

Company Registration No. 07671255 (England and Wales)

PICKHURST JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2015

TUESDAY



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PICKHURST JUNIOR SCHOOL

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PICKHURST JUNIOR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Duncan Parr (Chair of Governors) *
Stella Brackpool (Vice Chair of Governors) *
Matt Rampton (Head Teacher and Accounting Officer) *
Lynne Dando (Deputy Head Teacher) *
Robert Jasper (Bursar) *
Nichola Davies
Phillip Shemmings
John Wood
Andrew Ralph

* members of the Finance and Audit Committee

Members

Duncan Parr
Stella Brackpool
Robert Jasper

Senior management team

- Head Teacher	Matt Rampton
- Deputy Head Teacher	Lynne Dando
- Assistant Head Teacher	Laura Marsh
- Assistant Head Teacher	Kimberley Dempster
- Bursar	Robert Jasper

Company registration number

07671255 (England and Wales)

Registered office

Pickhurst Lane
West Wickham
Kent
BR4 0HL
United Kingdom

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Bankers

Lloyds Bank PLC
6-8 Market Square
Bromley
Kent
BR1 1NA

Solicitors

Judicium Consulting Limited
25 Watling Street
London
EC4M 9BR

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

PICKHURST JUNIOR SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The principal activity of Pickhurst Junior School, an Academy Trust is to provide an outstanding free education to children aged 7 to 11 years. There is a long tradition of providing the highest quality of education that will meet the needs of every child and enable them to achieve their personal best. Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The School has a pupil roll of 531 in the school census dated 31/08/2014.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration no. 07671255) and an exempt charity. The Charitable Company's memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The trustees of Pickhurst Junior School Academy Trust are also the directors of the charitable company for the purposes of company law and they are the governors of the Academy.

The charitable company operates as Pickhurst Junior Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details included at the front of these accounts.

Members' liability

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

Trustees' indemnities

There are no qualifying third party indemnity provisions.

Method of recruitment and appointment or election of Trustees

In accordance with the articles, the trustees of the charitable company are the governors. They are appointed as follows:

- a) Up to three initial governors appointed on incorporation;
- b) Up to six governors appointed by the Governors;
- c) Up to two staff governors elected by the staff;
- d) Up to two parent governors elected by parents;
- e) The Principal is an ex-officio Governor;
- f) Further governors may be appointed by the Secretary of State.

In respect of those appointed by the governors, when a vacancy arises, the governors seek to make an appointment that would maximise the relevant skills and experience on the board as a whole.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All trustees are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as trustees. The Academy also purchases the Governor Training Scheme run by Bexley Local Authority.

PICKHURST JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Organisational structure

The board of trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least three times a year and has five committees;

- Finance and Audit Committee
- Premises Committee.
- Academic
- Pupil Wellbeing
- Staff Wellbeing

The Finance Committee fulfils the functions of an Audit Committee.

Both committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

The board of governors delegates specific responsibilities to its committees, the activities of which are reported to and discussed at full Governing Body Meetings.

Day to day management of the Academy is undertaken by the Head Teacher supported by the Senior Leadership Team.

The Head Teacher is the Accounting Officer and the Bursar is the Principal Finance Officer.

Related Parties and other Connected Charities and Organisations

The Academy is a member of the Ignite Education Trust along with four other Academies. We also have a relationship with Pickhurst Infant Academy, a separate Academy Trust, who share our site and provide us with many of our Year 3 intake.

The Register of Business Interests records relationships with related parties and any other charities/organisations with which the academy co-operates in the pursuit of charitable activities.

Objectives and activities

Objects and aims

The charitable company's principal object is the advancement of education.

The main objectives during the year were;

- To constantly inspire all of our students to problem-solve, think creatively, work collaboratively and communicate effectively so that, at the age of 11, they are ready to move with confidence to the next phase in their education
- Achieve outstanding KS2 results
- To ensure our SEN and Pupil Premium students achieve the highest educational outcomes possible by the extra provision of Teaching and Learning resources
- To provide the best available facilities in order to enable our students to thrive in a stimulating but safe environment

Objectives, strategies and activities

Given the continually changing educational environment we continue to expand our outreach work in order to support Academies and Schools that require improvement. We will also strive to strengthen and underpin our independence by developing key strategic alliances with other like-minded Academies and Schools. These objectives and strategies help support the Government's national objective of school improvement.

