

JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Members	Mrs N Kadwill, Principal and Accounting Officer ¹
Trustees	Mr P Hodges, Parent Governor & Chair of Governors
	Mr A Keeble, Community Governor
	Mrs N Collins, Community Governor
	Mrs S Coultrup, Staff Governor ¹
	Mr B Dunmow, Community Governor
	Mr M Hobday, Staff Governor ¹
	Mrs M Howe, Community Governor (resigned 7 July 2014) ¹
	Mrs J Lunn, Community Governor
	Mrs M Neary, Vice Chairman ¹
	Mrs N Ruddock, Finance Director ¹
	Mrs C Savage, Staff Governor
	Mr R Savage, Parent Governor ¹
	Mr M Woodruff, Parent Governor ¹
	Mr B Woolf, Community Governor ¹
	¹ Members of the Finance and General Purpose Committee

**Company registered
number** 7687947

**Principal and registered
office** Jotmans Hall Primary School
High Road
Benfleet
Essex
SS7 5RG

Company secretary Mrs L Carter

Accounting Officer Mrs N Kadwill

**Senior management
team** Mrs P Lovett, Assistant Headteacher
Mrs A Phillips, Assistant Headteacher
Miss S Warnes, Assistant Headteacher
Mrs N Ruddock, Assistant Headteacher

Independent auditors MWS Chartered Accountants
Chartered Accountants
Registered Auditors
Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

Bankers Barclays Bank PLC
Leicestershire
LE87 2BB

Solicitors Stone King
13 Queen Square
Bath
BA1 2HJ

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Jotmans Hall Primary School (the Academy) for the year ended 31 August 2014. The governors confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The trust operates an academy for pupils aged 5 to 11 serving a catchment area in Benfleet, Essex. It has a pupil capacity of 294 and had a roll of 291 in the school census on October 2014.

Structure, governance and management

a. CONSTITUTION

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees comprise all members of the Governing Body.

The governors act as the trustees for the charitable activities of Jotmans Hall Primary School and are also the directors of the Charitable company for the purposes of company law. The Charitable Company is known as Jotmans Hall Primary School.

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

The Academy is constituted under a Memorandum of Association dated 29/07/2011..

b. MEMBERS' LIABILITY

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

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

We started the year as a new Academy with a total of 15 Governors made up as follows:

- 5 Staff Governors,
- 3 Parent Governors,
- 7 Community Governors.

Each Governor holds a four year term of office and can choose to renew their term for further four year terms once approved by the Governing Body. The Chairman and Vice-Chair and the Chairmen of each sub-committee are elected yearly.

New Governors are recruited and elected on their ability to play an active role in the Governance of the Academy. Any person expressing an interest in becoming a governor is invited to an informal discussion with the Headteacher and given a copy of Jotmans Hall Primary School's Governors' Handbook so that they are aware of what the role entails and requirements for members of the governing body. If a particular weakness is identified in the knowledge and skills of the Governing Body, then applicants will be actively sourced by current members of the Governing Body who have the desired experience or expertise. When a vacancy occurs a new governor is sought in a variety of ways, depending on the type of governor vacancy; individuals with particular skills may be approached to see if they may be interested in becoming a governor.

Parent Governors are elected following an invitation to all parents/carers of pupils currently attending the Academy and a ballot will be held if there are more applicants than vacancies. Parents/carers then vote for their preferred candidate (s) based on a short paragraph written by the candidates seeking office.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Staff Governors are elected following an invitation to all current staff and if there are more candidates than vacancies a ballot of current staff members will be held. A cross section of staff is favoured by the Academy and so staff are encouraged to apply and a copy of the Governors' Handbook is given to any interested candidate.

Community Governors contact the School to request to be a Community Governor or they are approached by current Governors. Their appointment is discussed and approved by the Full Governing Body.

Attendance at Meetings

All governors are expected to attend the full Governing Body meetings and to choose at least one sub-committee to join. The composition and range of sub-committees is laid out in the Terms of Reference for the Governing Body and this includes both statutory and non-statutory committees. The number of governors and the quorum for meetings and decisions required for each sub-committee varies and is laid down in the terms of reference for each individual committee.

In the first meeting of each academic year (generally in September) governors are chosen to sit on the sub-committees of the Governing Body. Current members are asked if they wish to continue on the committee they are currently on, they may stay on in, change or add another committee as they wish and subject to a vacancy on the committee. Each sub-committee's quota of members will be filled in this way, although there may be vacancies if the Governing Body has vacancies at that point.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

Prospective Governors

Prospective governors are given - Desirable Governor Competences, Mutual expectations & the role of Governors at Jotmans Hall. They are also informed that as a Governor of Jotmans Hall Primary School, their details will be registered at Companies House and they will be a Director of the Academy for as long as they are a Governor at the School.

