

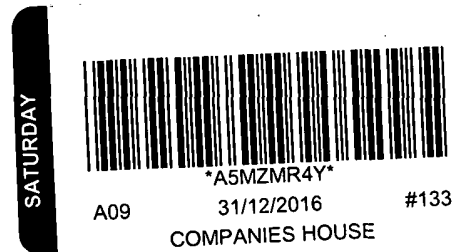
Registration number: 08654591

Hoyland Common Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2016



Forrester Boyd
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

 **Forrester Boyd**
Chartered Accountants



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INDEPENDENT FIRMS

Hoyland Common Primary School

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Hoyland Common Primary School

Reference and Administrative Details

Members and Trustees	Councillor J G Andrews J C Kilburn J Nixson
Trustees (Directors)	Councillor J G Andrews T W Banham, Accounting Officer E Clegg K Flanagan A Hastey J C Kilburn C P Marlow M Marsh (appointed 27 June 2016) J Nixson, Chair R L Paddock R O'Neill H Watts (appointed 7 December 2015)
Company Secretary	V A Harrison
Senior Management Team	T W Banham, Accounting Officer V A Harrison, School Business Manager S Harrison, Deputy Head B Fallon, Head of School R Paddock, Assistant Head J Robinson, SENCO
Principal and Registered Office	Sheffield Road Hoyland Barnsley S74 0DJ
Company Registration Number	08654591
Auditors	Forrester Boyd Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ 21 June 2016

Hoyland Common Primary School

Reference and Administrative Details (continued)

Bankers Royal Bank of Scotland
747 Attercliffe Road
Sheffield
South Yorkshire
S9 3RF

Solicitors Walker Morris LLP
Kings Court
12 King Street
Leeds
West Yorkshire
LS1 2HL

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016

The governing body present their annual report together with the financial statements and auditor's report of the charitable company for the period to 01st September 2015 to 31st August 2016. The annual report serves the purpose of both a governors' report, and a directors' report including a strategic report under company law.

The Academy is for pupils aged 3 to 11 and serves a catchment area within Hoyland, Barnsley and the surrounding area. It has a pupil capacity of 412 (including Nursery) and had a roll of 403 in the School Census on the 19th May 2016.

Structure, governance and management

Constitution

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

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

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

Members' liability

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

Trustees' indemnities

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees at a cost of £884 and Fidelity Guarantee cover at a cost of £375. The Fidelity Guarantee also covers staff.

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Method of recruitment and appointment or election of Trustees

The Board of Governors is made up of: the Head teacher, a maximum of 5 Parent Governors, a maximum of 5 Community Governors, a maximum of 2 Staff Governors and 1 Co-opted (LA) Governor.

The Head teacher shall be treated for all purposes as being ex-officio governor.

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time they are elected. The Governing Body makes all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

The Community Governors may be appointed by the Governing Body in a majority vote and it is the opinion of the Governing Body that they are committed to the governance and success of the Academy.

The Staff Governors shall be elected by staff employed by the Academy. A Staff Governor must have been employed by the Academy for at least one year and hold a permanent contract. The Governing Body makes all necessary arrangements for, and determine all other matters relating to, an election of Staff Governors. Any election of Staff Governors which is contested shall be held by secret ballot.

The Governing Body may appoint one Co-opted (LA) Governor.

Policies and procedures adopted for the induction and training of Trustees

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

New governors will:

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

New governors will receive and be encouraged to read:

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

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Organisational structure

The governing body's role in the Academy is, essentially, a strategic one. Acting on the advice of the Head teacher, the governing body sets aims and objectives for the school and policies and targets which will achieve these aims and objectives. It also monitors the progress of the school towards the achievement of the aims and objectives, in the light of that progress and then reviews the strategic framework it has established.

To facilitate the working of the governing body, some of its functions are delegated to committees, the Head teacher and also the Senior Management Team. The committees are: "Finance and General Purpose" and "Personnel and Curriculum".

The Finance and General Purpose committee is responsible for matters relating to the income and expenditure, financial standards, review of the budget and premises issues including health and safety. The committee meets 3 times per year.

The Personnel and Curriculum committee is responsible for matters relating to staff discipline and dismissal, appeals against decisions, staffing numbers and vacancies, the structure of staffing and welfare of staff, they are also responsible for reviewing and agreeing performance pay progression for staff on behalf of the full governing body. The committee meets 3 times per year.

The whole of the governing body meet 6 times per year together and during this time they are responsible for matters relating to admissions, attendance, behaviour, exclusions, results, pupil progress, SEN, target setting, monitoring of teaching and learning, complaints, pupil premium and safeguarding.

The Head teacher is responsible for: monitoring monthly expenditure, miscellaneous financial decisions, appointment of staff, dismissal of staff, suspension of staff, establishing and implementing the curriculum policy, standards of teaching, individual children's education, implementing performance management policies, ensuring that health and safety regulations are followed, ensuring the school meets 195 days per school year, ensuring that school meal standards are met, school prospectus, additional needs services and acting as the Academy's Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

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

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

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

The pay of key support staff is determined on appointment in accordance with the scale of grades, currently where applicable in relation to employment with the LA, which the governors consider appropriate for the post. The governors may from time to time review the scale of grades for support staff if there is a significant change to the role they were initially appointed to.