Public benefit

In setting the objectives and planning the associated activities, governors have given careful consideration to the Charity Commission's general guidance on public benefit.

PICKHURST JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

The Academy has enjoyed a successful year culminating in an outstanding set of Key Stage 2 results. The solid dedication and hard work of our staff and students has lead to our Year 6 cohort achieving the following outstanding results; record results in many cases:

Maths Level4+	98%	Writing Level4+	98%	SPAG Level4+	89%	Reading Level4+	99%
Maths Level5+	63%	Writing Level5+	60%	SPAG Level5+	65%	Reading Level5+	61%
Maths Level6	11%	Writing Level6	10%	SPAG Level6	8%		
Science Level4+	99%						
Science Level5+	60%						
Science Level6	5%						

As with previous years sport continues to play a huge part in daily life at Pickhurst, both boys and girls have produced a further year of outstanding performances and results in both individual and team sports, 2015 has been another record breaking sporting year for the Academy. Pickhurst has been recognised as the most successful school for sport in the London Borough of Bromley culminating in the Academy being awarded the Sports Kite Mark Gold accreditation; a unique achievement among Bromley schools.

We have again committed significant resources to our sporting provision to ensure every single student can participate in a sport or activity irrespective of ability. This is further highlighted by our lunchtime provision where our sports leaders have introduced many new sports and other activities in order that every student can be challenged in something of interest to them.

As a dedicated Forest School we continue to invest heavily in this safe outdoor learning provision. This provides an excellent opportunity for our students to develop self esteem and independence through exploring and experiencing the natural world.

Our two residential trips for our Year 4 and Year 6 cohorts were extremely popular and successful. Year 4 went to Marchants Hall in Surrey and Year 6 crossed the channel to Normandy in France.

Key financial performance indicators

To monitor the financial performance of the Academy the Governor's use key financial indicators.

The Current Ratio is a financial ratio that measures whether or not a company has enough resources to pay its debts over the next 12 months. It compares a company's current assets to its current liabilities and we believe is an appropriate measure of the financial health of the Academy.

Our Current Assets exceed our Current Liabilities by a ratio 1.6 to 1 which is an indication of the financial strength of of the Academy. Going forward we would like this ratio to remain between the range of 1 - 2:1

The most effective Cost Control Measure we monitor is Total Staff Costs as a percentage of Total Grant Income. Total Grant Income includes GAG, SEN Matrix Funding and Pupil Premium.

The current figure is 74.4% which is below our targeted level of 80%.

Other key performance indicators

The Academy achieved another 'Outstanding' rating after a Challenge Partners review. Following an extensive and rigorous assessment we were awarded with the 'Investors in People Gold Accreditation'. This significant achievement underpins the dedication and commitment of our highly skilled and motivated staff.

PICKHURST JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial Review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant -GAG). The EFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/EFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as Other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August;

Fund	Category	2015 £'000	2014 £'000
GAG	Restricted General Funds	55	26
Other DfE/EFA Grants	Restricted General Funds	-	-
Other Income	Restricted General Funds	<u>20</u>	<u>77</u>
Sub-total General Restricted Funds		75	103
Unspent Capital Grants	Restricted Fixed Asset Fund	-	10
Other Income	Unrestricted General Fund	<u>25</u>	<u>47</u>
Sub-Total	Spendable Funds	100	160
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	5,202	5,095
Share of LGPS Deficit	Restricted Pension Reserve	<u>(106)</u>	<u>(92)</u>
Total	All Funds	<u>5,096</u>	<u>5,163</u>

Reserves policy

The Trusts' policy on reserves is to continue to build and maintain them in order that it is able to fund future expenditure related to the Academy Development Plan's, strategic long-term aims and developments. It is also the policy of the Academy to carry forward a prudent level of reserves designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the DfE.

PICKHURST JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The Trust aims to continue to reduce the deficit in the Local Government Pension Scheme inherited on conversion to Academy status.

Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the governors of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to adverse economic conditions including the pension deficit, public spending cuts and the reforms to the funding of state education, Health and Safety, Child Protection and Welfare, Academic attainment and Dependency on key individuals without adequate cover. The governors and senior management have implemented a number of systems to assess risks that the Academy faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The risk management process has been codified in a risk register implemented by the Senior Leadership Team and overseen by Governors.