Prospective governors are invited to discuss their interest in the role with the Headteacher and have a tour of the Academy.

Newly Appointed Governors receive the following pack:-

- Governors Handbook;
- Articles of Association;
- Funding Agreement
- The school's current prospectus;
- Minutes of the most recent meetings of the governing body (including sub-committees);
- A calendar of governing body and committee meetings
- The school's current Development Plan;
- The school's 'Financial Regulations & Scheme of Delegation';
- Academies Financial Handbook
- The most recent OFSTED inspection report and any consequent action plan;
- Code of Conduct
- Governors Skill Evaluation sheet
- Business Skills Form
- Access to the statutory and non-statutory policies adopted by the governing body
- Up to date Admissions Policy
- Governors in School Policy

The Link Governor (Clerk) will:

- Discuss training possibilities especially if there is a specific interest in particular areas, e.g. special needs, curriculum or finance;
- Establish the availability of suitable courses; supply further details and book places.

Newly appointed governors are invited to attend sub-committee meetings as an observer prior to choosing which Committee they wish to join, subject to a vacancy on that committee.

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GOVERNORS' REPORT (continued)
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A "buddy" governor will be chosen to help new governors settle in, understand the role and answer any queries they may have.

All new Governors are encouraged to attend an Induction Course and any further training courses which they are interested in and which is relevant to the needs of the Governing Body at that time. Currently the BATIC Trust runs training sessions for governors and the Academy may purchase courses from outside bodies at the request of any governor or where a need is identified by the Governing Body.

e. ORGANISATIONAL STRUCTURE

Jotmans Hall Primary School is governed by the Governing Body, constituted under a memorandum of association and articles of association.

The Headteacher is the Accounting Officer and she is supported by the Senior Leadership Team who make decisions for the Academy, in conjunction with the Governing Body. The Governing Body has delegated the day-to-day running of the academy to the Headteacher and senior staff.

The Governing Body is responsible for ensuring that high standards of corporate governance are maintained, assisted by their internal auditor and external auditor. In exercising these powers and functions with a view to fulfilling a largely strategic leadership role in partnership with the Senior Leadership Team the Governing Body sees its role as:-

- Monitoring performance
- Developing policies and strategic development,
- Ensuring the sound management and administration of the Academy,
- Ensuring compliance with legal requirements,
- Ensuring that effective internal controls are in place,
- Managing resources
- Ensuring the Academy meets the needs of the local community and responding to these needs.

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Jotmans Hall Primary School works in educational collaboration with The Robert Drake School and Kingston Primary School. These local, partner schools became Academy Trusts on 1st August 2011 and worked with Jotmans Hall Primary School to enable smooth progress towards Academy Status.

The three schools are separate legal entities, but work together on joint staff training programmes, have collaborative meetings for teachers and share curriculum expertise.

In addition to the above informal working arrangement, Jotmans Hall Primary School is part of The BATIC Partnership Trust (Company number 07655788). This Trust was formed on 2nd June 2011 and comprises primary, special and secondary schools in the Benfleet and Thundersley area. The BATIC Trust's Mission Statement is "Working Together for a Stronger Community" and during the first year of operation their priorities were set as Extended Services (in particular counselling services, CPD for staff and governors, Bid-Writing and Sport.

Tree Tots Pre-School (Charity Commission number 1041132) operates from Jotmans Hall Primary School's premises. The Pre-School is run for the benefit of the local community and is open to all pre-school pupils living in the area. Jotmans Hall Primary School and Tree Tots Pre-School operate an informal educational partnership to support pupils moving from pre-school education into primary school. The main focus of this partnership is shared working practices and close liaison on educational issues to ensure a smooth transition from the Pre-School to the main school.

g. RISK MANAGEMENT

The Academy follows an appropriate risk management process and has a Risk Register which is updated at least annually. The process identifies the types of risk the Academy faces and these risks are scored and prioritised in terms of the likelihood of their occurrence and the potential impact from an operational and financial perspective. In 2014 the Risk Register relating to Tree Tots Pre-School on the School site was

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considered in detail and the whole register re-rated in the light of a successful OFSTED report in June 2013 which graded the School as "Good". This impacted on the Risk Register by reducing the risk associated with a falling pupil roll and the School's reputation in the local community.

h. GOVERNORS' INDEMNITIES

Academy has not provided any indemnities to any third parties in respect of any action taken against the governors in their roles as directors.

