	17%	0% ↑	13%	28% ↑
	National Standard Maths	75%	96%	0% ↓	55%	77% ↑
	Higher Score Maths	22.60%	50%	0% ↓	10%	30% ↑
	National Standard GPS	77%	94%	0% ↓	60%	79% ↑
	Higher Score GPS	30.90%	39%	0% ↑	10%	30% ↑
	RWM Combined Expected	61.10%	74%	0% ↑	43%	60.40% ↑
	RWM Combined Higher	8.60%	6%	0% ↑	8%	12% ↑
	Average Scaled Score R	104.1	102.7	0% ↑	96.7	103 ↑
	Average Scaled Score M	104.2	109.9	0% ↔	100.2	105.5 ↑
	Average Scaled Score GPS	106		0% ↑	101.3	105.6 ↑
	Progress Measure Reading	0	1.92	0.8 ↑	-1.25	-0.07 ↑
	Progress Measure Writing	0	0.48	0.6 ↑	3.2	2.7 ↑
	Progress Measure Maths	0	4.97	4.3 ↓	-0.23	2.3 ↑

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

As a newly established multi academy trust the progress that has been made over the year has been pleasing across both schools.

A strategic programme of CPD was planned, delivered and monitored throughout the year to ensure progress towards the School Improvement Plan priorities and other areas of need identified tool.

The personalised and bespoke system of assessment for HCAT was successfully implemented in the year at Ward Green Primary School. HCAT (Hoyland Common Assessment and Tracking) was used to track individual, cohorts and groups in reading, writing and maths and accurately identified progress and attainment.

Newly developed network meetings and moderation challenge meetings across the Trust have enabled a robust internal moderation process which has evidenced accuracy of HCAT judgements.

Key non-financial performance indicators

The Trust has a robust school improvement model and internal monitoring processes to evaluate and record progress. These are reported at both school and Trust level.

HCAT Schools are all subjected to an external review of their performance and from that, alongside termly CEO Reviews, their key priorities and areas for development are identified. These are then addressed in each individual schools Improvement Plans.

The Trust has had an impact and there are significant improvements in the attainment and progress at Ward Green Primary School who joined the Trust in October 2016 and continues to sustain the high levels of achievement at HCPS.

- GLD across the academy is positive with a 3 year upward trend at both academies and a figure above national at HCPS.
- The schools are inline with national in relation to meeting the expected standard in Phonics.
- KS1 Data has seen an increase at WGPS in expected standard and this continues to be a priority for the school.
- Both Schools are inline with national at KS2 with HCPS being significantly above.

As funding is largely based on pupil numbers as at the October census pupil count this is also a key performance indicator. The number of pupils have risen across both schools and will continue to grow as more schools join the Trust. With two schools in the Trust, the COO provide trustees with data for discussion, comparison and review. This information also assists the Board and individual LGBs to compare budgets against a number of non-financial indicators and KPIs.

Going concern

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

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Financial review

The Academy Trust is in a secure financial position and has reserves to manage any unexpected expenditure.

Trustees have made it a priority to ensure that high standards are maintained within the framework of a budget that is sustainable, and have been rigorous in evaluating any proposals for additional expenditure. The Board along with the COO conduct regular reviews of the actual expenditure and income against budgets of both schools and these are reported to the Board and LGB.

During the period under review the principal sources of income have been General Annual Grant (GAG) and other grant related income from the Education Funding Agency (EFA). These are the main income sources of the Trust and they are used to pay for the following principal expenses:

- Teaching and support staff within the classrooms
- The non-teaching support for finance, administration, HR, H&S
- Staff Training
- Contracts required to manage day to day affairs
- Educational Resources and IT Resource across the school

The Academy Trust also received Pupil Premium funding, identified by the number of children in receipt of free school meals at any point during the preceding year. The funding is directed principally to the children whose social and educational needs may require additional support. This support may include teaching, training for staff and any other additional resource.

Key financial policies reviewed during the year include the Finance Policy which establishes the framework for financial management, including the key financial responsibilities of the Board, its committees and the key officers of the academy, as well as delegated authority for spending decisions.

Trustees have adopted a Responsible Officer policy and appointed a Business Manager from another school to undertake a programme of internal checks on financial controls and to report to meetings of the Board.

Financial and risk management objectives and policies

The Academy's activities expose it primarily to cash flow risk. The Governing Body continually monitors cash flows to ensure the Academy Trust has sufficient funds available to meet debts as they fall due. The Governing Body maintains significant cash reserves at all times.

The Governing Body acknowledges the defined benefit scheme deficit which is set out at Note 23 to the annual report. It considers that the Academy Trust is able to meet its known contribution commitments for the foreseeable future.

Financial Risk

The Academy is operating in a period of considerable financial uncertainty with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets.

Governors have also given due consideration to the risks associated with financial mismanagement and/or compliance failures.

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Reserves policy

The Academy Trust aims to carry forward a prudent level of resources from the General Annual Grant, the General Non-GAG Restricted Fund and the General Unrestricted Fund to cover the medium- and long-term needs for renewal and replacement of equipment, for major unforeseen contingencies and to provide for the uncertainty of the effects of diminishing public funding. At the end of the period under review the balances held in these funds were as follow:

Restricted General Fund - £153,464
Unrestricted Fund - £205,971
Restricted Fixed Asset Fund - £5,742,378
Pension deficit - £2,229,000

Investment policy

The Academy does not hold investments other than Cash at Bank.