Plans for future periods

The principal task facing the company remains the total commitment to maintain and improve on the excellent educational standards achieved by the Academy this year. Through our strong family ethos we will ensure we continue to meet the needs and aspirations of every single child who attends the Academy. This will require a huge level of commitment by the governors, our staff and parents all working together to achieve this overarching ambition

Key objectives for the year ahead:

We will continue to develop strategic alliances after the establishment of the 'Ignite Umbrella Trust'. The trust has been formed with 4 other Academies Burnt Ash Primary, Oaklands Primary, Darrick Wood Infants and Southwark Primary. The aim of the trust is to work together and raise standards across all 4 Academies.

We will continue to invest in our staffing structure to ensure we can achieve our objectives. This will include the ongoing recruitment of highly skilled and effective practitioners, incentives to reward existing staff who produce outstanding results and go above and beyond what would normally be expected.

We will concentrate on staff training and development and also make significant investments in learning resources to ensure that our staff can deliver an outstanding education to our children.

We will look to further close the attainment gap between children on the Free School Meals register and their peers.

We will continue to support other Schools and Academies through our outreach work and we will also continue to develop strategic alliances with other like minded Academies.

PICKHURST JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Funds held as custodian trustee on behalf of others

The Academy does not act as a Custodian Trustee and therefore does not hold any funds on behalf of others.

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.

A resolution proposing that Baxter & Co be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2015 and signed on its behalf by:



Duncan Parr
Chair of Governors

PICKHURST JUNIOR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to Matt Rampton, the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Pickhurst Junior School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Duncan Parr (Chair of Governors)	2	3
Stella Brackpool (Vice Chair of Governors)	3	3
Matt Rampton (Head Teacher and Accounting Officer)	2	3
Lynne Dando (Deputy Head Teacher)	3	3
Robert Jasper (Bursar)	3	3
Nichola Davies	3	3
Phillip Shemmings	2	3
John Wood	2	3
Andrew Ralph	1	3

Mr Ralph works abroad for the majority of the year which makes the attendance at meetings difficult. He does provide invaluable support to the Board and corresponds regularly. Mr Gibbs has stood down from the Board as he works overseas but will continue to provide advice if needed.

The Governing Body is very experienced and is made up of individuals with wide ranging and appropriate skills.

The trust intends to conduct its next self-evaluation of governance this year with the help and support of the London Borough of Croydon Governor Support Package.

The Finance and Audit Committee is a sub-committee of the main Board of Governors. Its purpose is to assist and support the Governing Body, ensuring sound oversight is exercised over the management of the Academy's finances and resources.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Duncan Parr (Chair of Governors)	2	2
Stella Brackpool (Vice Chair of Governors)	2	2
Matt Rampton (Head Teacher and Accounting Officer)	2	2
Lynne Dando (Deputy Head Teacher)	2	2
Robert Jasper (Bursar)	2	2

PICKHURST JUNIOR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Review of Value for Money

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

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

The Accounting Officer in conjunction with the Bursar constantly drive to improve our use of resources to deliver best value for money. This was highlighted by the completion of our new media suite and library and the creation of two new classrooms in our Year 6 block. By managing the project internally with the help of just an Architect and Principal Contractor we were able to save on a number of consultant's costs usually associated with a project of this size. We also ran the project on a 'Cost Plus' basis whereby the Principal Contractor had to evidence every single cost associated to the project including all invoices for materials and services. This enabled us to keep a direct control on costs which in similar type building projects have a habit of spiralling out of control. As a result an 11 week building project took 6 weeks to complete in the summer holidays on budget. This represented excellent value for money and our community of Staff, Parents and Students will benefit for many years to come.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Pickhurst Junior School for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors 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 Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 01 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

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 Board of Governors;
- regular reviews by the Finance and Audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Mrs L Greenwood, as Responsible Officer 'RO'. The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a regular basis, the RO reports to the Board of Governors on the operation of the systems of control and on the discharge of the board of governor's financial responsibilities.

PICKHURST JUNIOR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Mrs Greenwood who has over 25 years' experience in the financial services industry visited 3 times completing three detailed reports for the Board.

Her reports to the board are thorough and cover all the regular aspects of financial audit including invoice/payment sampling, Bank Reconciliations, HR and Payroll. This year Mrs Greenwood was specifically asked to report on Severance Payments made in 2014/2015 as a result of staffing restructures.

