

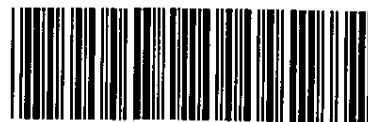
Registered number 07719016

THE BARNHILL TRUST
(formerly Barnhill Community High School)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2012

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THE BARNHILL TRUST
(A Company Limited by Guarantee)

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THE BARNHILL TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2012**

Governors	R Lobatto, Head Teacher ^{1,2} J Major, Chair ^{1 2} J Wade, Vice Chair (appointed 29 March 2012) M Cairns S Farr J Ferriggi ¹ S Kapoor S Karim S Kuttar J Macpherson (appointed 9 February 2012) A Moustafa ¹ J Murphy I Raihal A Sennett ¹ L Smith ¹ S Williams ^{1,2} Dan Gaiger (resigned 6 February 2012)
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¹ Director of Academy

² Members

Company registered number	07719016
Registered office	Yeading Lane Hayes Middlesex UB4 9LE
Company secretary	K Wiblin
Chief executive officer	R Lobatto
Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

THE BARNHILL TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a charitable company limited by guarantee and was set up by a Memorandum of Association on 26th July 2011. The Academy converted on 1st February 2012.

Member's liability

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

Governors Indemnities

Academy insurers encompass all relevant insurance including Governor third party indemnity provision.

Methods, policies and procedures for recruitment, appointment, induction and training of new governors

Governors are appointed for a fixed term. The Head Teacher is an ex officio member of the governing body. Parent governors and the staff governors are elected to office or appointed if there are insufficient candidates offering themselves for election.

New governors are required to attend a training programme. The induction programme would involve a tour of the school, meetings with students and staff and provisions of policy and procedures documents that are appropriate to the role they undertake as governors with particular emphasis on the committee work they will undertake.

Organisational Structure

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

The Leadership Group consists of 10 members of teaching staff - the Head Teacher, 2 Deputy Head Teachers and 9 Assistant Head Teachers. The team control the Academy at an executive level implementing policies and reporting to the Governing Body. The Leadership group is responsible for the day to day operation of the Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment process. The Head teacher is the principal Accounting Officer.

Related Parties

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private organisations, it is inevitable that from time to time 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 and in accordance with the Academy's financial regulations and normal procedures.

OBJECTIVES AND ACTIVITIES

Objects and aims

As set out in the Articles of Association, the Academy's object is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a

THE BARNHILL TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012

broad and balanced curriculum and to promote for the benefit of the inhabitants of the London Borough of Hillingdon and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants

The governors confirm they have referred to the guidance in the Charity Commission's guidance on public benefit

ACHIEVEMENTS AND PERFORMANCE

Achievements and performance

The school continues to have a picture of rising Achievement at Key Stage 4 53% of students gained 5 A*-C grades or above including English and Maths, and 78% achieved 5 A*-C grades overall 99% of students gained at least 5 A* to G grades and 23% of students gained at least 3 A/A* grades Progress measures, including VA scores, show students are making progress in line or above expectations The total percentage of Free School meal pupils in that year group was 54.5%, and although their performance was lower than non-free school meal students, it was significantly above the National Average for this group

In Year 13, 41% of grades were A* to B, 72% A* to C, and 98% A* to E This was a significant rise on previous years Value added measures from the DfE and ALPs show that is top quartile performance in terms of progress

Going concern

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

FINANCIAL REVIEW

Financial Review

The principal source of funding for the academy is the General Annual Grant (GAG) funding that it received from the EFA For the period ended 31st August the academy received £5,266,617 in GAG funding A high percentage of this funding is spent on salaries and support costs to deliver the Academy's primary objective of the provision of education

In addition, the academy also incurs the cost of the PFI agreement which at present is in the region of £1.3 million per annum

Principal risks and uncertainty

The Academy maintains a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks This register is approved and monitored by the Resources Committee The principal risks facing the Academy at a contextual level are outlined below in the principal risks and uncertainties section, those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls

The governors report that the Academy's financial and internal controls conform to guidelines issued by the Education Funding Agency (EFA), and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented

THE BARNHILL TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012

The governors have assessed the principal risks and uncertainties to the academy as follows

- Increasing PFI costs Due to the current economic climate the schools contribution to the PFI costs are uncertain and year-on-year cost will only continue to escalate A modest in-year surplus will continue to cushion against reasonable eventualities
- Material decrease in income affecting provision unlikely The budget for 2012-13 is sound and the long-term financial plan including a reserve fund will provide a contingency against unwelcome future developments
- Falling roll unlikely The sponsorship of Belmore Primary will provide guaranteed KS3 uptake and the school has been oversubscribed for some time
- Bank balances and investments there is no significant risk other than an institution ceasing to trade The Academy is therefore seeking to spread its investment
- Debtors there are no material debtors
- The Academy's cash flow is very healthy and long-term financial planning predicts it will remain so

Reserves policy

The Governors regularly review the cash reserves of the academy This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves With the major changes forthcoming with the sponsorship of Belmore Primary, the Governors have not formalised a reserves policy

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £236,117 which is currently considered adequate

Due to the accounting rules for local government Pension Scheme under FRS17, the academy is recognising a significant pension fund deficit of £1.2 million This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years The academy is currently making payments to wards the deficit and it is envisaged that should the deficit increase it will be met from its budgeted annual income The recognition of this deficit has no direct impact on the free reserves of the academy trust

Investment policy

The academy's investment policy is currently under discussion and will aim to protect the safety of the investments whilst providing maximum return

PLANS FOR FUTURE PERIODS

Plans for the future

The Academy will continue striving to improve the levels of performance of its students at all levels, and will attempt to maintain its recent progress in ensuring the number of students on roll properly reflects the demand for places

The Academy has been requested to sponsor a local primary school, becoming a Multi Academy Trust This is viewed as an immensely positive step for both schools and will preserve the future of both institutions

THE BARNHILL TRUST
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2012

PROVISION OF INFORMATION TO AUDITORS

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

- so far as that Governor is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the Charitable Company's auditors in connection with preparing their report and to establish that the Charitable Company's auditors are aware of that information

AUDITORS

The auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting

This report was approved by the Governors on 21/12/12 and signed on their behalf, by



J Major, Chair



R Lobatto, Head Teacher

THE BARNHILL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The governing body has delegated the day-to-day responsibility to the Headteacher, as Accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Barnhill Trust 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 Governors' Report and in the Governors' Responsibilities Statement. The governing body has formally met times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
R Lobatto	4	4
J Major	3	4
J Wade	4	4
M Cairns	4	4
S Farr	4	4
J Ferriggi	3	4
S Kapoor	3	4
S Karim	1	4
S Kuttar	2	4
J Macpherson	4	4
A Moustafa	4	4
J Murphy	4	4
I Raihal	2	4
A Sennett	3	4
L Smith	3	4
S Williams	3	4
Dan Gaiger	0	0

The **Finance Committee** is a sub-committee of the main governing body. Its purpose is to address financial matters.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
R Lobatto, Headteacher	2	2
S Williams	3	3
J Wade, Vice Chair	2	2
A Moustafa	3	3
A Sennett	3	3
J Murphy	2	2
S Kapoor	2	2
J Major, Chair	2	2
J Ferriggi	2	2
J Macpherson	1	3
K Wiblin	3	3

THE BARNHILL TRUST
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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 The Barnhill Trust for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The governing body has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the period ending 31 August 2012 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'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 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 to appoint an internal auditor. However, as the academy has only been in operation for seven months, no visits had been carried out by the year end.

THE BARNHILL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

As Accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by

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

The Accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 21/12/12 and signed on their behalf, by



J Major, Chair



R Lobatto, Head Teacher

THE BARNHILL TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting officer of The Barnhill Trust I have considered my responsibility to notify the academy governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy 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'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.