The Board of Trustees are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

Trustee's management of cashflow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. The Bank has been selected from the FSA Approved List included in the Financial Services Compensation Scheme (FSCS).

Trustees seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate and this will be drawn into the current accounts as and when required to meet operational expenditure.

The approval of the Board of Trustees is required before any investment is made. The following criteria should be used in selecting an appropriate investment:

- What level of risk does the investment represent? The Trustees' approach to risk is cautious – typical investments will include corporate bonds and fixed interest funds.
- The historical performance of the investment or fund
- The anticipated level of return
- Management fees and associated costs
- Any penalties e.g. for early redemption
- Ease of access should governors wish to realise the investment

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Strategic Report

Principal risks and uncertainties

There are a number of principal risks and uncertainties facing the Trust, and these are as follows:

- Financial

The Trust has considerable reliance on continued Government funding through the EFA. In the last period over 85% of the Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

- Growth of the Trust

Increasing the number of schools in the Trust is an imperative in ensuring its longer-term sustainability and preventing it being taken over by a larger Multi Academy Trust.

- Governance and Management Risk

The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

- Reputational Risk

The continuing success of the Academy Trust depends on maintaining the highest educational standards in order to continue to attract pupils in sufficient numbers. Trustees are clearly focused on monitoring and reviewing the achievement and success of pupils.

Trustees continue to give due consideration to other aspects of the school's activities where there could be a reputational risk, including discipline, safeguarding, Health and Safety etc.

- Safeguarding and Child Protection Risks

Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection policies in our schools and in training and support, in order to protect the vulnerable young people in its care.

- Significant Changes in Staff

Trustees have put in place a clear succession planning policy, and continue to review and monitor arrangements for recruitment, retention and the development of existing staff to minimise the risk resulting from major changes in key staff.

Plans for future periods

The Academy Trust plans to maintain a clear focus on learning and the teaching that promotes it, including continuing to raise achievement and student skills. A particular focus is the continued development of independent study skills and leadership.

Financial planning will focus on maintaining the breadth and quality of future work in the context of diminishing budgets.

Specific plans include the following:

- Developing further the capacity to improve through the newly formed Hoyland Common Academy Trust
- Continuing Senior Leadership Team succession planning
- Ensuring Pupil Premium funding is used to maximum benefit
- Continued cycle of upgrade and refresh of IT equipment
- Responding to the new Ofsted arrangements
- Ensuring high quality staff to maximise the life chances of pupils

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2017 (continued)

Funds held as Custodian Trustee on behalf of others

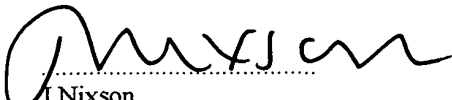
The Trust and its trustees do not act as the custodian trustees of any other charity.

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on 15 December 2017 and signed on its behalf by:



J Nixson
Chair of Trustees

Hoyland Common Primary School

Governance Statement

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to T Banham, 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 Hoyland Common Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
S Gallagher	3	4
A Greenwood	3	3
W Greenhoff	3	4
A Kent	2	4
J C Kilburn	3	4
D Marsh	2	4
J Nixon	4	4

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. Attendance at meetings during the year was as follows: Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
S Gallagher	3	4
W Greenhoff	3	4
A Greenwood	3	3
A Kent	2	4
J C Kilburn	3	4
D Marsh	2	4
J Nixon	4	4

Hoyland Common Primary School

Governance Statement (continued)

Review of value for money

As accounting officer the trustee 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:

Improving Educational Results:

We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:

- Targeting resources in line with the School Improvement Plan (SIP) priorities, including:
- Creating a Strategic CPD plan for the development of the 5 NQTs appointed in the Academic Year.
- Leading Authority Wide CPD events to disseminate information and facilitate discussion on new national standards at the end of each key stage.
- Implementation of the Early Essence software package allows staff to evidence easily children, including a description of learning outcomes and developmental stage to facilitate accurate EYFS and SEND assessment.
- Initiatives to accelerate the progress of all groups of children (with a focus on pupils on PP pupils).
- Creation of a personalised and bespoke system to allow assessment, tracking and monitoring processes to subsequently ensure data is used to inform planning, target interventions and support differentiation, including regular internal and Senior Leadership Team meetings to review progress and impact of interventions for different groups of pupils.

The effectiveness of these strategies can be seen in improved pupil outcomes, staff observations and preparations for delivery of a new curriculum.

Hoyland Common Primary School

Governance Statement (continued)

Review of value for money (continued...)

Financial Governance and Oversight:

Our governance arrangements include regular monitoring by the Governors and their committees, including the Finance and General Purpose Committee. They receive regular financial reports and ask relevant questions as evidenced in the minutes. The work of these committees is further informed by regular Responsible Officer reports following monitoring visits undertaken by a SBM from Shafton Primary Academy and support from Forrester Boyd Accountants.

Better Purchasing:

Examples of steps taken to ensure value for money when purchasing include:

- Exploring alternative purchasing options both on-line and direct through suppliers to find the best value.
- Implementing a tender process for significant purchases and/or contracts, for example the Insurance contract.
- The School Business Manager has been influential in driving down costs through better procurement and negotiation throughout 2015-16, including resources, IT equipment and repair and residential trip costs.
- All Contracts are reviewed on an annual basis to ensure they are value for money.