In addition to the Board reading, discussing and implementing any recommendations they are then forwarded to our external auditors Baxter & Co.

Review of effectiveness

As accounting officer, Matt Rampton 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 work of the Executive Managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the Board of Trustees on 15 December 2015 and signed on its behalf by:



Duncan Parr
Chair of Governors



Matt Rampton
Accounting Officer

PICKHURST JUNIOR SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of Pickhurst Junior School I have considered my responsibility to notify the academy trust Board of Trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA 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.

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

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

Approved on 15 December 2015 and signed by:



Matt Rampton
Accounting Officer

PICKHURST JUNIOR SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who also act as governors for Pickhurst Junior School and are also the directors of Pickhurst Junior School for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency (EFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under company law the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the Board of Trustees on 15 December 2015 and signed on its behalf by:



Duncan Parr
Chair of Governors

PICKHURST JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PICKHURST JUNIOR SCHOOL

We have audited the accounts of Pickhurst Junior School for the year ended 31 August 2015 set out on pages 17 to 39. 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) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

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

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the Trustees, who are also the directors of Pickhurst Junior School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

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

PICKHURST JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PICKHURST JUNIOR SCHOOL

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

David John Walsh FCCA (Senior Statutory Auditor)

For and on behalf of Baxter & Co

Statutory Auditor

Chartered Certified Accountants

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 17 December 2015

PICKHURST JUNIOR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PICKHURST JUNIOR SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 02 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pickhurst Junior School during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.7 of the Academies Financial Handbook 2014, issued by the EFA.

PICKHURST JUNIOR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PICKHURST JUNIOR SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

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

Baxter & Co
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 17 December 2015

PICKHURST JUNIOR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds £'000	Restricted funds £'000	Fixed Asset funds £'000	Total 2015 £'000	Total 2014 £'000
Incoming resources	Notes					
<i>Resources from generated funds</i>						
- Voluntary income	3	-	46	-	46	18
- Activities for generating funds	4	19	-	-	19	19
- Investment income	5	-	-	-	-	1
<i>Resources from charitable activities</i>						
- Funding for educational operations	6	-	2,351	10	2,361	2,209
Total incoming resources		<u>19</u>	<u>2,397</u>	<u>10</u>	<u>2,426</u>	<u>2,247</u>
Resources expended						
<i>Costs of generating funds</i>						
- Relating to voluntary income	7	3	26	-	29	5
<i>Charitable activities</i>						
- Educational operations	8	38	2,145	77	2,260	2,161
Governance costs	9	-	81	-	81	60
Total resources expended	7	<u>41</u>	<u>2,252</u>	<u>77</u>	<u>2,370</u>	<u>2,226</u>
Net incoming/(outgoing) resources before transfers		(22)	145	(67)	56	21
Gross transfers between funds		-	(164)	164	-	-
Net income/(expenditure) for the year		<u>(22)</u>	<u>(19)</u>	<u>97</u>	<u>56</u>	<u>21</u>
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	19	-	(23)	-	(23)	22
Net movement in funds		(22)	(42)	97	33	43
Fund balances at 1 September 2014		<u>47</u>	<u>11</u>	<u>5,105</u>	<u>5,163</u>	<u>5,120</u>
Fund balances at 31 August 2015		<u>25</u>	<u>(31)</u>	<u>5,202</u>	<u>5,196</u>	<u>5,163</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

PICKHURST JUNIOR SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2015

		2015	2014
	Notes	£'000	£'000
Fixed assets			
Tangible assets	12	5,202	5,095
Current assets			
Stocks	13	4	4
Debtors	14	88	82
Cash at bank and in hand		170	289
		262	375
Current liabilities			
Creditors: amounts falling due within one year	15	(162)	(215)
Net current assets		100	160
Net assets excluding pension liability		5,302	5,255
Defined benefit pension liability	19	(106)	(92)
Net assets		5,196	5,163
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		5,202	5,105
- General funds		75	103
- Pension reserve		(106)	(92)
Total restricted funds		5,171	5,116
Unrestricted income funds	17	25	47
Total funds		5,196	5,163

The accounts were approved by order of the Board of Trustees and authorised for issue on 15 December 2015.