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Risk management

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

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

Connected organisations, including related party relationships

R L Paddock, a trustee, has a material interest in Lily Pad Web Services. During the year transactions totalling £900 (2015:£800) were paid to this party.

Objectives and activities

Objects and aims

At Hoyland Common Primary School our vision is to develop confident, happy, self-motivated learners who enjoy learning and see it as a lifelong adventure. We strive to be an organisation that facilitates the learning of all its members.

Hoyland Common Primary School promotes high achievement and learning for life by working with children and our aims are to:

- Develop a caring attitude with self-esteem – respecting themselves, others and their environment
- Develop enquiring minds and a spirit of curiosity
- Achieve the highest standards possible in all areas of the curriculum regardless of age, sex, creed, needs and ability
- Be able to work independently and collaboratively
- Develop values such as communication, commitment and relationships based on mutual respect
- Develop an effective home/school partnership

Objectives, strategies and activities

Key influences for the Academy's Development Plan for the period under review were to ensure that pupils attain highly and the vast majority of pupil made expected progress and a large proportion make better than expected progress in all subjects, specifically in Mathematics and also to ensure the schools continued capacity to improve especially with the challenges of "Life without Levels" and opportunities arising from the conversion to a Multi academy Trust and also becoming a Teaching School.

Public benefit

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

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

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Achievements and performance

Academic Achievements

The table below highlights the positive outcomes for all children at Hoyland Common Primary School during the inaugural year of the new National Curriculum assessments.

Hoyland Common Primary School - Key Outcomes - 2015/16

All Pupils

2016 Results						
EYFS GLD	74%	(69.2% National)				
Phonics	83%	(80.7% National)				
KS1	Working Towards	Expected Standard	Greater Depth	Average Raw Score	Average Scaled Score	Progress Measure
Reading	92%	78% (74%)	18% (23.6%)	29	106.3	2018
Writing	94%	74%(65.5%)	12% (13.3%)			
Maths	94%	74% (72.3%)	16%(18%)	42	103.3	94%
GPS	94%	64%	18%	26	102.6	31%
RWM	94%	62% (60.3%)	8%(9%)			
KS2						
Reading	98%	76% (66%) {61.1%}	11%	25	102.7 (103)	-1.9 (-3.6 to -0.2)
Writing	94%	91% (74%) {71.5%}	17%			+0.5 (-1.2 to 2.2)
Maths	98%	96% (70%) {71%}	50%	94	109.9 (103)	+5.0 (3.6 to 6.4)
SPAG	98%	93% (72%) {75%}	39%	57	107.7(104)	
RWM Combined	98%	74% (53%) {51.3%}	6%			
Girls						
EYFS GLD	81%	Phonics 89%				
KS1 (28)	Working Towards	Expected Standard	Greater Depth	Average Raw Score	Average Scaled Score	Progress Measure
Reading	93%	89%	32%	31	108	
Writing	96%	82%	18%			
Maths	96%	82%	7%	43	103.3	
GPS	96%	68%	21%	27	104	
KS2						
Reading	98%	73%		25	103	-1.97
Writing	%	88%	19%			0.44
Maths	98%	100%		97	111	5.99

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

SPAG	98%	92%	57	108
RWM Combined	98%	73%		

Boys

EYFS GLD	69%		Phonics	79%		
KS1 (22)	Working Towards	Expected Standard	Greater Depth	Average Raw Score	Average Scaled Score	Progress Measure
Reading	91%	86%	14%	28	105	
Writing	91%	64%	5%			
Maths	91%	68%	27%	41	103.1	
GPS	91%	59%	14%	28	101.2	

KS2

Reading	98%	81%		25	102.6	-1.86
Writing	%	93%	14%			-0.05
Maths	98%	93%		94	109.6	4.0
SPAG	98%	93%		57	107.5	
RWM Combined	98%	81%				

Disadvantaged

EYFS GLD		Phonics		75%		
KS1 (12 SEN)	(25% Working Towards)	Expected Standard	Greater Depth	Average Raw Score	Average Scaled Score	Progress Measure
Reading	75%	66% (50%TA)	0%	21	101	
Writing	83%	50%	0%			
Maths	83%	50%	0%	39	96.75	
GPS	83%	42%	8%	19	98	

KS2

Reading	98%	69%		28	105.4	0.5
Writing	%	69%	15%			-0.18
Maths	98%	92%		87	107.5	5.35
SPAG	98%	77%		52	105.8	
RWM Combined	98%	69%				

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Non Disadvantaged

EYFS GLD	77%		Phonics		85%	
KS1 (38) (5% SEN)	Working Towards	Expected Standard	Greater Depth	Average Raw Score	Average Scaled Score	Progress Measure
Reading	97%	95%	32%	32	108	
Writing	97%	82%	16%			
Maths	97%	84%	21%	46	105.3	
GPS	97%	71%	21%	28	104	