Objectives and Activities

a. OBJECTS AND AIMS

The aims of the Academy are to advance for the public benefit, education, in particular establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. At Jotmans Hall Primary School every child matters. We aim to inspire our pupils to enjoy thinking and learning, enabling them to achieve their potential and provide them with the skills to succeed in the 21st Century.

The Academy will be at the heart of our community, promoting community cohesion and sharing facilities with other schools and the wider community. There will be an emphasis on the needs of individual pupils, addressing their individual needs including pupils with or without statements of SEN.

The Academy aims to promote, for the benefit of all inhabitants of the Benfleet area, provision of facilities for recreation and other leisure time occupation. These facilities will aim to address the needs of and improve the lives of local people, recognising their youth, age, infirmity or disablement, financial hardship, social and economic circumstances, in the interests of social welfare.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

From the 2013 – 2016 School Development Plan

Priority 1. Pupil Progress and Teaching and Learning

- To increase the amount of outstanding teaching so that more pupils make rapid and sustained progress.

A key part of the Academy's improvement strategy was to continue to increase the quality of teaching seen during teaching observations so that all teaching seen was at least "Good" and much was "Outstanding". In order to achieve this aim staff training has been focused on outstanding teaching; senior members of the teaching staff attended an "outstanding teaching" programme and coached other members of staff and teachers/learning support staff attended joint training sessions with our partner academies, The Robert Drake School and Kingston School. Staff carried out peer observations and scrutinies of work were carried out to see the impact.

The Headteacher's targets reflected this drive to improve the quality of teaching which the school recognises as being key to its continued success, reflected in pupil progress and achievement levels.

Priority 2 – To improve Pupils' attendance

- To improve attendance to at least average levels by working more closely with families in order to reduce the number of absences and to promote high attendance.

The Governing Body put in place stringent attendance policies and procedures in order to bring attendance levels to at least average in terms of national data – a target of 96.5% for the whole School was agreed for 2013/14 plus improvements in attendance rates for all significant groups including pupils on Free School Meals and with special educational needs.

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This priority included working closely with individual families to support improved attendance at School and working with an Attendance Support Worker with specific families.

The Governors closely monitored progress against the agreed attendance targets for all groups as part of their monitoring regime in this academic year.

- To set up a programme of positive rewards for good attendance.

In order for the strategies to work, positive rewards were agreed to encourage good attendance; this included stickers for younger pupils and a class trophy for older pupils.

Priority 3 – The New Curriculum

Preparation towards the 2014 curriculum has been a focus for the Academy this year; staff meetings and curriculum groups focused on the changes required to ensure a smooth transition in September 2014.

Co-ordinators drew up Action Plans for their areas of responsibility which formed a key part of the School Staff held teacher meetings on their curriculum area

The Governing Body continued to provide challenge by closely monitoring the curriculum and in particular, holding in depth discussions with co-ordinators about their subject areas, progress towards their SDP targets and the changes required to put in place the 2014 curriculum.

c. PUBLIC BENEFIT

The Academy's governors confirm that they have referred to the guidance in the Charity Commission's guidance on public benefit when reviewing the Academies objectives and aims and in forward planning. The Academy's governors have ensured that the Academy's aims are targeted towards the advancement of education. This is supported by the Academy's aims to provide a balanced curriculum and support the health and welfare of all our pupils and staff with due regard for equality of opportunity.

Strategic report

Achievements and performance

a. GOING CONCERN

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

b. REVIEW OF ACTIVITIES

The School's main achievements were the continued improvement of pupils' attainment at KS2, the high attainment of Year 1 pupils in the Phonics Screening Test and pupil progress levels across the whole school. The following report includes a summary of results for the academic year ending July 2014. The data used includes the results from tests and teacher assessments up to the end of July 2014; Raiseonline data has not yet been made available. Overall it has been a highly successful year, academically.

Educational Achievement and Progress Headlines for the year included:-

- At the end of Year 6 - Pupils made outstanding progress in Reading and good progress in Writing
and Maths.
• Pupils' attainment in Spelling, Punctuation and Grammar was good but there is

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At the end of Year 2- no National Data available yet to compare this to.
Pupils made above outstanding progress in Reading and Good progress in Writing and Maths.

Phonics Screening Test (Year 1) 78% of pupils in Year 1 passed the Phonics Screening Test and all pupils in Year 2 who re-sat the test passed it.

Priority 1 – Pupil Progress and Teaching and Learning

Over the year resources were targeted towards improving the quality of teaching with an emphasis of moving a significant proportion of teaching from "Good" to "Outstanding". Lead teachers attended training and this was shared with colleagues and classroom observations by SLT and peers plus the School Development Advisor's visits were focused on the quality of teaching seen.