Duncan Parr
Chair of Governors

Company Number 07671255

PICKHURST JUNIOR SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow/(outflow) from operating activities	20	55	115
Returns on investments and servicing of finance			
Investment income		-	1
Net cash inflow/(outflow) from returns on investments and servicing of finance		-	1
		55	116
Capital expenditure and financial investments			
Capital grants received	10		10
Payments to acquire tangible fixed assets	(184)		-
Net cash flow from capital activities		(174)	10
Increase/(decrease) in cash	21	(119)	126

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 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 one year from the date of approval of the accounts.

1.3 Incoming resources

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

Grants receivable

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

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

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

Donations

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

Other income

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

Donated goods, facilities and services

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

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.4 Resources expended

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.

Costs of generating funds

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

Charitable activities

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting Charities' ('SORP 2005'), the Academies Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) 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 leasehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold buildings	2% Straight Line
Computer equipment	33.33% Straight Line
Motor vehicles	20% Straight Line

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

Fixed Asset Transfer from the Predecessor School

Where fixed assets were transferred to the charitable company from the predecessor school, these have been included at a value determined in accordance with the policy described below:

Land

Where land is owned (or occupied under the terms of a long term lease), subject to a legally binding restriction as to its use, it is included at fair value, based on its existing use.

Buildings

In accordance with the requirements of FRS 15, specialist buildings transferred from the predecessor school are recognised at their depreciated replacement cost at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings.

Other Fixed Assets

Other fixed assets transferred from the predecessor school are also included at depreciated replacement cost (subject to the capitalisation limit set).

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.

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.8 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.

1.9 Pensions 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 and the assets are held separately from those of the academy trust.

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

Teachers' Pension Scheme

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 quinquennial valuations using a prospective benefit method. As stated in Note 19, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

Local Government Pension Scheme

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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 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 general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education or other donors.

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

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the academy trust was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2015.

3 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Other income	-	46	46	18

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

4 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Hire of facilities	13	-	13	11
Uniform Sales	6	-	6	8
	<u>19</u>	<u>-</u>	<u>19</u>	<u>19</u>

5 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Short term deposits	-	-	-	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>

6 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
DfE / EFA grants				
General annual grant (GAG)	-	1,805	1,805	1,811
Capital grants	-	10	10	10
Other DfE / EFA grants	-	126	126	91
	<u>-</u>	<u>1,941</u>	<u>1,941</u>	<u>1,912</u>
Other government grants				
Other grants	-	26	26	24
	<u>-</u>	<u>26</u>	<u>26</u>	<u>24</u>
Other funds				
Other incoming resources	-	394	394	273
	<u>-</u>	<u>394</u>	<u>394</u>	<u>273</u>
Total funding	<u>-</u>	<u>2,361</u>	<u>2,361</u>	<u>2,209</u>

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Resources expended

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2015 £'000	Total 2014 £'000
Academy's educational operations					
- Direct costs	1,213	61	241	1,515	1,418
- Allocated support costs	243	243	259	745	743
	<u>1,456</u>	<u>304</u>	<u>500</u>	<u>2,260</u>	<u>2,161</u>
Other expenditure					
Costs of generating voluntary income	-	-	29	29	5
Governance costs	-	-	81	81	60
	<u>-</u>	<u>-</u>	<u>110</u>	<u>110</u>	<u>65</u>
Total expenditure	<u>1,456</u>	<u>304</u>	<u>610</u>	<u>2,370</u>	<u>2,226</u>

Incoming/outgoing resources for the year include:

	2015 £'000	2014 £'000
Operating leases		
- Plant and machinery	7	4
Fees payable to auditor		
- Audit	6	5
- Other services	8	5
	<u>13</u>	<u>9</u>

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	2015 £'000
Gifts made by the trust - total	<u>441</u>

Clarification - While the majority of disclosure in these accounts are rounded to £'000, disclosure of gifts made are not. The value of gifts made for the year was £441 (and not £441k).