Better Income Generation:

Examples of steps to maximize income include:

- A range of school staff providing consultancy and support services to other local schools and the Local Authority.
- Mentoring trainee teachers and college student, including GTP and PGCE placements.
- The school's banking arrangements ensure that where cash flow allows, monies are transferred into a higher interest account.

Reviewing Controls and Managing Risks:

The Finance & General Purpose Committee, School Business Manager, budget holders and the Senior Leadership Team have reviewed regular budget reports, including future recommendations. This has ensured that spending is within budget and forward plans are agreed and implemented when there has been any variance.

Actions taken to manage risk include the purchase of an appropriate level of insurance cover. Professional advice (for example from the HR and legal service providers) has also been sought when needed.

Future Objectives:

We have recently converted to become a Multi Academy Trust and this will allow future benefit from economies of scale in procuring products and services, developing staff and sharing knowledge, skill and expertise.

Hoyland Common Primary School

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hoyland Common Primary School for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed Andrew Ravenscroft as Responsible Officer

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

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

On a quarterly basis, the Responsible Officer reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the Responsible Officer to date.

Hoyland Common Primary School

Governance Statement (continued)

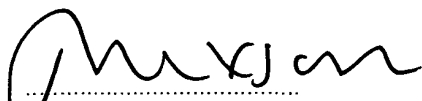
Review of effectiveness

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

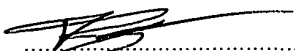
- the work of the responsible officer ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 15 December 2017 and signed on its behalf by:



J Nixon
Trustee



T Banham
Accounting officer
Chief Executive Officer

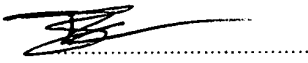
Hoyland Common Primary School

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Hoyland Common Primary School I have considered my responsibility to notify the Academy Trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Governing Body 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. If any instances are identified after the date of this statement, these will be notified to the Governing Body and ESFA.


T Banham
Accounting officer

15 December 2017

Hoyland Common Primary School

Statement of Trustees' Responsibilities

The Trustees (who are 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 Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

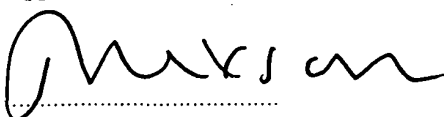
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

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

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

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

Approved by order of the members of the Board of Trustees on 15 December 2017 and signed on its behalf by:



J Nixon
Chair of Trustees

Hoyland Common Primary School

Independent Auditor's Report on the Financial Statements to the Members of Hoyland Common Primary School

Opinion

We have audited the financial statements of Hoyland Common Primary School (the 'Academy') for the year ended 31 August 2017, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's 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 Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

The valuation of the land and buildings of Ward Green primary school transferred in on conversion was provided by the local authority. There are doubts as to the reliability of this figure. A professional valuation will be carried out in the following year and if necessary the valuation of the land and buildings will be adjusted.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Hoyland Common Primary School

Independent Auditor's Report on the Financial Statements to the Members of Hoyland Common Primary School (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 19], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

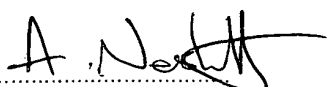
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.

Hoyland Common Primary School

Independent Auditor's Report on the Financial Statements to the Members of Hoyland Common Primary School (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Alan Nesbitt BA FCA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Date: 18/12/17

Hoyland Common Primary School

Independent Reporting Accountant's Report on Regularity to Hoyland Common Primary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 11 October 2017 and further to the requirements of the Education Funding Agency (EFA) 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 Hoyland Common Primary School during the period 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 Hoyland Common Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Hoyland Common Primary 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 Hoyland Common Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 19 December 2012 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 year 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 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 Academy Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- evaluating the systems and control environment;
- assessing the risk of irregularity, impropriety and non-compliance;
- confirming that the activities of the academy are in keeping with the academy's framework and the charitable objectives; and
- obtaining representations from the accounting officer and key management personnel.

Hoyland Common Primary School

Independent Reporting Accountant's Report on Regularity to Hoyland Common Primary School and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 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.



Alan Nesbitt BA FCA Reporting Accountant
For and on behalf of Forrester Boyd, Chartered Accountants

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

18 December 2017

Hoyland Common Primary School

Statement of Financial Activities for the Year Ended 31 August 2017 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	46,889	-	16,318	63,207
Transfer from local authority on conversion		-	(736,568)	3,366,000	2,629,432
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	31,059	3,334,937	-	3,365,996
Teaching schools		12,670	-	-	12,670
Other trading activities	4	126,412	33,767	-	160,179
Investments	5	958	-	-	958
Total		<u>217,988</u>	<u>2,632,136</u>	<u>3,382,318</u>	<u>6,232,442</u>
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	165,899	3,532,422	152,156	3,850,477
Teaching schools		<u>12,670</u>	<u>77,016</u>	<u>-</u>	<u>89,686</u>
Total		<u>178,569</u>	<u>3,609,438</u>	<u>152,156</u>	<u>3,940,163</u>
Net income/(expenditure)		39,419	(977,302)	3,230,162	2,292,279
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	702,000	-	702,000
Net movement in funds/(deficit)		39,419	(275,302)	3,230,162	2,994,279
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		<u>166,552</u>	<u>(1,800,234)</u>	<u>2,512,216</u>	<u>878,534</u>
Total funds/(deficit) carried forward at 31 August 2017		<u>205,971</u>	<u>(2,075,536)</u>	<u>5,742,378</u>	<u>3,872,813</u>