KS2

Reading	98%	78%		25	102.9	-2.7
Writing	%	97%	17%			-0.68
Maths	98%	98%		96	110.6	4.8
SPAG	98%	98%		58	108.4	
RWM Combined	98%	78%				

SEN

EYFS GLD	0%		Phonics		25%	
KS1 (5)	Working Towards	Expected Standard	Greater Depth	Average Raw Score	Average Scaled Score	Progress Measure
Reading	20%	20%	0%	8	93	
Writing	40%	20%	0%			
Maths	60%	0%	0%	16.2	90	
GPS	40%	0%	0%	7	92	

KS2

Reading	98%	57%		21	99.3	0.47
Writing	%	42%	0%			-2.22
Maths	98%	71%		82	105.8	4.91
SPAG	98%	57%		47	102.0	
RWM Combined	98%	42%				

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Non SEN

EYFS GLD	77%		Phonics		91%	
KS1 (45)	Working Towards	Expected Standard	Greater Depth	Average Raw Score	Average Scaled Score	Progress Measure
Reading	100%	91%	27%	31	107	
Writing	100%	80%	13%			
Maths	98%	84%	18%	45	104.7	
GPS	100%	71%	20%	28	103	
KS2						
Reading	100%	78%		25	103	-2.2
Writing	%	98%	19%			0.9
Maths	100%	100%		95	110.4	5
SPAG	100%	98%		58	108.5	
RWM Combined	100%	78%				

Review of Activities

A strategic programme of CPD was systematically planned, delivered and monitored throughout the year to ensure progress towards the School Improvement Plan priorities and other areas of need identified. The school also secured funding for, and purchased Iris Connect - which was trialled as a teaching and learning reflection tool.

Hoyland Common created a personalised and bespoke system of assessment which was successfully implemented in the year. HCAT (Hoyland Common Assessment and Tracking) was used to track individual, cohorts and groups in reading, writing and maths and accurately identified progress and attainment.

Newly developed moderation challenge meetings have enabled a robust internal moderation process which has evidenced accuracy of HCAT judgements.

The school thrived after receiving the Teaching School Designation in 2014 and had a focus on school to school support and training and development and during 2015 developed an NQT Training package, HLTA programme and OTA Programme which were all extremely successful.

A large number of students have participated in a very wide range of activities beyond the classroom. Key achievements include the following:

- Fundraising for a number of charities including Children In Need, Sport Relief, Barnsley Hospice, Williams Syndrome and a Shoe Box Appeal
- Participation in the Young Voices concert allowing pupils the performance opportunity of a lifetime at a great concert venue
- A vast array of sports competitions and team events

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Going concern

After making appropriate enquires, the board of Governors has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason the going concern basis is applied in preparing the financial statements. Further details regarding the adoption of the going concern can be found in the Statement of Accounting Policies.

Financial review

The Academy is in a secure financial position and has reserves to manage any unexpected expenditure. Governors have made it a priority to ensure that high standards are maintained within the framework of a budget that is sustainable, and have been rigorous in evaluating any proposals for additional expenditure.

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

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

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

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

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

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Financial and risk management objectives and policies

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

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

Financial Risk

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

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

Reserves policy

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

Restricted General Fund - £120,766

Unrestricted Fund - £166,552

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Investment policy

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

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

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

Governors seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate.

The approval of the Finance and Resources Committee is required before any investment is made. The following criteria should be used in selecting an appropriate investment:

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

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Strategic Report

Principal risks and uncertainties

Governance and Management Risk

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

Reputational Risk

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

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

Safeguarding and Child Protection Risks

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

Significant Changes in Staff

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

Plans for future periods

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

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

Specific plans include the following:

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

Hoyland Common Primary School

Trustees' Report for the Year Ended 31 August 2016 (continued)

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on 8 December 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J. Nixon', written over a dotted line.

J. Nixon
Chair of Trustees

Hoyland Common Primary School

Governance Statement

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to T W Banham, Accounting Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hoyland Common Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Councillor J G Andrews	3	6
T W Banham	6	6
E Clegg	6	6
K Flanagan	6	6
A Hastey	5	6
J C Kilburn	6	6
C P Marlow	6	6
M Marsh	1	1
J Nixson	6	6
R L Paddock	6	6
R O'Neill	6	6
H Watts	4	5

Hoyland Common Primary School

Governance Statement (continued)

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

Trustee	Meetings attended	Out of a possible
Councillor J G Andrews	1	3
T W Banham	3	3
E Clegg	3	3
J C Kilburn	3	3
J Nixon	3	3
R O'Neill	3	3

Review of value for money

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

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

Improving Educational Results:

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

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

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

Hoyland Common Primary School

Governance Statement (continued)

Review of value for money (continued...)

Financial Governance and Oversight:

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

Better Purchasing:

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

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

Better Income Generation:

Examples of steps to maximize income include:

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

Reviewing Controls and Managing Risks:

The Finance & General Purpose Committee, School Business Manager, budget holders and the Senior Leadership Team have reviewed regular budget reports, including future recommendations. This has ensured that spending is within budget and forward plans are agreed and implemented when there has been any variance. Actions taken to manage risk include the purchase of an appropriate level of insurance cover. Professional advice (for example from the HR and legal service providers) has also been sought when needed.