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Direct costs				
Teaching and educational support staff costs	-	1,213	1,213	1,170
Depreciation	-	61	61	51
Technology costs	-	71	71	62
Educational supplies and services	-	77	77	50
Staff development	-	13	13	7
Other direct costs	-	80	80	78
	-	1,515	1,515	1,418
Allocated support costs				
Support staff costs	29	214	243	263
Depreciation	-	16	16	13
Maintenance of premises and equipment	2	225	227	220
Cleaning	-	41	41	28
Energy costs	-	30	30	25
Rent and rates	-	18	18	15
Insurance	-	33	33	35
Catering	-	102	102	83
Interest and finance costs	-	(5)	(5)	(1)
Other support costs	7	33	40	62
	38	707	745	743
Total costs	38	2,222	2,260	2,161

9 Governance costs

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Legal and professional fees	-	67	67	50
Auditor's remuneration				
- Audit of financial statements	-	6	6	5
- Other non audit costs	-	8	8	5
	-	81	81	60

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 Staff costs

	2015 £'000	2014 £'000
Wages and salaries	1,152	1,139
Social security costs	64	81
Other pension costs	174	163
	<u>1,390</u>	<u>1,383</u>
Supply teacher costs	31	50
Staff restructuring costs	35	-
	<u>1,456</u>	<u>1,433</u>
Total staff costs	1,456	1,433

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2015 Number	2014 Number
Teachers	17	17
Administration and support	17	17
Management	4	4
	<u>38</u>	<u>38</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2015 Number	2014 Number
£60,000 - £70,000	1	1
£70,001 - £80,000	-	1
£100,001 - £110,000	-	1
£130,000 - £140,000	1	-
	<u>1</u>	<u>1</u>

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 Staff costs

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' Pension Scheme	Numbers	2	2
	£'000	22	22
Local Government Pension Scheme	Numbers	-	1
	£'000	-	10

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2014: £nil). All severance payments made were contractual.

11 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 Head Teacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Trustees.

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

M Rampton (Head Teacher):

- Remuneration £130,000 - £140,000 (2014: £105,000 - £110,000)
- Employer's pension contributions £10,000 - £15,000 (2014: £10,000 - £15,000)

R Jasper (Staff Trustee):

- Remuneration £40,000 - £45,000 (2014: £65,000 - £70,000)
- Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

L Dando (Staff Trustee):

- Remuneration £60,000 - £65,000 (2014: £70,000 - £75,000)
- Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

During the year, travel and subsistence payments totalling £1,414 (2014: £2,167) were reimbursed or paid directly to 3 Trustees (2014: 3 Trustees).

Other related party transactions involving the Trustees are set out within the related parties note.

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 (2014: £5,000,000) on any one claim and the cost for the year ended 31 August 2015 was £1,470 (2014: £1,470). The cost of this insurance is included in the total insurance cost.

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

12 Tangible fixed assets

	Leasehold land & buildings	Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2014	5,217	-	7	5,224
Additions	156	28	-	184
	<u>5,373</u>	<u>28</u>	<u>7</u>	<u>5,408</u>
At 31 August 2015				
Depreciation				
At 1 September 2014	126	-	3	129
Charge for the year	67	9	1	77
	<u>193</u>	<u>9</u>	<u>4</u>	<u>206</u>
At 31 August 2015				
Net book value				
At 31 August 2015	<u>5,180</u>	<u>19</u>	<u>3</u>	<u>5,202</u>
At 31 August 2014	<u>5,091</u>	<u>-</u>	<u>4</u>	<u>5,095</u>

Leasehold land and buildings includes the net book value of land at 31 August 2015 and at 31 August 2014 of £2,029k.

13	Stocks	2015 £'000	2014 £'000
	Uniform Stock	<u>4</u>	<u>4</u>
14	Debtors	2015 £'000	2014 £'000
	VAT recoverable	65	41
	Prepayments and accrued income	<u>23</u>	<u>41</u>
		<u>88</u>	<u>82</u>

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15	Creditors: amounts falling due within one year	2015 £'000	2014 £'000
	Trade creditors	56	15
	Taxes and social security costs	19	20
	Other creditors	34	47
	Accruals	53	123
	Deferred income	-	10
		<u>162</u>	<u>215</u>
16	Deferred income	2015 £'000	2014 £'000
	Deferred income is included within:		
	Creditors due within one year	-	10
		<u>-</u>	<u>10</u>
	Total deferred income at 1 September 2014	10	5
	Amounts credited to the statement of financial activities	(10)	(5)
	Amounts deferred in the year	-	10
		<u>-</u>	<u>10</u>
	Total deferred income at 31 August 2015	-	10