R Lobatto, Accounting officer

21/12/12

THE BARNHILL TRUST
(A Company Limited by Guarantee)

GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2012

The Governors (who act as trustees for charitable activities of Barnhill Community High School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the EFA, United Kingdom Accounting Standards (UKGAAP) and applicable law and regulations

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


- select suitable accounting policies and then apply them consistently,
- observe the methods and principles of the Charities Statement of Recommended Practice (SORP),
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UKGAAP Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

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

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

Approved by order of the members of the governing body on 21-12-12 and signed on its behalf by



J Major, Chair

THE BARNHILL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BARNHILL TRUST

We have audited the financial statements of The Barnhill Trust for the period ended 31 August 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the academy's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

THE BARNHILL TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BARNHILL TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Mr Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date 24/12/2017

THE BARNHILL TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
BARNHILL TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 17 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Barnhill Trust during the period 26 July 2011 to 31 August 2012 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 The Barnhill Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Barnhill Trust 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 Barnhill Trust and the EFA, for our work, for this report, or for the conclusion we have formed

**RESPECTIVE RESPONSIBILITIES OF BARNHILL COMMUNITY HIGH SCHOOL'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting officer is responsible, under the requirements of The Barnhill Trust's funding agreement with the Secretary of State for Education dated 30 January 2012, and the Academies Financial Handbook as published by DfES in 2012, 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 2011/12. 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 26 July 2011 to 31 August 2012 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 2011/12 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's income and expenditure

THE BARNHILL TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
BARNHILL TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 26 July 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Price Bailey LLP

Chartered Accountants

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date 24/12/2012

THE BARNHILL TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Recognised Gains and Losses)
FOR THE PERIOD ENDED 31 AUGUST 2012

	Note	Unrestricted funds 2012 £	Restricted funds 2012 £	Restricted fixed asset funds 2012 £	Total funds 2012 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Net assets transferred on conversion	3	193,766	(1,222,000)	67,946	(960,288)
Other voluntary income	3	10,628	381,362	-	391,990
Activities for generating funds	4	37,913	-	-	37,913
Investment income	5	781	-	-	781
Incoming resources from charitable activities	6	-	5,544,750	32,798	5,577,548
TOTAL INCOMING RESOURCES		243,088	4,704,112	100,744	5,047,944
RESOURCES EXPENDED					
Charitable activities	11	6,971	5,357,716	112,611	5,477,298
Governance costs	7	-	12,300	-	12,300
TOTAL RESOURCES EXPENDED	10	6,971	5,370,016	112,611	5,489,598
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		236,117	(665,904)	(11,867)	(441,654)
Transfers between funds	20	-	(78,398)	78,398	-
NET EXPENDITURE FOR THE YEAR		236,117	(744,302)	66,531	(441,654)
Actuarial gains and losses on defined benefit pension schemes		-	(13,000)	-	(13,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		236,117	(757,302)	66,531	(454,654)
Total funds at 26 July 2011		-	-	-	-
TOTAL FUNDS AT 31 AUGUST 2012		236,117	(757,302)	66,531	(454,654)

All activities relate to continuing operations

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

The notes on pages 18 to 36 form part of these financial statements

THE BARNHILL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER 07719016

BALANCE SHEET
AS AT 31 AUGUST 2012

	Note	£	2012 £
FIXED ASSETS			
Tangible assets	17		68,771
CURRENT ASSETS			
Debtors	18	272,159	
Cash at bank		982,719	
		<u>1,254,878</u>	
CREDITORS amounts falling due within one year	19	(531,303)	
NET CURRENT ASSETS			<u>723,575</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>792,346</u>
Defined benefit pension scheme liability	26		(1,247,000)
NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES			<u>(454,654)</u>
FUNDS OF THE ACADEMY			
Restricted funds			
Restricted funds	20	487,458	
Restricted fixed asset funds	20	68,771	
		<u>556,229</u>	
Restricted funds excluding pension liability			
Pension reserve		(1,247,000)	
Total restricted funds			(690,771)
Unrestricted funds	20		<u>236,117</u>
TOTAL DEFICIT			<u>(454,654)</u>