This was evidenced by Class Teacher observations and the School Improvement Partner's report shows that 100% of lessons were judged to be Good or better in the Spring Term and Summer Term 2014. Evidence of the impact of this high quality teaching can be seen in pupil progress rates across the School, where:-

- Pupils at the end of KS1 made at above expected progress in English, Writing and Maths.
- 78% of pupils in Year 1 passed the Phonics Screening Test and all pupils re-sitting the test in Year 2 passed the test.
- Pupils at the end of KS2 made outstanding progress in Reading, Writing and Maths.

The impact of the effective deployment of adult staff continued to benefit pupils, including keeping class sizes small in Year 6, employing extra Learning Support staff in the Early Years and for groups of pupils across the whole school.

Priority 2 – To improve Pupils' Attendance

The Governors' drive to improve attendance was highly successful in 2013-14. Extremely challenging targets were set as part of the Attendance Action Plan and progress towards these was carefully monitored during the year at SLT and Governors' meetings.

Overall, absence levels fell from 5.1% at the end of 2012/13 to 4.09% at the end of 2013/14 which proves that the strategies put in place were successful although the ambitious target of 3.5% was not met. Significant groups, including pupils with various levels of Special Education Need and pupils on Free School Meals, met or exceeded their targets.

Group	Absence %	Target by 31/08/14	Target met/Exceeded/not met
Whole School	4.09%	3.50%	Not met – 0.59% over
Whole School (Minus 2 pupils with medical needs)	3.94%	3.50%	Not met – 0.44% over
Free School Meals (FSM)	6.64%	6.50%	Met (0.14% diff)
Statement	7.33%	n/a medical needs	n/a
School Action +	6.03%	6.50%	Exceeded by 0.47 %
School Action	3.60%	5.50%	Exceeded by 1.9 %

Priority 3 – The New Curriculum

Subject co-ordinators produced Action Plans for their subjects as part of the SDP and Governing Body monitoring showed that co-ordinators and Key Stage groups have made considerable progress towards these targets and a smooth implementation of the new curriculum in 2014.

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Audits of resources, teacher meeting time and collaborative working with partner schools have ensured that current policies and schemes of work have been amended where necessary.

On-going targets from 2012/13:-

Target - The Governing Body to be more challenging, and have more opportunities to interrogate data with staff.

The Governors continue to discuss relevant pupil data at Governing Body meetings and at a strategic Data session and implement a monitoring regime to support school improvement targets. In 2013/14 this included monitoring the implementation of the new curriculum and the challenging improvements in attendance which the School put in place.

These were both very successful; the new curriculum has been carefully considered by the subject leaders and amended/resourced as necessary and attendance statistics for the whole School show marked improvements and progress towards the target % - see Target x above.

Target - To continue to work in partnership with local schools of all phases.

The staff and governors have continued to benefit from the BATIC Partnership Trust, in particular for training and development courses and training targeted at the needs of the group of schools. A successful bid for funding enabled all the participating schools to take part in a relevant project to further their understanding of WWII. At Jotmans Hall a Year 4/5 class took part in a very successful and detailed project on WWII.

Supporting the mental health issues of pupils in the BATIC Extended Schools LDG has continued to enable quick and easy referral for pupils to a range of mental health specialists, a service which has proved invaluable to the pupils and their families. Ensuring that the LDG counselling service can continue to be funded once Extended Services funding is devolved to schools has been a focal point for the group in 2013 and this was successfully initiated in April 2014.

c. INVESTMENT POLICY AND PERFORMANCE

The Academy holds cash balances in a current account and in a savings account with Barclays Bank plc. A daily sweep is operated so that a balance of £5,000 is maintained over-night in the current account; the remaining funds transferring to an interest bearing account. The Governors have looked into other investments but the need for quick access to the cash holdings was considered to be paramount.

In addition, the bulk of the cash reserves relate to the Extended Services LDG and these funds could be withdrawn by the LDG if a different "host" school was chosen to hold the Extended Services funds.

Financial review

a. PRINCIPAL RISKS AND UNCERTAINTIES

The Academy's Risk register is used to evaluate the risks which the Academy faces. It is updated annually and was last updated in June 2014. A thorough review of the register was carried out by a working group of Governors in 2013 in 2014 only minor changes were required, mainly relating to Tree Tots Pre-school, since risks relating specifically to the Academy's association with this business on our site had not been examined in detail previously. These risks were added to the main risks rated in 2012/13.

Jotmans Hall School main risks were assessed as:-

- Uncertainty over pupil numbers or falling pupil numbers would impact on funding streams for the Academy, making a deficit budget a possibility and affecting long-term viability. The governors ensure that adequate reserves were held to provide a transition period if pupil numbers fell. The current "Good" grade should help to ensure that pupil numbers do not fall – every place was filled for the September 2014 new intake

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plus a waiting list.