Hoyland Common Primary School

Statement of Financial Activities for the Year Ended 31 August 2016 (including Income and Expenditure Account)

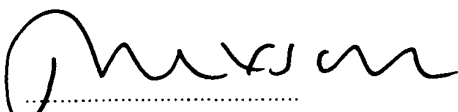
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total (As restated) 2016 £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	38,957	-	8,374	47,331
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	10,400	1,826,398	11,225	1,848,023
Funding for the teaching school status		77,791	50,000	-	127,791
Other trading activities	4	102,596	-	-	102,596
Investments	5	959	-	-	959
Total		230,703	1,876,398	19,599	2,126,700
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	194,787	1,881,975	95,445	2,172,207
Expenses relating to the teaching school activities		-	50,775	-	50,775
Net income/(expenditure)		35,916	(56,352)	(75,846)	(96,282)
Transfers between funds		-	(2,843)	2,843	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	(720,000)	-	(720,000)
Net movement in funds/(deficit)		35,916	(779,195)	(73,003)	(816,282)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		130,636	(1,021,039)	2,585,219	1,694,816
Total funds/(deficit) carried forward at 31 August 2016		166,552	(1,800,234)	2,512,216	878,534

Hoyland Common Primary School

(Registration number: 08654591)
Balance Sheet as at 31 August 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	12	7,498	11,121
Tangible assets	13	<u>5,717,155</u>	<u>2,482,115</u>
		<u>5,724,653</u>	<u>2,493,236</u>
Current assets			
Debtors	14	88,457	57,326
Cash at bank and in hand		<u>405,724</u>	<u>369,267</u>
		494,181	426,593
Creditors: Amounts falling due within one year	15	<u>(117,021)</u>	<u>(120,295)</u>
Net current assets		<u>377,160</u>	<u>306,298</u>
Total assets less current liabilities		<u>6,101,813</u>	<u>2,799,534</u>
Net assets excluding pension liability		6,101,813	2,799,534
Pension scheme liability	23	<u>(2,229,000)</u>	<u>(1,921,000)</u>
Net assets including pension liability		<u>3,872,813</u>	<u>878,534</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		153,464	120,766
Restricted fixed asset fund		5,742,378	2,512,216
Restricted pension fund		<u>(2,229,000)</u>	<u>(1,921,000)</u>
		3,666,842	711,982
Unrestricted funds			
Unrestricted general fund		<u>205,971</u>	<u>166,552</u>
Total funds		<u>3,872,813</u>	<u>878,534</u>

The financial statements on pages 25 to 52 were approved by the Trustees, and authorised for issue on 15 December 2017 and signed on their behalf by:


.....
J Nixon
Chair of Trustees

Hoyland Common Primary School

Statement of Cash Flows for the Year Ended 31 August 2017

	Note	2017 £	2016 £
Net cash (outflow)/inflow from operating activities	19	(111,701)	61,019
Cash transferred on conversion to an academy trust		140,432	-
Cash flows from financing activities		-	-
Cash flows from investing activities	20	<u>7,726</u>	<u>(10,263)</u>
Increase in cash in the year	21	<u><u>36,457</u></u>	<u><u>50,756</u></u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017

1 Accounting policies

General information

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 08654591.

The address of its registered office is:
Sheffield Road
Hoyland
Barnsley
S74 0DJ

Statement of 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

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hoyland Common Primary School meets the definition of a public benefit entity under FRS 102.

Conversion to an academy trust

The conversion of Ward Green Primary School from a state maintained school to the Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from to an Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in the notes.

Going concern

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

Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable 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 Academy Trust has provided the goods or services.

Transfer on conversion

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.

Donated fixed assets

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

Expenditure

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

All resources are exclusive of VAT except where irrecoverable.

Expenditure on raising funds

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Charitable activities

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

Intangible fixed assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Amortisation method and rate
Computer Software	Straight line over 3 and 4 years

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Hoyland Common Primary School occupies the land on a 125 year lease with Barnsley Metropolitan Borough Council (BMBC). The buildings are occupied under a Private Finance Initiative (PFI) agreement which passed from BMBC on a 50 year lease on conversion to an academy trust.

Ward Green occupies the land and buildings on a 125 year lease from Barnsley Metropolitan Borough Council (BMBC). The buildings have been transferred into the Academy Trust at the net book value at the conversion date in BMBC's audited accounts. The Academy Trust requested a valuation of the Land and Buildings from the Education and Skills Funding Agency (ESFA) however this was not completed before the deadline for submission. If necessary any adjustments will be made in the following year.