The financial statements were approved by the Governors on their behalf, by

21/12/12

and are signed on



J Major, Chair



R Lobatto, Head Teacher

The notes on pages 18 to 36 form part of these financial statements

THE BARNHILL TRUST
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2012

	Note	Period ended 31 August 2012 £
Net cash flow from operating activities	22	1,062,575
Returns on investments and servicing of finance	23	781
Capital expenditure and financial investment	23	(80,637)
INCREASE IN CASH IN THE PERIOD		<u><u>982,719</u></u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2012

	Period ended 31 August 2012 £
Increase in cash in the period	<u>982,719</u>
MOVEMENT IN NET FUNDS IN THE PERIOD	<u>982,719</u>
NET FUNDS AT 31 AUGUST 2012	<u><u>982,719</u></u>

The notes on pages 18 to 36 form part of these financial statements

THE BARNHILL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The academy is a company limited by guarantee. Those members who are governors are noted on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the DfE.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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.

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

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

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

THE BARNHILL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

1 ACCOUNTING POLICIES (continued)

1.5 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.

Charitable activities are costs incurred in the furtherance of the academy's primary objectives.

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

Where an expense is deemed to be for business purposes i.e. not in relation to the academy's charitable purpose, the expenditure this relates to will include irrecoverable VAT.

1.6 Going concern

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	4 years straight line
Computer equipment	-	3 years straight line

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

THE BARNHILL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES (continued)

1 9 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1 10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1.11 Conversion to an academy trust

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

The assets and liabilities transferred on conversion from Barnhill Community High School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised 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 note 25.

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

2. GENERAL ANNUAL GRANT (GAG)

	2012 £
Result and carry forward for the year	
GAG allocation for current year	5,266,617
Total GAG available to spend	5,266,617
Recurrent expenditure from GAG	(4,701,078)
Fixed assets purchased from GAG	(78,398)
GAG carried forward to next year	487,141
Maximum permitted GAG carried forward at end of current year (12% allocation for current year)	(631,994)
GAG to surrender to DfE	(144,853)
(12% rule breached if result is positive)	No breach

3. OTHER VOLUNTARY INCOME

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Net assets transferred on conversion	193,766	(1,154,054)	(960,288)
Donations	10,628	29,785	40,413
Grants	-	351,577	351,577
Subtotal	10,628	381,362	391,990
Voluntary income	204,394	(772,692)	(568,298)

4 ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Other Income	37,913	-	37,913

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

5. INVESTMENT INCOME

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Bank Interest	781	-	781
	<u>781</u>	<u>-</u>	<u>781</u>

6 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Funding for academy's charitable activities	-	5,577,548	5,577,548
	<u>-</u>	<u>5,577,548</u>	<u>5,577,548</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
DfE/EFA revenue grant			
General Annual Grant (GAG)	-	5,266,617	5,266,617
Other DfE / EFA grants	-	98,407	98,407
	<u>-</u>	<u>5,365,024</u>	<u>5,365,024</u>
Other government grants			
Local authority grants	-	212,524	212,524
	<u>-</u>	<u>212,524</u>	<u>212,524</u>
	<u>-</u>	<u>5,577,548</u>	<u>5,577,548</u>

7. GOVERNANCE COSTS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £
Auditors' remuneration - audit costs	-	7,000	7,000
Auditors' remuneration - non-audit costs	-	5,300	5,300
	<u>-</u>	<u>12,300</u>	<u>12,300</u>

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

8 DIRECT COSTS

	Total 2012 £
Educational supplies	102,450
Examination fees	107,128
Staff development	13,400
Technology costs	857
Educational consultancy	93,116
Other costs	71,990
Wages and salaries	2,813,983
National insurance	167,688
Pension cost	227,252
	<hr/> 3,597,864 <hr/>