Future Objectives:

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

Hoyland Common Primary School

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hoyland Common Primary School for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

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

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

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

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

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

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

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

Hoyland Common Primary School

Governance Statement (continued)

Review of effectiveness

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

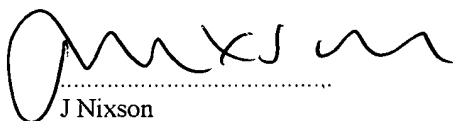
- the work of the responsible officer ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 8 December 2016 and signed on its behalf by:



.....
T W Banham
Accounting officer
Trustee



.....
J Nixon
Trustee

Hoyland Common Primary School

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Hoyland Common Primary School I have considered my responsibility to notify the Academy Trust Governing Body and the Education 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 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 2015.

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

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



.....
T W Banham, Accounting Officer

Hoyland Common Primary School

Statement of Trustees' Responsibilities

The Trustees (who are the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

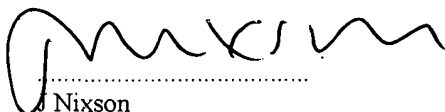
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board on 8 December 2016 and signed on its behalf by:


J. Nixon
Chair of Trustees

Hoyland Common Primary School

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

We have audited the financial statements of Hoyland Common Primary School for the year ended 31 August 2016, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 22), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

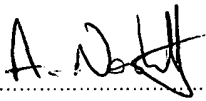
Hoyland Common Primary School

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

Matters on which we are required to report by exception

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

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



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

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Date: 9/12/16

Hoyland Common Primary School

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

In accordance with the terms of our engagement letter dated 21 June 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hoyland Common Primary School during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Governing Body and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Governing Body 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 Governing Body and the EFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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:

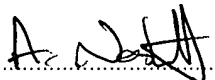
- evaluating the systems and control environment;
- assessing the risk of irregularity, impropriety and non-compliance;
- confirming that the activities of the academy are in keeping with the academy's framework and the charitable objectives; and
- obtaining representations from the accounting officer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

Hoyland Common Primary School

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

Conclusion

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


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

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Date: 27/12/16

Hoyland Common Primary School

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	2	1,641	-	8,374	10,015
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	10,400	1,876,398	11,225	1,898,023
Other trading activities	4	217,703	-	-	217,703
Investments	5	959	-	-	959
Total		<u>230,703</u>	<u>1,876,398</u>	<u>19,599</u>	<u>2,126,700</u>
Expenditure on:					
Raising funds	6	-	13,025	-	13,025
<i>Charitable activities:</i>					
Academy trust educational operations	7	<u>194,787</u>	<u>1,919,725</u>	<u>95,445</u>	<u>2,209,957</u>
Total		<u>194,787</u>	<u>1,932,750</u>	<u>95,445</u>	<u>2,222,982</u>
Net income/(expenditure)		35,916	(56,352)	(75,846)	(96,282)
Transfers between funds		-	(2,843)	2,843	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	<u>-</u>	<u>(720,000)</u>	<u>-</u>	<u>(720,000)</u>
Net movement in funds/(deficit)		35,916	(779,195)	(73,003)	(816,282)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2015		<u>130,636</u>	<u>(1,021,039)</u>	<u>2,585,219</u>	<u>1,694,816</u>
Total funds/(deficit) carried forward at 31 August 2016		<u>166,552</u>	<u>(1,800,234)</u>	<u>2,512,216</u>	<u>878,534</u>

Hoyland Common Primary School

Statement of Financial Activities for the Year Ended 31 August 2015 (including Income and Expenditure Account)

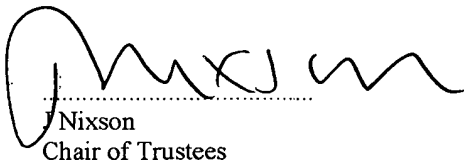
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total (As restated) 2015 £
Income and endowments from:					
Donations and capital grants	2	1,660	-	8,379	10,039
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	13,779	2,072,423	-	2,086,202
Other trading activities	4	302,854	-	-	302,854
Investments	5	1,002	-	-	1,002
Total		<u>319,295</u>	<u>2,072,423</u>	<u>8,379</u>	<u>2,400,097</u>
Expenditure on:					
Raising funds	6	-	3,822	-	3,822
<i>Charitable activities:</i>					
Academy trust educational operations	7	<u>188,659</u>	<u>2,054,974</u>	<u>87,156</u>	<u>2,330,789</u>
Total		<u>188,659</u>	<u>2,058,796</u>	<u>87,156</u>	<u>2,334,611</u>
Net income/(expenditure)		130,636	13,627	(78,777)	65,486
Transfers between funds		-	(16,565)	16,565	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Net movement in funds/(deficit)		130,636	1,062	(62,212)	69,486
Reconciliation of funds					
Total (deficit)/funds brought forward at 1 September 2014		<u>-</u>	<u>(1,022,101)</u>	<u>2,647,431</u>	<u>1,625,330</u>
Total funds/(deficit) carried forward at 31 August 2015		<u>130,636</u>	<u>(1,021,039)</u>	<u>2,585,219</u>	<u>1,694,816</u>