- A change in political party/government could cause changes to the funding systems which may impact on the Academy. The only back-up for this risk is to hold sufficient contingency plans to provide a buffer if funding levels fall.
- Flood/fire or other disasters are a major risk – good health, safety and security systems should mitigate against this, plus sufficient insurance against a range of risks. The insurers, Marsh, have an excellent long-term history of supporting schools and provide more than adequate cover.
- An accident/incident on site resulting in poor media coverage or litigation is another risk which is kept under control by good health and safety measures and systems plus purchase of expert advice.
- Starting the in-house catering service has increased the risk of a food hygiene issue considerably so that this is now a major risk. The Food Hazard Analysis carried out on the new system should ensure that controls are in place and hazards minimised.

Tree Tots main risks were assessed as:-

- An accident/incident on site resulting in poor media coverage or litigation is another risk which is kept under control by including Tree Tots in the health and safety walks and audits and the School ensuring that safety checks such as fire extinguisher annual services/PAT testing/legionella testing is carried out by the Premises Manager or a contractor under our direction.
- Safeguarding issues – ensuring safeguarding procedures are followed rigorously and experienced managers in place reduces this risk.
- Inappropriate use of ICTY by adults/children resulting in media interest is a high risk – ensuring that Tree Tots have an ICT security Policy in place and filtered Internet access should reduce this risk.

The Academy continues to monitor these risks and re-rate them as changes occur which affects the overall risk ratings.

b. RESERVES POLICY

The governors have reviewed the reserves of the Academy. This review encompassed the nature of income and expenditure streams and the need to match them with future commitments. The level of reserves will be kept under review by the governors to ensure that it is adequate for the Academy's requirements.

The Academy had reserves of £126,526 at 31st August 2014 of which £46,000 related to the restricted Extended Services LDG funds and £80,526 was the Academy's unrestricted funds.

The Extended Services LDG reserves of £46,000 were kept at a fairly high level, (by the Steering group of Headteachers) although lower than in previous years to enable the counselling service to continue to support the mental health needs of pupils within the LDG. The contingency fund for redundancies was reduced during 2013/14 because several redundancies were made, including the Extended Schools' Co-ordinator. The fund requirement would be calculated annually to ensure that the Academy's liabilities were covered, now that the counsellors had transferred to Jotmans Hall's payroll.

The Academy's governors maintained a low level of reserves, in line with their policy to spend funding received on the pupils in the Academy at that time, except where a specific project required funding which needed to be built up over several years. The reserves held at the end of the year enabled a small contingency fund to be held to support future falls in pupil numbers when an unusually large year group passes through the school.

The Academy operated with with a Local Government Pensions Scheme Deficit of £436,000 at the end of 2013/14, which is lower than the previous financial period. The Academy has recognised the deficit and employer's pension contributions (as a percentage of gross pay) have been reduced and a fixed sum is being repaid each month in order to slowly repay the deficit. As a result, there is no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy trust because of recognising the deficit.

Plans for future periods

a. FUTURE DEVELOPMENTS

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The Governors plans for the future include:-

- Ofsted 2013 Action Plan:- September 2014 to August 2015
 1. Increase the amount of "Outstanding" teaching
 2. To improve the "next steps" advice given to teachers following observations
 3. To improve attendance statistics to at least the average level in line with the Attendance Action Plan.
September 2015
- Extending the in-house hot meals service to fulfil the KS1 Universal FSM Initiative - September 2014
- To provide a suitable SEN room to replace the Orchard - October 2014
- To continue to improve the ICT provision across the Academy by replacing the curriculum server and improving ICT provision in the SEN room - October 2014
- To work closely with the BATIC LDG to continue to fund the mental health support for vulnerable pupils into 2014/15 and beyond - March 2015
- Enclosing the Upper School building corridor (if funds allow) - 2015/16
- Remodelling the Admin area to provide an accessible foyer and integral medical room (if funds allow)
- 2016/17

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy acts as the "Host" school for the Extended Services Local Delivery Group for Benfleet and Thundersley. The Extended Schools funding is restricted to a range of purposes which support the education, health and well-being of pupils attending all the schools in the Benfleet and Thundersley area. This is not a registered charity but is a holding facility set up for a group of schools who jointly pool funds awarded to them for specific purposes. An Extended Schools Co-ordinator manages the funds on behalf of the LDG and reports to a steering committee.