9 SUPPORT COSTS

	Total 2012 £
LGPS pension costs	29,000
Technology costs	12,994
Other costs	188,154
Recruitment & support	9,273
Maintenance of premises & machinery	31,107
Rates	54,341
Insurance	37,245
Transport	8,329
Catering	65,468
Occupancy costs	767,351
Bank interest & charges	16
Supply teaching	123,434
Telephone	2,270
Printing, postage and stationary	16,920
Wages and salaries	388,938
National insurance	14,698
Pension cost	50,083
Depreciation	79,813
	<hr/> 1,879,434 <hr/>

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

10. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2012 £	Depreciation 2012 £	Other costs 2012 £	Total 2012 £
Provision of Education	3,662,642	79,813	1,734,843	5,477,298
Governance	-	-	12,300	12,300
	<u>3,662,642</u>	<u>79,813</u>	<u>1,747,143</u>	<u>5,489,598</u>

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2012 £	Support costs 2012 £	Total 2012 £
Provision of Education	3,597,864	1,879,434	5,477,298

12. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging

	Period ended 31 August 2012 £
Depreciation of tangible fixed assets - owned by the charity	79,814
Auditors' remuneration	<u>7,000</u>

During the period, no Governors received any benefits in kind

1 Governor received reimbursement of expenses amounting to £326 in the current period

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

13. STAFF COSTS

Staff costs were as follows

	Period ended 31 August 2012 £
Wages and salaries	3,202,921
Social security costs	182,386
Other pension costs (Note 26)	277,334
	<u>3,662,641</u>

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

	Period ended 31 August 2012 No
Teachers	89
Administration and support	66
Management	10
	<u>165</u>

The number of employees whose annualised emoluments fell within the following bands were

	Period ended 31 August 2012 No
In the band £60,001 - £70,000	2
In the band £70,001 - £80,000	2
In the band £100,001 - £110,000	1
	<u>5</u>

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2012 pension contributions for these staff amounted to £46,325

THE BARNHILL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

14. GOVERNORS' REMUNERATION

The academy is following the guidance in the EFA's note 'Disclosure in Academy Trusts 2011/12 Financial Statements of remuneration of Trustees who are Staff Governors – October 2012', where disclosure of the remuneration paid to staff governors who are not trustees is not required. For the purposes of this disclosure trustees are those governors who are members.

In the period ended 31 August 2012 the Chief Executive Officer's remuneration was £71,408. This amount includes £8,824 of contributions to the Teachers Pension Scheme.

15. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2012 was included in the total insurance cost.

16. OTHER FINANCE INCOME

	Period ended 31 August 2012 £
Expected return on pension scheme assets	14,000
Interest on pension scheme liabilities	(43,000)
	<hr/>
	(29,000)
	<hr/>

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

17. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 26 July 2011	-	-	-
Additions	19,637	58,761	78,398
Transfers on conversion	30,009	40,178	70,187
	<u>49,646</u>	<u>98,939</u>	<u>148,585</u>
At 31 August 2012			
Depreciation			
At 26 July 2011	-	-	-
Charge for the period	13,989	65,825	79,814
	<u>13,989</u>	<u>65,825</u>	<u>79,814</u>
At 31 August 2012			
Net book value			
At 31 August 2012	<u>35,657</u>	<u>33,114</u>	<u>68,771</u>

18. DEBTORS

	2012 £
Trade debtors	3,197
Other debtors	130,274
Prepayments and accrued income	138,688
	<u>272,159</u>

19. CREDITORS

Amounts falling due within one year

	2012 £
Trade creditors	122,524
Social security and other taxes	133,264
Accruals	275,515
	<u>531,303</u>