Hoyland Common Primary School

(Registration number: 08654591)
Balance Sheet as at 31 August 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	11	11,121	-
Tangible assets	12	2,482,115	2,557,860
		<u>2,493,236</u>	<u>2,557,860</u>
Current assets			
Debtors	13	57,326	94,518
Cash at bank and in hand		369,267	318,511
		<u>426,593</u>	<u>413,029</u>
Creditors: Amounts falling due within one year	14	(120,295)	(99,073)
Net current assets		<u>306,298</u>	<u>313,956</u>
Total assets less current liabilities		<u>2,799,534</u>	<u>2,871,816</u>
Net assets excluding pension liability		2,799,534	2,871,816
Pension scheme liability	22	(1,921,000)	(1,177,000)
Net assets including pension liability		<u>878,534</u>	<u>1,694,816</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		120,766	155,961
Restricted fixed asset fund		2,512,216	2,585,219
Restricted pension fund		(1,921,000)	(1,177,000)
		<u>711,982</u>	<u>1,564,180</u>
Unrestricted funds			
Unrestricted general fund		<u>166,552</u>	<u>130,636</u>
Total funds		<u>878,534</u>	<u>1,694,816</u>

The financial statements on pages 27 to 54 were approved by the Trustees, and authorised for issue on 8 December 2016 and signed on their behalf by:


J. Nixon
Chair of Trustees

Hoyland Common Primary School

Statement of Cash Flows for the Year Ended 31 August 2016

		2016	(As restated)
	Note	£	2015
Net cash inflow from operating activities	18	61,019	68,519
Cash flows from financing activities		-	-
Cash flows from investing activities	19	<u>(10,263)</u>	<u>(7,184)</u>
Increase in cash in the year	20	<u><u>50,756</u></u>	<u><u>61,335</u></u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016

1 Accounting policies

Statement of accounting policies

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

Basis of preparation

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

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

Going concern

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

Income

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

Grants

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

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

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Sponsorship income

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

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

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

Donated goods, facilities and services

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

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

Expenditure

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

All resources are exclusive of VAT except where irrecoverable.

Expenditure on raising funds

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

Charitable activities

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Intangible fixed assets

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

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

Tangible fixed assets

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

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

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

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

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

Liabilities

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Taxation

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

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

Pension benefits

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

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

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31/08/2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	Total 2016 £	Total 2015 £
Capital grants	-	8,374	8,374	8,379
Other donations	1,641	-	1,641	1,660
	<u>1,641</u>	<u>8,374</u>	<u>10,015</u>	<u>10,039</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2016 £	Total 2015 £
DfE/EFA revenue grants					
General Annual Grant	-	1,474,304	-	1,474,304	1,431,228
Pupil Premium	-	99,170	-	99,170	119,250
Other DfE Grants	-	840	-	840	-
PE and Sports Grant	-	9,550	-	9,550	9,540
High Needs Funding	-	26,973	-	26,973	26,564
Universal Free School Meals	-	47,907	-	47,907	70,922
Teaching Schools Income	-	50,000	-	50,000	131,200
High Needs Funding (Children Club)	-	-	-	-	2,479
MAT Start Up Grant	-	25,000	-	25,000	-
	-	1,733,744	-	1,733,744	1,791,183
Other government grants					
Early Intervention Grant (EIG)	-	121,629	-	121,629	100,090
Other LA Grants	-	20,075	11,225	31,300	-
Other Government Grants	-	-	-	-	7,100
Childrens Centre Grant	-	-	-	-	174,050
	-	141,704	11,225	152,929	281,240
Non-government grants and other income					
Sheffield Hallam University Student Income	-	950	-	950	-
Other income	10,400	-	-	10,400	13,779
	10,400	950	-	11,350	13,779
Total grants	10,400	1,876,398	11,225	1,898,023	2,086,202

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

4 Other trading activities

	Unrestricted funds £	Total 2016 £	Total 2015 £
Catering income	22,289	22,289	23,639
Recharges and reimbursements	700	700	-
Other sales	16,697	16,697	46,556
Teacher Hire out	23,704	23,704	20,760
After School Clubs	39,043	39,043	41,565
Trip Income	22,084	22,084	18,680
Teaching Schools Income	77,791	77,791	50,532
Income-Business Manager	15,395	15,395	12,017
Income - Parental Donations	-	-	89,105
	<u>217,703</u>	<u>217,703</u>	<u>302,854</u>

5 Investment income

	Unrestricted funds £	Total 2016 £	Total 2015 £
Short term deposits	<u>959</u>	<u>959</u>	<u>1,002</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