Approved by order of the members of the Governing Body in September 2005.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that governor has taken all the steps that ought to have been taken as a governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, MWS Chartered Accountants, have indicated their willingness to continue in office. The Designated governors will propose a motion re-appointing the auditors at a meeting of the governors.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 25 November 2014 and signed on the board's behalf by:



Mr P Hodges
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As governors, we acknowledge we have overall responsibility for ensuring that Jotmans Hall 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 board of trustees has delegated the day-to-day responsibility to the Principal, 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 Jotmans Hall Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

The Governors are satisfied that the internal control systems in operation at the Academy during its first year as an Academy from 1st August 2013 – 31st August 2014 were adequate and effective.

The Governors' views have been informed by:-

- Monthly management reports which were received by Governors,
- Bi-monthly Finance and Premises Committee Meetings to monitor the Academy's performance and to ensure that the Academy's resources are appropriately managed and controlled.
- Regular scrutiny of financial and other performance monitoring data
- regular reports from the Headteacher and other managers to the governing body
- The reports of the Responsible Officer

Governors have ensured that the Academy has kept proper accounting records during the period which have enabled the financial position of the Academy to be accurately tracked. The Academy has maintained and operated an effective system of internal control to safeguard all the resources delegated, granted or otherwise entrusted to the school and ensured they are used cost effectively.

The system of internal control has been developed and is coordinated by the Accounting Officer. It aims to provide as much assurance as is reasonably possible (not absolute assurance) that assets are safeguarded, transactions are properly authorised and recorded and that material errors or irregularities are either prevented or can be detected promptly

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Mrs N Kadwill, Principal and Accounting Officer	0	4
Mr P Hodges, Parent Governor & Chair of Governors	3	4
Mr A Keeble, Community Governor	3	4
Mrs N Collins, Community Governor	1	4
Mrs S Coultrup, Staff Governor	3	4
Mr B Dunmow, Community Governor	4	4
Mr M Hobday, Staff Governor	4	4
Mrs M Howe, Community Governor	4	4
Mrs J Lunn, Community Governor	1	4
Mrs M Neary, Vice Chairman	3	4
Mrs N Ruddock, Finance Director	4	4
Mrs C Savage, Staff Governor	2	4
Mr R Savage, Parent Governor	3	4
Mr M Woodruff, Parent Governor	4	4
Mr B Woolf, Community Governor	3	4

JOTMANS HALL PRIMARY SCHOOL
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GOVERNANCE STATEMENT (continued)

During the year Mrs M Howe resigned as a Governor.

Governance reviews:

All Governors complete a Governor competency form once a year, which are reviewed by the Governing Body. In addition the Academy reviews on a regular basis the monitoring of the Governors' abilities and competency.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to consider and make decisions in respect of various functions of the Governing Body.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs S Coultrup, Staff Governor	5	6
Mr M Hobday, Staff Governor	6	6
Mr P Hodges, Parent Governor & Chair of Governors	6	6
Mrs N Kadwill, Principal and accounting officer	5	6
Mrs M Neary, Vice Chairman	4	6
Mr R Savage, Parent Governor	2	6
Mrs N Ruddock, Finance Director	5	6
Mr M Woodruff, Parent Governor	4	6
Mr B Woolf, Community Governor	6	6

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 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 Jotmans Hall Primary School for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- 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;

JOTMANS HALL PRIMARY SCHOOL
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GOVERNANCE STATEMENT (continued)

- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Mr Terry Lepley, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, the RO reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

In addition, the services of Essex County Council's Academy Financial Support Team was purchased and termly visits were as an additional check on the systems in place.

The Responsible Officer delivered the scheduled work as planned and there were no material control issues arising as a result of their work.

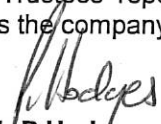
REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal 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 auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Trustees' report, incorporating a strategic report, approved by order of the members of the board of trustees, as the company directors, on 25 November 2014 and signed on its behalf, by:


Mr P Hodges
Chair of Trustees


Mrs N Kadwill
Accounting Officer

JOTMANS HALL PRIMARY SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Jotmans Hall Primary School I have considered my responsibility to notify the Academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the Academy board of trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2013).