THE BARNHILL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

20. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	-	243,088	(6,971)	-	-	236,117
Restricted funds						
General Annual Grant (GAG)	-	5,266,617	(4,701,078)	(78,398)	-	487,141
Start up grant	-	37,000	(37,000)	-	-	-
Youth sports trust	-	3,505	(3,505)	-	-	-
PFI affordability grant	-	348,072	(348,072)	-	-	-
Specialism incentive	-	5,676	(5,676)	-	-	-
16-19 bursary	-	22,933	(22,933)	-	-	-
SEN	-	81,794	(81,794)	-	-	-
Pupil premium	-	130,730	(130,730)	-	-	-
Educational Trips	-	26,455	(26,455)	-	-	-
School fund	-	1,090	(773)	-	-	317
Pension reserve	-	(1,222,000)	(12,000)	-	(13,000)	(1,247,000)
	-	4,701,872	(5,370,016)	(78,398)	(13,000)	(759,542)
Restricted fixed asset funds						
Restricted Fixed Asset Fund	-	70,186	(79,813)	78,398	-	68,771
DFC	-	32,798	(32,798)	-	-	-
	-	102,984	(112,611)	78,398	-	68,771
Total restricted funds	-	4,804,856	(5,482,627)	-	(13,000)	(690,771)
Total of funds	-	5,047,944	(5,489,598)	-	(13,000)	(454,654)
SUMMARY OF FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	-	243,088	(6,971)	-	-	236,117
Restricted funds	-	4,701,872	(5,370,016)	(78,398)	(13,000)	(759,542)
Restricted fixed asset funds	-	102,984	(112,611)	78,398	-	68,771
	-	5,047,944	(5,489,598)	-	(13,000)	(454,654)

THE BARNHILL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

20 STATEMENT OF FUNDS (continued)

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure

Start Up Grant

This represents a grant to aid with start up costs for the Academy on conversion

Youth Sports Trust

This represents funding to increase the opportunities that all young people have to learn through PE and sport

PFI Affordability Grant

Income from the Local Authority to cover the difference between the School's contribution to the PFI contract and the actual agreed indexed costs, as per the Principal Agreement

Specialism Incentive

Income for a teacher who undertakes additional training in order to develop an additional specialism in addition to their primary specialism

16-19 Bursary

This funding is received to assist 16 to 19 year olds to continue education, where they might otherwise struggle for financial reasons

Special Educational Needs (SEN)

This represents allocated funding for special educational needs pupils

Pupil Premium

This funding is to be used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals

Educational Trips

This represents contributions made by parents to the running of educational trips for the pupils of the Academy and the associated costs of running the trips

School Fund

This represents income and expenditure for non-curriculum activities such as school proms, sponsorship income and charity donations

Pension Reserve

This fund represents the Academy's share of the deficit of the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from being a state controlled school

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

20. STATEMENT OF FUNDS (continued)

Restricted Fixed Assets Fund

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a specific purpose

Devolved Formula Capital (DFC)

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2012 £	Restricted funds 2012 £	Restricted fixed asset funds 2012 £	Total funds 2012 £
Tangible fixed assets	-	-	68,771	68,771
Current assets	236,117	1,018,761	-	1,254,878
Creditors due within one year	-	(531,303)	-	(531,303)
Provisions for liabilities and charges	-	(1,247,000)	-	(1,247,000)
	<u>236,117</u>	<u>(759,542)</u>	<u>68,771</u>	<u>(454,654)</u>

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	Period ended 31 August 2012 £
Net incoming resources before revaluations	(441,654)
Returns on investments and servicing of finance	(781)
Assets transferred on conversion	(67,947)
Depreciation of tangible fixed assets	79,814
Increase in debtors	(272,159)
Increase in creditors	531,302
FRS 17 adjustments	1,234,000
Net cash inflow from operations	<u><u>1,062,575</u></u>

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	Period ended 31 August 2012 £
Returns on investments and servicing of finance	
Interest received	781
	<u>781</u>
	Period ended 31 August 2012 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(80,637)
	<u>(80,637)</u>

24 ANALYSIS OF CHANGES IN NET DEBT

	26 July 2011 £	Cash flow £	Other non-cash changes £	31 August 2012 £
Cash at bank and in hand	-	982,719	-	982,719
Net funds	<u>-</u>	<u>982,719</u>	<u>-</u>	<u>982,719</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

25. CONVERSION TO AN ACADEMY TRUST

On 1 February 2012 Barnhill Community High School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Barnhill Trust from the London Borough of Hillingdon for £Nil consideration

The transfer has been accounted for using the acquisition method. 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 in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
- Tangible fixed assets	-	-	67,946	67,946
Budget surplus/(deficit) on LA funds	193,766	-	-	193,766
LGPS pension surplus/(deficit)	-	(1,222,000)	-	(1,222,000)
Net assets/(liabilities)	193,766	(1,222,000)	67,946	(960,288)

The above net assets include £193,766 that were transferred as cash

26. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial period.