6 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2016 £	Total 2015 £
Costs of generating voluntary income	-	-	13,025	13,025	3,822
Academy's educational operations					
Direct costs	1,103,000	50,312	109,296	1,262,608	1,214,390
Allocated support costs	359,670	380,117	207,562	947,349	1,116,399
	<u>1,462,670</u>	<u>430,429</u>	<u>316,858</u>	<u>2,209,957</u>	<u>2,330,789</u>
	<u>1,462,670</u>	<u>430,429</u>	<u>329,883</u>	<u>2,222,982</u>	<u>2,334,611</u>

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Operating leases - plant and machinery	1,242	1,242
Operating leases - other leases	295,144	285,101
Amortisation of intangible fixed assets	1,374	-
Depreciation	94,072	87,156
Fees payable to auditor - audit	4,800	4,750
- other audit services	<u>1,481</u>	<u>8,500</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

7 Charitable activities

	Total 2016 £	Total (As restated) 2015 £
Direct costs - educational operations		
Teaching and educational support staff costs	1,103,000	1,062,945
Depreciation	50,312	50,312
Technology costs	-	3,234
Educational supplies	33,712	50,227
Examination fees	414	477
Staff development	21,200	9,482
Educational consultancy	500	480
Other direct costs	53,470	37,233
	<u>1,262,608</u>	<u>1,214,390</u>
Support costs - educational operations		
Support staff costs	382,670	523,089
FRS17 Service cost adjustment	(23,000)	(12,000)
Depreciation	45,133	36,844
Technology costs	34,115	38,293
Maintenance of premises and equipment	18,700	39,122
Cleaning	813	1,369
Rent, rates and utilities	8,854	6,196
Insurance	11,473	16,130
Recruitment and support	125	813
Security and transport	337	252
Catering	60,205	64,641
Interest on defined benefit pension scheme	45,000	54,000
FRS17 Administration expense	2,000	-
Professional fees	22,127	16,773
Other support costs	35,668	29,797
PFI charges	295,144	285,101
Governance costs	7,985	15,979
	<u>947,349</u>	<u>1,116,399</u>
Total direct and support costs	<u><u>2,209,957</u></u>	<u><u>2,330,789</u></u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

7 Charitable activities (continued)

	Educational operations £	Total 2016 £	Total (As restated) 2015 £
Analysis of support costs			
Support staff costs	359,670	359,670	511,089
Depreciation	45,133	45,133	36,844
Technology costs	34,115	34,115	38,293
Premises costs	334,984	334,984	347,918
Other support costs	165,462	165,462	166,276
Governance costs	7,985	7,985	15,979
Total support costs	<u>947,349</u>	<u>947,349</u>	<u>1,116,399</u>

8 Staff

Staff costs

	2016 £	2015 £
Staff costs during the year were:		
Wages and salaries	1,070,848	1,213,235
Social security costs	76,041	73,688
Pension costs	<u>181,077</u>	<u>193,739</u>
	1,327,966	1,480,662
Supply teacher costs	<u>134,704</u>	<u>93,372</u>
	<u>1,462,670</u>	<u>1,574,034</u>

Staff numbers

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

	2016 No	2015 No
Charitable Activities		
Teachers	16	17
Administration and support	40	40
Management	<u>6</u>	<u>6</u>
	<u>62</u>	<u>63</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

8 Staff (continued)

Higher paid staff

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

	2016	2015
	No	No
£60,001 - £70,000	<u>2</u>	<u>2</u>

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £356,203 (2015: £333,866).

9 Related party transactions - trustees' remuneration and expenses

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

T Peet :

Remuneration: (2015 - £10,000 - £15,000)
Employer's pension contributions: (2015 - £Nil)

T W Banham :

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

A Hastey :

Remuneration: £0 - £5,000 (2015 -)
Employer's pension contributions: £0 - £5,000 (2015 -)

R L Paddock :

Remuneration: £45,000 - £50,000 (2015 - £40,000 - £45,000)
Employer's pension contributions: £5,000 - £10,000 (2015 - £5,000 - £10,000)

R O'Neill :

Remuneration: £15,000 - £20,000 (2015 - £10,000 - £15,000)
Employer's pension contributions: £0 - £5,000 (2015 - £0 - £5,000)

During the year ended 31 August 2016, travel and subsistence expenses totalling £Nil (2015 - £Nil) were reimbursed or paid directly to 0 trustees (2015 - 0).

Other related party transactions involving the trustees are set out in note 23.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

10 Trustees' 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £884 (2015 - £884).

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

11 Intangible fixed assets

	Computer software £	Total £
Cost		
Additions	12,495	12,495
At 31 August 2016	12,495	12,495
Amortisation		
Charge for the year	1,374	1,374
At 31 August 2016	1,374	1,374
Net book value		
At 31 August 2016	11,121	11,121