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



Mrs N Kadwill
Accounting Officer

Date: 25th November 2014

JOTMANS HALL PRIMARY SCHOOL
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GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

The governors (who act as governors of Jotmans Hall Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

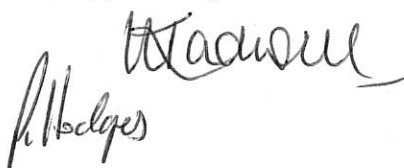
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 25 November 2014 and signed on its behalf by:



Mr P Hodges
Chair of Trustees

JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF JOTMANS HALL PRIMARY SCHOOL

We have audited the financial statements of Jotmans Hall Primary School for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the Academy's members, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

The governors have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 145 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements 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 FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

JOTMANS HALL PRIMARY SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF JOTMANS HALL PRIMARY SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Governors' report is inconsistent in any material respect with the financial statements; or
- the Academy has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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



Jonathan Gorridge FCA (Senior Statutory Auditor) for and on behalf of MWS, Statutory Auditor

Chartered Accountants
Statutory Auditor

Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE
25 November 2014

JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO JOTMANS
HALL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19th February 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Jotmans Hall Primary School during the year 1 September 2013 to 31 August 2014 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 Jotmans Hall Primary School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Jotmans Hall Primary School and 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 Jotmans Hall Primary School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF JOTMANS HALL PRIMARY SCHOOL'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Jotmans Hall Primary School's funding agreement with the Secretary of State for Education dated 29th July 2011, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. 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 1 September 2013 to 31 August 2014 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 2013 to 2014 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's income and expenditure.

Based upon our risk assessment of material non-compliance, we carried out detailed testing of the specific income streams from the EFA, and the related expenditure streams, to which specific conditions had been attached.

We evaluated the control environment of the Academy Trust, extending the procedures required for the financial statements to include regularity. We tested a sample of the specific control activities over regularity of particular activities. We confirmed that the Academy Trust had not entered into any borrowing arrangements. We carried out substantive testing of fixed assets to confirm that no sales of any assets had taken place. We reviewed cash payments made by the school for any unusual transactions and verified the nature of said transactions. We reviewed the list of suppliers to consider whether any supplies were made by related parties connected to the Principal, Finance Manager or any Governor. We reviewed the nature and terms of any lettings to ensure that any lettings made to any related parties were made at the normal third party rates and not on any favourable

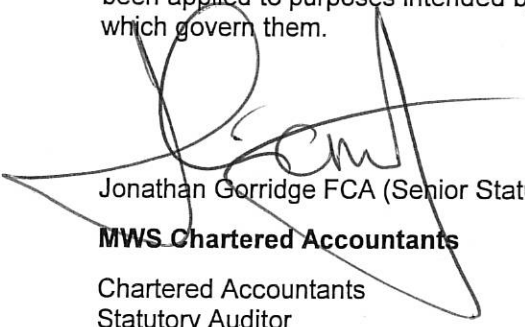
JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO JOTMANS
HALL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

terms.

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 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Jonathan Gorridge FCA (Senior Statutory Auditor)

MWS Chartered Accountants

Chartered Accountants
Statutory Auditor

Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

25 November 2014

JOTMANS HALL PRIMARY SCHOOL

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	-	-	36,199	36,199	39,645
Activities for generating funds	4	-	-	91,879	91,879	68,466
Investment income	5	-	-	1,141	1,141	1,151
Incoming resources from charitable activities	6	1,144,330	104,369	54,170	1,302,869	1,181,427
TOTAL INCOMING RESOURCES		1,144,330	104,369	183,389	1,432,088	1,290,689
RESOURCES EXPENDED						
Charitable activities		1,322,705	189,575	121,945	1,634,225	1,547,126
Governance costs	7	14,147	-	-	14,147	12,885
TOTAL RESOURCES EXPENDED	10	1,336,852	189,575	121,945	1,648,372	1,560,011
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(192,522)	(85,206)	61,444	(216,284)	(269,322)
Transfers between Funds	21	52,093	12,907	(65,000)	-	-
NET EXPENDITURE FOR THE YEAR		(140,429)	(72,299)	(3,556)	(216,284)	(269,322)
Actuarial gains and losses on defined benefit pension schemes		55,000	-	-	55,000	(25,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(85,429)	(72,299)	(3,556)	(161,284)	(294,322)
<i>Total funds at 1 September 2013</i>		<i>(349,405)</i>	<i>2,688,034</i>	<i>102,762</i>	<i>2,441,391</i>	<i>2,735,713</i>
TOTAL FUNDS AT 31 AUGUST 2014		(434,834)	2,615,735	99,206	2,280,107	2,441,391

All activities relate to continuing operations.

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

The notes on pages 23 to 41 form part of these financial statements.