Asset class	Depreciation method and rate
Long-term Leasehold Buildings	Straight line over 50 years
Long-term Leasehold Land	Straight line over 125 years
Motor Vehicles	Straight line over 5 years
Fixtures and Fittings	Straight line over 5 years
Computer Equipment	Straight line over 3 years

Liabilities

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency/Department for Education.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The Academy Trust 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 23, 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 pensions liability at 31/08/2017. 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2017 £	Total 2016 £
Transfer on conversion	-	(736,568)	3,366,000	2,629,432	-
Other voluntary income					
Educational trips and visits	45,208	-	-	45,208	37,316
Capital grants	-	-	16,318	16,318	8,374
Other donations	1,681	-	-	1,681	1,641
	<u>46,889</u>	<u>-</u>	<u>16,318</u>	<u>63,207</u>	<u>47,331</u>
Total voluntary income	<u>46,889</u>	<u>(736,568)</u>	<u>3,382,318</u>	<u>2,692,639</u>	<u>47,331</u>

3 Funding for the Academy Trust's educational operations

	School	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE/EFA revenue grants					
General Annual Grant	Hoyland Common Primary School	-	1,470,414	1,470,414	1,456,583
Pupil Premium	Hoyland Common Primary School	-	101,700	101,700	99,170
Other DfE Grants	Hoyland Common Primary School	-	-	-	840

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

3 Funding for the Academy Trust's educational operations (continued)

	School	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
PE and Sports Grant	Hoyland Common Primary School	-	9,505	9,505	9,550
High Needs Funding	Hoyland Common Primary School	-	78,948	78,948	26,973
Universal Free School Meals	Hoyland Common Primary School	-	40,186	40,186	47,907
MAT Start Up Grant	Hoyland Common Primary School	-	-	-	25,000
Rates Relief	Hoyland Common Primary School	-	18,399	18,399	17,721
General Annual Grant	Ward Green Primary School	-	1,239,154	1,239,154	-
Rates Relief	Ward Green Primary School	-	20,181	20,181	-
PE and Sports Grant	Ward Green Primary School	-	9,420	9,420	-
High Needs Funding	Ward Green Primary School	-	18,540	18,540	-
Pupil Premium	Ward Green Primary School	-	92,470	92,470	-
Universal Free School Meals	Ward Green Primary School	-	58,084	58,084	-
		-	3,157,001	3,157,001	1,683,744
Other government grants					
Early Intervention Grant (EIG)	Hoyland Common Primary School	-	102,137	102,137	121,629
Other LA Grants	Hoyland Common Primary School	-	-	-	31,300
Early Intervention Grant (EIG)	Ward Green Primary School	-	56,318	56,318	-
Other LA Grants	Ward Green Primary School	-	1,010	1,010	-
		-	159,465	159,465	152,929

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

3 Funding for the Academy Trust's educational operations (continued)

	School	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Non-government grants and other income					
Sheffield Hallam University Student Income	Hoyland Common Primary School	-	4,120	4,120	950
Other income	Hoyland Common Primary School	3,840	-	3,840	10,400
Other income	Ward Green Primary School	27,219	-	27,219	-
Sheffield Hallam University Student Income	Ward Green Primary School	-	3,350	3,350	-
Big Lottery Grant	Ward Green Primary School	-	11,001	11,001	-
		<u>31,059</u>	<u>18,471</u>	<u>49,530</u>	<u>11,350</u>
Total grants		<u>31,059</u>	<u>3,334,937</u>	<u>3,365,996</u>	<u>1,848,023</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	5,231	-	5,231	-
Catering income	46,606	-	46,606	22,289
Recharges and reimbursements	-	-	-	700
Other sales	2,123	21,712	23,835	1,465
Teacher Hire out	-	-	-	23,704
SLE income	-	12,055	12,055	-
Business Manager hire out	7,480	-	7,480	15,395
SENCO hire out	8,200	-	8,200	-
Play Leader hire out	3,200	-	3,200	-
Fun Club - Hoyland	41,797	-	41,797	39,043
Fun Club - Ward Green	11,775	-	11,775	-
	<u>126,412</u>	<u>33,767</u>	<u>160,179</u>	<u>102,596</u>

5 Investment income

	Unrestricted funds £	Total 2017 £	Total 2016 £
Short term deposits	<u>958</u>	<u>958</u>	<u>959</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

6 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2017 £	Total 2016 £
Academy's educational operations					
Direct costs	2,164,075	112,022	185,883	2,461,980	1,245,847
Allocated support costs	<u>588,894</u>	<u>476,623</u>	<u>322,980</u>	<u>1,388,497</u>	<u>926,360</u>
	2,752,969	588,645	508,863	3,850,477	2,172,207
Teaching Schools expense					
Allocated support costs	<u>-</u>	<u>-</u>	<u>89,686</u>	<u>89,686</u>	<u>50,775</u>
	<u>2,752,969</u>	<u>588,645</u>	<u>598,549</u>	<u>3,940,163</u>	<u>2,222,982</u>

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Operating leases - plant and machinery	5,749	1,242
Operating leases - other leases	310,883	295,144
Amortisation of intangible fixed assets	3,623	1,374
Depreciation	140,510	94,072
Fees payable to auditor - audit	7,100	4,800
- other audit services	<u>270</u>	<u>1,481</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

7 Charitable activities

	Total 2017 £	Total 2016 £
Direct costs - educational operations		
Teaching and educational support staff costs	2,164,075	1,065,250
Depreciation	112,022	50,312
Technology costs	20,778	11,424
Educational supplies	40,938	33,712
Examination fees	72	414
Staff development	6,800	21,200
Educational consultancy	-	500
Other direct costs	117,295	63,035
	<u>2,461,980</u>	<u>1,245,847</u>
Support costs - educational operations		
Support staff costs	518,894	382,670
LGPS Service cost adjustment	70,000	(23,000)
Depreciation	32,111	45,133
Technology costs	41,322	34,115
Maintenance of premises and equipment	44,334	6,777
Cleaning	42,101	813
Rent, rates and utilities	46,136	8,854
Insurance	14,558	11,473
Recruitment and support	1,138	125
Security and transport	2,765	836
Catering	122,130	60,205
Bank interest and charges	2,287	-
Interest on defined benefit pension scheme	60,000	45,000
LGPS Administration expense	3,000	2,000
Professional fees	48,713	22,127
Other support costs	32,283	26,103
PFI charges	297,383	295,144
Governance costs	9,342	7,985
	<u>1,388,497</u>	<u>926,360</u>
Total direct and support costs	<u><u>3,850,477</u></u>	<u><u>2,172,207</u></u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