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 September 2015	2,578,000	43,315	9,000	87,702	2,718,017
Additions	<u>-</u>	<u>3,396</u>	<u>-</u>	<u>14,930</u>	<u>18,326</u>
At 31 August 2016	<u>2,578,000</u>	<u>46,711</u>	<u>9,000</u>	<u>102,632</u>	<u>2,736,343</u>
Depreciation					
At 1 September 2015	95,669	15,023	3,450	46,015	160,157
Charge for the year	<u>50,312</u>	<u>9,342</u>	<u>1,800</u>	<u>32,617</u>	<u>94,071</u>
At 31 August 2016	<u>145,981</u>	<u>24,365</u>	<u>5,250</u>	<u>78,632</u>	<u>254,228</u>
Net book value					
At 31 August 2016	<u>2,432,019</u>	<u>22,346</u>	<u>3,750</u>	<u>24,000</u>	<u>2,482,115</u>
At 31 August 2015	<u>2,482,331</u>	<u>28,292</u>	<u>5,550</u>	<u>41,687</u>	<u>2,557,860</u>

13 Debtors

	2016 £	2015 £
Trade debtors	4,331	34,720
Prepayments	35,444	19,381
Accrued grant and other income	15,550	14,890
VAT recoverable	<u>2,001</u>	<u>25,527</u>
	<u>57,326</u>	<u>94,518</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

14 Creditors: amounts falling due within one year

	2016 £	2015 £
Other taxation and social security	21,533	18,411
Other creditors	147	201
Pension scheme creditor	23,217	21,262
Accruals	75,398	39,699
Deferred income	-	19,500
	<u>120,295</u>	<u>99,073</u>
	2016 £	

Deferred income

Deferred income at 1 September 2015	19,500
Amounts released from previous periods	<u>(19,500)</u>
Deferred income at 31 August 2016	<u>-</u>

15 Funds

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	55,335	1,474,304	(1,473,857)	(2,843)	52,939
Pupil Premium	14,890	99,170	(98,510)	-	15,550
Universal Free School Meals Income	26,129	47,907	(46,759)	-	27,277
Other DfE grants	59,607	59,550	(119,157)	-	-
Other government grants	-	148,602	(148,602)	-	-
Multi-Academy Trust Start-up grant	-	25,000	-	-	25,000
	<u>155,961</u>	<u>1,854,533</u>	<u>(1,886,885)</u>	<u>(2,843)</u>	<u>120,766</u>
Restricted fixed asset funds					
Assets transferred on conversion	2,523,854	-	(50,312)	-	2,473,542
DfE Capital Grants	8,379	8,374	(3,878)	-	12,875
Capital Donations	36,421	-	(33,193)	-	3,228
Fixed Assets purchased from GAG	16,565	-	(6,503)	2,843	12,905
BMBC - Iris Connect grant	-	11,225	(1,559)	-	9,666
	<u>2,585,219</u>	<u>19,599</u>	<u>(95,445)</u>	<u>2,843</u>	<u>2,512,216</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

15 Funds (continued)

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted pension funds					
Pension reserve	(1,177,000)	-	(24,000)	(720,000)	(1,921,000)
Total restricted funds	1,564,180	1,874,132	(2,006,330)	(720,000)	711,982
Unrestricted funds					
Unrestricted general funds	130,636	230,703	(194,787)	-	166,552
Total funds	<u>1,694,816</u>	<u>2,104,835</u>	<u>(2,201,117)</u>	<u>(720,000)</u>	<u>878,534</u>

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

General Annual Grant (GAG) must be used for the normal running costs of the academy.

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

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

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

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

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

During the year a transfer from restricted general funds to restricted fixed asset funds of £2,843 was made to reflect the expenditure made on fixed assets.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	11,121	11,121
Tangible fixed assets	-	-	2,482,115	2,482,115
Current assets	166,552	260,041	-	426,593
Current liabilities	-	(120,295)	-	(120,295)
Pension scheme liability	-	(1,921,000)	-	(1,921,000)
Total net assets	<u>166,552</u>	<u>(1,781,254)</u>	<u>2,493,236</u>	<u>878,534</u>

17 Commitments under operating leases

Operating leases

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Within one year	301,487	301,487
In two and five years	1,201,187	1,202,429
In over five years	<u>3,302,695</u>	<u>3,602,940</u>
	<u>4,805,369</u>	<u>5,106,856</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

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

	2016	(As restated) 2015
	£	£
Net (expenditure)/income	(96,282)	65,486
Amortisation	1,374	-
Depreciation	94,071	87,156
Donated capital and capital grants	(19,599)	(8,379)
Interest receivable	(959)	(1,002)
FRS 17 interest on defined benefit pension scheme	45,000	54,000
FRS 17 service cost adjustment	(23,000)	(12,000)
FRS 17 LGPS administration cost	2,000	-
Decrease/(increase) in debtors	37,192	(55,571)
Increase/(decrease) in creditors	21,222	(61,171)
Net cash inflow from operating activities	<u>61,019</u>	<u>68,519</u>

19 Cash flows from investing activities

	2016	2015
	£	£
Purchase of intangible fixed assets	(12,495)	-
Purchase of tangible fixed assets	(18,326)	(16,565)
Capital grants from DfE	8,374	8,379
Capital grants from others	11,225	-
Interest receivable	959	1,002
Net cash outflow from investing activities	<u>(10,263)</u>	<u>(7,184)</u>

20 Analysis of cash and cash equivalents

	At 31 August 2016	At 31 August 2015
	£	£
Cash at bank and in hand	<u>369,267</u>	<u>318,511</u>
Total cash and cash equivalents	<u>369,267</u>	<u>318,511</u>

21 Members' liability

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

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations

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

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

Contributions amounting to £(23,217) (2015 - £(21,262)) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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.