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Funds

	Balance at 1 September 2014 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2015 £'000
Restricted general funds					
General Annual Grant	26	1,805	(1,612)	(164)	55
Other DfE / EFA grants	-	126	(126)	-	-
Other government grants	-	26	(26)	-	-
Other restricted funds	77	440	(497)	-	20
	<u>103</u>	<u>2,397</u>	<u>(2,261)</u>	<u>(164)</u>	<u>75</u>
Funds excluding pensions	(92)	-	9	(23)	(106)
	<u>11</u>	<u>2,397</u>	<u>(2,252)</u>	<u>(187)</u>	<u>(31)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	747	10	(15)	(20)	722
Inherited fixed asset fund	4,358	-	(50)	-	4,308
Capital expenditure from GAG or other funds	-	-	(12)	184	172
	<u>5,105</u>	<u>10</u>	<u>(77)</u>	<u>164</u>	<u>5,202</u>
Total restricted funds	<u>5,116</u>	<u>2,407</u>	<u>(2,329)</u>	<u>(23)</u>	<u>5,171</u>
Unrestricted funds					
General funds	47	19	(41)	-	25
	<u>47</u>	<u>19</u>	<u>(41)</u>	<u>-</u>	<u>25</u>
Total funds	<u>5,163</u>	<u>2,426</u>	<u>(2,370)</u>	<u>(23)</u>	<u>5,196</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 confirms that the limit was not exceeded.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets £5,202 (2014: £5,095k) plus the unspent element of Capital funds £nil (2014: £10k). When assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

18 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Fixed asset funds £'000	Total funds £'000
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	5,202	5,202
Current assets	25	237	-	262
Creditors falling due within one year	-	(162)	-	(162)
Defined benefit pension liability	-	(106)	-	(106)
	<u>25</u>	<u>(31)</u>	<u>5,202</u>	<u>5,196</u>

19 Pensions 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 the London Borough of Bromley. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

Contributions amounting to £20,966 (2014: £22,010) were payable to the schemes at 31 August 2015 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

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

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £110k (2014: £100k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.4% for employers and between 5.5% and 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £68k.

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.

Contributions made	2015 £'000	2014 £'000
Employer's contributions	68	61
Employees' contributions	17	16
Total contributions	85	77

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	3.80	3.70
Rate of increase for pensions in payment	2.30	2.20
Discount rate for scheme liabilities	4.00	4.00
CPI inflation	2.30	2.20

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

Sensitivity Analysis

Scheme liabilities have been valued at £505k (2014: £395k). The measurement of these liabilities would change in the event that key assumptions underlying their valuation changed.

If the discount rate used were to increase by 0.1%, liabilities would be measured at £493k (2014: £386k)

If the inflation rate used were to increase by 0.1%, liabilities would be measured at £517k (2014: £405k)

If the life expectancy were to increase by a year, liabilities would be measured at £513k (2014: £402k)

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

	2015 Years	2014 Years
Retiring today		
- Males	23.1	23.0
- Females	25.5	25.4
Retiring in 20 years		
- Males	25.4	25.3
- Females	28.4	28.3

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

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

	2015 Expected return %	2015 Fair value £'000	2014 Expected return %	2014 Fair value £'000
Equities	6.50	292	7.00	216
Bonds	3.60	64	3.80	51
Other assets	6.50	43	7.00	36
Total market value of assets		399		303
Present value of scheme liabilities - funded		(505)		(395)
Net pension asset / (liability)		(106)		(92)

Assumptions on Expected Rates of Return

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

The assumed investment return on government bonds is the yield on 20 year fixed interest gilts at the relevant date (2.5%). The expected investment return on corporate bonds is based on market yields at the relevant date, less a reduction to reflect a risk of default in the corporate bond yield (3.6% p.a).

The yield on equity investments will contain an "equity risk premium" in addition to the yield on government bonds, the overall expected return on equities as at 31 August 2015 was 6.5% p.a.

Assumed returns on property are based on the expected long term returns on cash investments, plus a premium.

The actual return on fund assets during the year was £11k.