7 Charitable activities (continued)

	Educational operations £	Total 2017 £	Total 2016 £
Analysis of support costs			
Support staff costs	588,894	588,894	359,670
Depreciation	32,111	32,111	45,133
Technology costs	41,322	41,322	34,115
Premises costs	444,512	444,512	323,061
Other support costs	272,316	272,316	156,396
Governance costs	9,342	9,342	7,985
Total support costs	<u>1,388,497</u>	<u>1,388,497</u>	<u>926,360</u>

8 Staff

Staff costs

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	2,073,466	1,070,848
Social security costs	166,892	76,041
Pension costs	<u>446,174</u>	<u>181,077</u>
	2,686,532	1,327,966
Supply teacher costs	56,812	134,704
Staff restructuring costs	<u>9,625</u>	<u>-</u>
	<u>2,752,969</u>	<u>1,462,670</u>
		2017 £

Staff restructuring costs comprise:

Severance payments	<u>9,625</u>
--------------------	--------------

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £9,625 (2016: £Nil). Individually, the payments were:

Non-statutory payments £9,625

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

8 Staff (continued)

Staff numbers

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

	2017 No	2016 No
Charitable Activities		
Teachers	30	16
Administration and support	76	40
Management	9	6
	<u>115</u>	<u>62</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2017 No	2016 No
£60,001 - £70,000	1	2
£70,001 - £80,000	<u>1</u>	<u>-</u>

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £555,845 (2015: £356,203).

9 Central services

The Academy Trust has provided the following central services to its academies during the year:

- Teaching staff
- Support staff
- Governance

The trust charges for these services on the following basis:

- pupil numbers per academy

The actual amounts charged during the year were as follows:

	2017 £
Hoyland Common Primary School	64,000
Ward Green Primary School	<u>61,000</u>
	<u>125,000</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

T W Banham :

Remuneration: £0 - £5,000 (2016 - £65,000 - £70,000)

Employer's pension contributions: £0 - £5,000 (2016 - £10,000 - £15,000)

A Hastey :

Remuneration: £Nil (2016 - £0 - £5,000)

Employer's pension contributions: £Nil (2016 - £0 - £5,000)

R L Paddock :

Remuneration: £0 - £5,000 (2016 - £45,000 - £50,000)

Employer's pension contributions: £0 - £5,000 (2016 - £5,000 - £10,000)

R O'Neill :

Remuneration: £0 - £5,000 (2016 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2016 - £0 - £5,000)

During the year ended 31 August 2017, travel and subsistence expenses totalling £77 (2016 - £Nil) were reimbursed or paid directly to 2 trustees (2016 - 0).

Other related party transactions involving the trustees are set out in note 24.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. From October 2016 the Trust opted into the Department for Education's risk protection arrangement (RPA) for academy trusts. This scheme provides unlimited cover. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

During the previous year the Trust purchased Trustees' and officers' insurance for a cost of £884. This provided cover up to £2,000,000.

The cost of this insurance is included in the total insurance cost.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

12 Intangible fixed assets

	Computer software £	Total £
Cost		
At 1 September 2016	12,495	12,495
At 31 August 2017	12,495	12,495
Amortisation		
At 1 September 2016	1,374	1,374
Charge for the year	3,623	3,623
At 31 August 2017	4,997	4,997
Net book value		
At 31 August 2017	7,498	7,498
At 31 August 2016	11,121	11,121

13 Tangible fixed assets

	Long Leasehold land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 September 2016	2,578,000	46,711	9,000	102,632	2,736,343
Additions	-	-	-	9,550	9,550
Inherited assets	3,366,000	-	-	-	3,366,000
At 31 August 2017	5,944,000	46,711	9,000	112,182	6,111,893
Depreciation					
At 1 September 2016	145,981	24,365	5,250	78,632	254,228
Charge for the year	112,022	9,342	1,800	17,346	140,510
At 31 August 2017	258,003	33,707	7,050	95,978	394,738
Net book value					
At 31 August 2017	5,685,997	13,004	1,950	16,204	5,717,155
At 31 August 2016	2,432,019	22,346	3,750	24,000	2,482,115

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

14 Debtors

	2017 £	2016 £
Trade debtors	5,634	4,331
Prepayments	17,525	35,444
Accrued grant and other income	34,070	15,550
VAT recoverable	31,078	2,001
Other debtors	150	-
	<u>88,457</u>	<u>57,326</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	42,063	21,533
Other creditors	511	147
Pension scheme creditor	42,908	23,217
Accruals	31,539	75,398
	<u>117,021</u>	<u>120,295</u>