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £108,891 (2015: £85,721).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £67,344 (2015 - £62,618), of which employer's contributions totalled £44,834 (2015 - £41,540) and employees' contributions totalled £22,510 (2015 - £21,078). The agreed contribution rates for future years are 11.6% per cent for employers and 5.5-6.8% per cent for employees.

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

Principal actuarial assumptions

	At 31 August 2016 %	At 31 August 2015 %
Rate of increase in salaries	3.70	4.00
Rate of increase for pensions in payment/inflation	2.00	2.20
Discount rate for scheme liabilities	2.20	4.00
Inflation assumptions (CPI)	1.90	2.20

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

Sensitivity analysis

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

	+ 0.1%	0.0%	- 0.1%
	£	£	£
Adjustment to discount rate			
Present value of total obligation	1,862,000	-	-
Projected service cost	121,000	-	-
	<u>+ 0.1%</u>	<u>0.0%</u>	<u>- 0.1%</u>
	£	£	£
Adjustment to rate of inflation			
Present value of total obligation	1,982,000	-	-
Projected service cost	130,000	-	-
	<u>+ 0.1%</u>	<u>0.0%</u>	<u>- 0.1%</u>
	£	£	£
Adjustment to rate of salary growth			
Present value of total obligation	1,950,000	-	-
Projected service cost	125,000	-	-
	<u>+ 1 Year</u>	<u>None</u>	<u>- 1 Year</u>
	£	£	£
Adjustment to mortality age rating assumption			
Present value of total obligation	1,962,000	-	-
Projected service cost	128,000	-	-

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

	At 31 August 2016	At 31 August 2015
Retiring today		
Males retiring today	23.00	23.00
Females retiring today	25.70	25.60
Retiring in 20 years		
Males retiring in 20 years	25.40	25.30
Females retiring in 20 years	<u>28.50</u>	<u>28.40</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

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

	At 31 August 2016 £	At 31 August 2015 £
Equities	268,000	168,000
Government bonds	69,000	41,000
Other bonds	28,000	17,000
Property	50,000	33,000
Cash	8,000	5,000
Other	35,000	20,000
Total market value of assets	458,000	284,000
Present value of scheme liabilities - funded	(2,379,000)	(1,461,000)
Deficit in the scheme	<u>(1,921,000)</u>	<u>(1,177,000)</u>

The actual return on scheme assets was £67,000 (2015 - £6,000).

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

22 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2016 £	2015 £
Current service cost	<u>(23,000)</u>	<u>(12,000)</u>
Total operating charge	<u>(23,000)</u>	<u>(12,000)</u>

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

	2016 £	2015 £
At 1 September	1,461,000	1,256,000
Current service cost	72,000	104,000
Interest cost	59,000	54,000
Employee contributions	22,000	33,000
Actuarial losses	774,000	-
Benefits paid	<u>(9,000)</u>	<u>14,000</u>
At 31 August	<u>2,379,000</u>	<u>1,461,000</u>

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

	2016 £	2015 £
At 1 September	284,000	117,000
Return on plan assets (excluding net interest on the net defined pension liability)	12,000	6,000
Actuarial gains/(losses)	54,000	(2,000)
Employer contributions	95,000	116,000
Employee contributions	22,000	33,000
Benefits paid	<u>(9,000)</u>	<u>14,000</u>
At 31 August	<u>458,000</u>	<u>284,000</u>

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

23 Related party transactions

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

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

Lily Pad Web Services

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

During the year £900 (2015:£800) was paid to the above for web services.. At the balance sheet date the amount due to Lily Pad Web Services was £Nil (2015 - £Nil).

24 Transition to FRS 102

First time adoption of FRS 102

These financial statements are the first financial statements of Hoyland Common Primary School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Hoyland Common Primary School for the year ended 31/08/2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31/08/2015 and the date of transition to FRS 102 and SORP 2015 was therefore 01/09/2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below:

Hoyland Common Primary School

Notes to the Financial Statements for the Year Ended 31 August 2016 (continued)

24 Transition to FRS 102 (continued)

Reconciliation of total funds

	Note	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		<u>1,625,330</u>	<u>1,694,816</u>
Total funds reported under FRS 102		<u>1,625,330</u>	<u>1,694,816</u>

Reconciliation of net income/(expenditure)

	Note	Amount £
Net income/(expenditure) previously reported under UK GAAP		75,486
Change in recognition of LGPS interest cost		<u>(10,000)</u>
Net movement in funds reported under FRS 102		<u>65,486</u>

Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expenditure within the SOFA. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in the expenditure. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to the expenditure by £10,000 and increase the credit in other recognised gains and losses in the SOFA by an equivalent amount for the comparative year.