Amounts recognised in the statement of financial activities

	2015 £'000	2014 £'000
Operating costs/(income)		
Current service cost (net of employee contributions)	64	63
Past service cost	-	-
Total operating charge	64	63
Finance costs/(income)		
Expected return on pension scheme assets	(22)	(19)
Interest on pension liabilities	17	18
Net finance costs/(income)	(5)	(1)
Total charge/(income)	59	62

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

Actuarial gains and losses recognised in the statement of financial activities

	2015 £'000	2014 £'000
Actuarial (gains)/losses on assets: actual return less expected	11	68
Experience (gains)/losses on liabilities	-	-
(Gains)/losses arising from changes in assumptions	12	(90)
Total (gains)/losses	23	(22)
Cumulative (gains)/losses to date	2	(21)

Movements in the present value of defined benefit obligations

	2015 £'000	2014 £'000
Obligations at 1 September 2014	(395)	(388)
Current service cost	(64)	(63)
Interest cost	(17)	(18)
Contributions by employees	(17)	(16)
Actuarial gains/(losses)	(12)	90
At 31 August 2015	(505)	(395)

Movements in the fair value of scheme assets

	2015 £'000	2014 £'000
Assets at 1 September 2014	303	275
Expected return on assets	22	19
Actuarial gains/(losses)	(11)	(68)
Contributions by employers	68	61
Contributions by employees	17	16
At 31 August 2015	399	303

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

History of experience gains and losses

	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Present value of defined benefit obligations	(505)	(395)	(388)	(301)
Fair value of share of scheme assets	399	303	275	174
Surplus / (deficit)	<u>(106)</u>	<u>(92)</u>	<u>(113)</u>	<u>(127)</u>
Experience adjustment on scheme assets	(11)	(68)	28	4
Experience adjustment on scheme liabilities	-	-	-	-

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

	2015 £'000	2014 £'000
Net income	56	21
Capital grants and similar income	(10)	(10)
Investment income	-	(1)
Defined benefit pension costs less contributions payable	(4)	2
Defined benefit pension finance costs/(income)	(5)	(1)
Depreciation of tangible fixed assets	77	64
(Increase)/decrease in stocks	-	3
(Increase)/decrease in debtors	(6)	36
Increase/(decrease) in creditors	(53)	1
Net cash inflow/(outflow) from operating activities	<u>55</u>	<u>115</u>

21 Reconciliation of net cash flow to movement in net funds

	2015 £'000	2014 £'000
Increase/(decrease) in cash	(119)	126
Net funds at 1 September 2014	289	163
Net funds at 31 August 2015	<u>170</u>	<u>289</u>

22 Analysis of net funds

	At 1 September 2014 £'000	Cash flows £'000	Non-cash changes £'000	At 31 August 2015 £'000
Cash at bank and in hand	<u>289</u>	<u>(119)</u>	<u>-</u>	<u>170</u>

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

23 Commitments under operating leases

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

	2015 £'000	2014 £'000
Expiry date:		
- Between two and five years	<u>7</u>	<u>5</u>

24 Capital commitments

	2015 £'000	2014 £'000
At 31 August 2015 the company had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	<u>15</u>	<u>-</u>

The academy was committed to expenditure on Playforce Equipment at the year end. The total anticipated costs were £34k, with £19k being incurred by the year end. The expected costs to completion of £15k are due to be funded by contributions from the school PTA.

25 Related parties

Owing to the nature of the academy trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The academy trust received income during the year of £71,524 from Southwark Free School Trust (Company Number 07649385). Southwark Free School Trust is a related party by virtue of the fact they are being sponsored by Pickhurst Junior School. No balances were outstanding at 31 August 2015.

Purchases were made of £185 during the year from Darrick Wood Infant School (Company number 07698658). Darrick Wood Infant School is a related party by virtue of the fact that its Head Teacher is the wife of Mr Rampton (Head Teacher at Pickhurst Junior School). No balances were outstanding at 31 August 2015.

The academy trust received income during the year of £4,000 from St. James' R.C. Primary School (Company number 07976516). St. James' R.C. Primary School is a related party by virtue of the fact R Jasper is a Governor at both Pickhurst Junior School and St. James' R.C. Primary School. No balances were outstanding at 31 August 2015.

Purchases were made of £1,838 during the year from R Hamilton. R Hamilton is a related party by virtue of the fact she is the sister of a Governor. No balances were outstanding at 31 August 2015.

Purchases were made of £2,978 during the year from Endeavour Education Consultants Limited (Company number 09210968). Endeavour Education Consultants Limited are a related party by virtue of the fact two of its Directors are Governors at Pickhurst Junior School. No balances were outstanding at 31 August 2015.

In entering into the transactions the trust has complied with the requirements of the EFA's Academies Financial Handbook.

PICKHURST JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.