16 Funds

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	52,939	2,709,568	(2,722,889)	-	39,618
Other DfE grants	-	58,515	(45,115)	-	13,400
Other government grants	-	255,943	(255,943)	-	-
Pupil Premium	15,550	194,170	(175,650)	-	34,070
Universal Free School Meals Income	27,277	98,270	(62,837)	-	62,710
Multi-Academy Trust Start-up grant	25,000	-	(25,000)	-	-
Big Lottery Fund	-	11,001	(7,335)	-	3,666
Money transferred in on conversion	-	140,432	(140,432)	-	-
Other income	-	53,907	(53,907)	-	-
	<u>120,766</u>	<u>3,521,806</u>	<u>(3,489,108)</u>	<u>-</u>	<u>153,464</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

16 Funds (continued)

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted fixed asset funds					
Assets transferred on conversion	2,473,542	3,366,000	(127,829)	-	5,711,713
DfE Capital Grants	12,875	16,318	(10,369)	-	18,824
Capital Donations	3,228	-	-	-	3,228
Fixed Assets purchased from GAG	12,905	-	(10,334)	-	2,571
BMBC - Iris Connect grant	9,666	-	(3,624)	-	6,042
	<u>2,512,216</u>	<u>3,382,318</u>	<u>(152,156)</u>	<u>-</u>	<u>5,742,378</u>
Restricted pension funds					
Pension reserve	(1,921,000)	(877,000)	(133,000)	702,000	(2,229,000)
Total restricted funds	711,982	6,027,124	(3,774,264)	702,000	3,666,842
Unrestricted funds					
Unrestricted general funds	166,552	205,318	(165,899)	-	205,971
Total funds	<u>878,534</u>	<u>6,232,442</u>	<u>(3,940,163)</u>	<u>702,000</u>	<u>3,872,813</u>

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

General Annual Grant (GAG) must be used for the normal running costs of the academy. The Academy Trust was not subject to a limit on GAG carry-forward.

Pupil Premium may be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. The grant does not have to be completely spent by schools in the period.

Universal free school meals must be used to provide all pupils in reception, year 1 and year 2 with a free school lunch.

The Multi-Academy Trust start-up grant is allocated to the Academy to contribute to costs, such as leadership, as the trust grows in capacity.

Capital expenditure from GAG is made up of any fixed assets purchased during the period and the expense is the depreciation relating to these additions.

DfE Capital grants is made up of Devolved Formula capital which is allocated direct by the DfE and must be spent on capital purposes.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total £
Hoyland Common Primary School	241,567
Ward Green Primary School	117,974
Central services	<u>(106)</u>
Total before fixed assets and pension reserve	359,435
Restricted Fixed Asset Funds	5,742,378
Pension reserve	<u>(2,229,000)</u>
Total	<u>3,872,813</u>

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2017 £	Total 2016 £
Hoyland Common Primary School	1,001,721	335,611	73,121	691,765	2,102,218	2,247,455
Ward Green Primary School	1,104,117	192,856	82,378	314,314	1,690,990	-
Central services	<u>78,272</u>	<u>40,392</u>	<u>6,483</u>	<u>-</u>	<u>125,147</u>	<u>-</u>
Academy Trust	<u>2,184,110</u>	<u>568,859</u>	<u>161,982</u>	<u>1,006,079</u>	<u>3,918,355</u>	<u>2,247,455</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	7,498	7,498
Tangible fixed assets	-	-	5,717,155	5,717,155
Current assets	205,971	270,485	17,725	494,181
Current liabilities	-	(117,021)	-	(117,021)
Pension scheme liability	-	(2,229,000)	-	(2,229,000)
Total net assets	<u>205,971</u>	<u>(2,075,536)</u>	<u>5,742,378</u>	<u>3,872,813</u>

18 Commitments under operating leases

Operating leases

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

	2017 £	2016 £
Amounts due within one year	304,948	301,487
Amounts due between one and five years	1,209,993	1,201,187
Amounts due after five years	<u>3,002,450</u>	<u>3,302,695</u>
	<u>4,517,391</u>	<u>4,805,369</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

19 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	2017 £	2016 £
Net income/(expenditure)	2,292,279	(96,282)
Amortisation	3,623	1,374
Depreciation	140,510	94,071
Cash transferred on conversion to an academy trust	(140,432)	-
Donated capital and capital grants	(16,318)	(19,599)
Interest receivable	(958)	(959)
LGPS interest on defined benefit pension scheme	60,000	45,000
LGPS service cost adjustment	70,000	(23,000)
LGPS administration cost	3,000	2,000
(Increase)/decrease in debtors	(31,131)	37,192
(Decrease)/increase in creditors	(3,274)	21,222
Transfer of fixed assets on conversion	(3,366,000)	-
Transfer of pension on conversion	877,000	-
Net cash (outflow)/inflow from operating activities	<u>(111,701)</u>	<u>61,019</u>

20 Cash flows from investing activities

	2017 £	2016 £
Purchase of intangible fixed assets	-	(12,495)
Purchase of tangible fixed assets	(9,550)	(18,326)
Capital grants from DfE	16,318	8,374
Capital grants from others	-	11,225
Interest receivable	958	959
Net cash inflow/(outflow) from investing activities	<u>7,726</u>	<u>(10,263)</u>

21 Analysis of cash and cash equivalents

	At 31 August 2017 £	At 31 August 2016 £
Cash at bank and in hand	<u>405,724</u>	<u>369,267</u>
Total cash and cash equivalents	<u>405,724</u>	<u>369,267</u>

22 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.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

23 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £(42,908) (2016 - £(23,217)) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

23 Pension and similar obligations (continued)

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 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £205,935 (2016: £108,891).