Teachers' Pension Scheme

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as you go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012

26 PENSION COMMITMENTS (continued)

The Government Actuary ('GA'), using normal actuarial principles, conducts formal actuarial reviews of the TPS. The aim of the reviews is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ('SCR') is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in Financial Reporting Standard (FRS17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2012 was £181,000, of which employer's contributions totalled £143,000. The agreed contribution rate for future years are 18.6% for employers and between 5.5% and 7.5% for employees.

As described in note 25 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

26. PENSION COMMITMENTS (continued)

transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date

The amounts recognised in the Balance Sheet are as follows

	Period ended 31 August 2012 £
Present value of funded obligations	(1,812,000)
Fair value of scheme assets	565,000
	<hr/>
Net liability	(1,247,000)
	<hr/> <hr/>

The amounts recognised in the Statement of Financial Activities are as follows

	Period ended 31 August 2012 £
Current service cost	(126,000)
Interest on obligation	(43,000)
Expected return on scheme assets	14,000
	<hr/>
Total	(155,000)
	<hr/> <hr/>
Actual return on scheme assets	9,000
	<hr/> <hr/>

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

	Period ended 31 August 2012 £
Current service cost	126,000
Interest cost	43,000
Contributions by scheme participants	38,000
Actuarial Losses	7,000
Benefits paid	(2,000)
Present value of defined benefit obligation on conversion	1,600,000
	<hr/>
Closing defined benefit obligation	1,812,000
	<hr/> <hr/>

THE BARNHILL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

26. PENSION COMMITMENTS (continued)

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

	Period ended 31 August 2012 £
Expected return on assets	14,000
Actuarial gains and (losses)	(6,000)
Contributions by employer	143,000
Contributions by employees	38,000
Benefits paid	(2,000)
Fair value of scheme assets on conversion	378,000
	<hr/> 565,000 <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £13,000 loss

The academy expects to contribute £271,000 to its Defined Benefit Pension Scheme in 2013

The major categories of scheme assets as a percentage of total scheme assets are as follows

	2012
Equities	60 00 %
Bonds	25 00 %
Property	8 00 %
Cash	7 00 %

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

	2012
Discount rate for scheme liabilities	4 10 %
Expected return on scheme assets at 31 August	4 60 %
Rate of increase in salaries	4 50 %
Rate of increase for pensions in payment / inflation	2 20 %

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

	2012
Retiring today	
Males	20 8
Females	24 1
Retiring in 20 years	
Males	22 3
Females	25 7

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2012**

26. PENSION COMMITMENTS (continued)

Amounts for the current period are as follows

Defined benefit pension schemes

	2012 £
Defined benefit obligation	(1,812,000)
Scheme assets	565,000
Deficit	(1,247,000)
Experience adjustments on scheme assets	(6,000)

27. OPERATING LEASE COMMITMENTS

At 31 August 2012 the academy had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2012 £	Other 2012 £
Expiry date:		
Between 2 and 5 years	-	8,392
After more than 5 years	1,415,131	-

The annual payments made for the PFI contract are not fixed, instead they are uplifted each year depending on inflation. For the purposes of disclosure, the agreed cost for 2012/13 has been taken as the annual cost to the school, as inflationary changes are unknown, and is included under Land and buildings above.

28. RELATED PARTY TRANSACTIONS

Throughout the 7 month period The Schools HR Partnership, of which J Wade, Vice Chair, is a Trustee, charged the academy for services at a total cost of £7,877.

There were other no related party transactions during the period ended 31 August 2012.