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

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is a multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 ended 31 August 2017 was £143,313 (2016 - £67,344), of which employer's contributions totalled £101,607 (2016 - £44,834) and employees' contributions totalled £41,706 (2016 - £22,510). The agreed contribution rates for future years are 12.10% per cent for employers and 5.5% - 8.5% per cent for employees.

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

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

Principal actuarial assumptions

	At 31 August 2017 %	At 31 August 2016 %
Rate of increase in salaries	3.50	3.70
Rate of increase for pensions in payment/inflation	2.20	2.00
Discount rate for scheme liabilities	2.50	2.20
Inflation assumptions (CPI)	<u>2.20</u>	<u>1.90</u>

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

23 Pension and similar obligations (continued)

	At 31 August 2017	At 31 August 2016
Retiring today		
Males retiring today	22.90	23.00
Females retiring today	25.70	25.70
Retiring in 20 years		
Males retiring in 20 years	25.10	25.40
Females retiring in 20 years	<u>28.00</u>	<u>28.50</u>
Sensitivity analysis		

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1% £	0.0% £	- 0.1% £
Adjustment to discount rate			
Present value of total obligation	-	-	75,000
Projected service cost	-	-	8,000
	<u>+ 0.1%</u> £	<u>0.0%</u> £	<u>- 0.1%</u> £
Adjustment to rate of inflation			
Present value of total obligation	77,000	-	-
Projected service cost	8,000	-	-
	<u>+ 0.1%</u> £	<u>0.0%</u> £	<u>- 0.1%</u> £
Adjustment to rate of salary growth			
Present value of total obligation	24,000	-	-
	<u>+ 1 Year</u> £	<u>None</u> £	<u>- 1 Year</u> £
Adjustment to mortality age rating assumption			
Present value of total obligation	55,000	-	-
Projected service cost	4,000	-	-
	<u>+ 1 Year</u> £	<u>None</u> £	<u>- 1 Year</u> £

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

23 Pension and similar obligations (continued)

The Academy Trust's share of the assets in the scheme were:

	At 31 August 2017 £	At 31 August 2016 £
Equities	504,000	268,000
Government bonds	114,000	69,000
Other bonds	56,000	28,000
Property	76,000	50,000
Cash and other liquid assets	17,000	8,000
Other	63,000	35,000
Total market value of assets	<u>830,000</u>	<u>458,000</u>

The actual return on scheme assets was £93,000 (2016 - £67,000).

Amounts recognised in the statement of financial activities

	2017 £	2016 £
Current service cost	237,000	72,000
Interest cost	60,000	45,000
Admin expenses	3,000	2,000
Total amount recognized in the SOFA	<u>300,000</u>	<u>119,000</u>

Changes in the present value of defined benefit obligations were as follows:

	2017 £	2016 £
At start of period	2,379,000	1,461,000
Transferred in on existing academies joining the trust	1,083,000	-
Current service cost	237,000	72,000
Interest cost	77,000	59,000
Employee contributions	41,000	22,000
Actuarial (gains)/losses	(749,000)	774,000
Benefits paid	(9,000)	(9,000)
At 31 August	<u>3,059,000</u>	<u>2,379,000</u>

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

	2017 £	2016 £
At start of period	458,000	284,000
Transferred in on existing academies joining the trust	206,000	-
Interest income	14,000	12,000
Actuarial gains/(losses)	(47,000)	54,000
Employer contributions	167,000	95,000
Employee contributions	41,000	22,000
Benefits paid	(9,000)	(9,000)
At 31 August	<u>830,000</u>	<u>458,000</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

24 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length where the value of the transactions is below the EFA's de minimis limit. Any transactions above this limit will be reviewed to ensure that they are conducted on a non-profit basis. In either case the transactions will be conducted in accordance with the Academy's financial regulations and normal procurement procedures.

During the year the academy made the following related party transactions:

Lily Pad Web Services

(R Paddock has a material interest in Lily Pad Web Services.)

During the year £750 (2016:£900) was paid to the above for web services.. At the balance sheet date the amount due to Lily Pad Web Services was £Nil (2016 - £Nil).

Tykes Teaching School Alliance

(Hoyland Common Primary School is a joint member of Tykes Teaching School Alliance.)

During the year £77,016 (2016:£nil) was transferred to the above. This amounted to the ring fenced reserves of the teaching schools activities which were transferred to the above during the year.

TheTrust also charged the above company £39,321 (2016: £nil) for support and use of their Specialist Leaders of Education (SLE) staff. There were no amounts owed from the above company at the year-end.

The above company charged the Trust fees totalling £3,450 (2016: £nil) during the year. There were no amounts owed to the above company at the year-end.. At the balance sheet date the amount due to Tykes Teaching School Alliance was £Nil (2016 - £Nil).

25 Conversion to an academy trust

On 1 October 2016 the Ward Green Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Hoyland Common Primary School from the Barnsley Metropolitan Borough Council Local Authority for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Restricted general fund £	Restricted fixed asset fund £	Total £
Tangible fixed assets			
Leasehold land and buildings	-	3,366,000	3,366,000
Budget surplus on LA funds	140,432	-	140,432
LGPS pension deficit	(877,000)	-	(877,000)
Net (liabilities)/assets	<u>(736,568)</u>	<u>3,366,000</u>	<u>2,629,432</u>

The above net assets include £140,432 that were transferred as cash.