JOTMANS HALL PRIMARY SCHOOL
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REGISTERED NUMBER: 7687947

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	17		2,615,736		2,688,034
CURRENT ASSETS					
Stocks	18	672		1,756	
Debtors	19	70,799		75,383	
Cash at bank and in hand		127,612		194,955	
		<u>199,083</u>		<u>272,094</u>	
CREDITORS: amounts falling due within one year	20	(98,712)		(73,737)	
NET CURRENT ASSETS			<u>100,371</u>		<u>198,357</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,716,107</u>		<u>2,886,391</u>
Defined benefit pension scheme liability	27		(436,000)		(445,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>2,280,107</u></u>		<u><u>2,441,391</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted general fund	21	1,166		95,595	
Restricted fixed asset funds	21	2,615,735		2,688,034	
Restricted funds excluding pension liability		<u>2,616,901</u>		<u>2,783,629</u>	
Pension reserve		<u>(436,000)</u>		<u>(445,000)</u>	
Total restricted funds			<u>2,180,901</u>		<u>2,338,629</u>
Unrestricted funds	21		<u>99,206</u>		<u>102,762</u>
TOTAL FUNDS			<u><u>2,280,107</u></u>		<u><u>2,441,391</u></u>

The governors consider that the Academy is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Academy to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 145 of the Charities Act 2011.

The governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the governors, and authorised for issue, on 25 November 2014 and are signed on their behalf, by:

Mr P Hodges
Chair of Trustees

Mrs N Kadwill
Accounting Officer

The notes on pages 23 to 41 form part of these financial statements.

JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	23	48,792	(90,741)
Returns on investments and servicing of finance	24	1,141	1,148
Capital expenditure and financial investment	24	(117,276)	(34,616)
DECREASE IN CASH IN THE YEAR		<u><u>(67,343)</u></u>	<u><u>(124,209)</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014**

	2014 £	2013 £
Decrease in cash in the year	(67,343)	(124,209)
MOVEMENT IN NET FUNDS IN THE YEAR	<u>(67,343)</u>	<u>(124,209)</u>
Net funds at 1 September 2013	194,955	319,164
NET FUNDS AT 31 AUGUST 2014	<u><u>127,612</u></u>	<u><u>194,955</u></u>

The notes on pages 23 to 41 form part of these financial statements.

JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

JOTMANS HALL PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

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

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

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

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

JOTMANS HALL PRIMARY SCHOOL

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

The policy with respect to impairment reviews of fixed assets is that 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.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% Straight line basis
Furniture and equipment	-	25% Straight line basis
Computer equipment	-	25% Straight line basis

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Taxation

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

1.9 Pensions

JOTMANS HALL PRIMARY SCHOOL

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2 % could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2014.

3. VOLUNTARY INCOME

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations	-	10,329	10,329	11,081
Educational trips and visits	-	25,870	25,870	28,564
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	-	36,199	36,199	39,645
	<hr/>	<hr/>	<hr/>	<hr/>

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4. ACTIVITIES FOR GENERATING FUNDS

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Hire of facilities	-	6,136	6,136	5,562
Catering income	-	34,215	34,215	7,671
Services provided	-	51,528	51,528	55,233
	<u>-</u>	<u>91,879</u>	<u>91,879</u>	<u>68,466</u>

5. INVESTMENT INCOME

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Short term deposits	-	1,141	1,141	1,151
	<u>-</u>	<u>1,141</u>	<u>1,141</u>	<u>1,151</u>

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	<i>Total funds 2013 £</i>
Educational Operations	1,248,699	54,170	1,302,869	1,181,427
	<u>1,248,699</u>	<u>54,170</u>	<u>1,302,869</u>	<u>1,181,427</u>

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FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	1,062,357	-	1,062,357	1,004,533
Capital Grants	104,369	-	104,369	16,459
Other DfE/EFA grants	48,867	-	48,867	116,353
	<u>1,215,593</u>	<u>-</u>	<u>1,215,593</u>	<u>1,137,345</u>
Other government grants				
Local authority grants	33,106	-	33,106	39,770
	<u>33,106</u>	<u>-</u>	<u>33,106</u>	<u>39,770</u>
Other funding				
Extended services	-	54,170	54,170	4,312
	<u>-</u>	<u>54,170</u>	<u>54,170</u>	<u>4,312</u>
	<u>1,248,699</u>	<u>54,170</u>	<u>1,302,869</u>	<u>1,181,427</u>

7. GOVERNANCE COSTS

	Restricted funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Governance Auditors' remuneration	7,000	-	7,000	6,000
Clerk to Governors	7,147	-	7,147	6,885
	<u>14,147</u>	<u>-</u>	<u>14,147</u>	<u>12,885</u>

8. DIRECT COSTS

	Educational Operations £	Total 2014 £	Total 2013 £
Educational supplies	117,241	117,241	167,045
Staff development	132	132	100
Educational consultancy	6,635	6,635	6,309
Wages and salaries	692,813	692,813	638,115
National insurance	47,862	47,862	45,158
Pension cost	69,582	69,582	62,485
Depreciation	189,575	189,575	183,300
	<u>1,123,840</u>	<u>1,123,840</u>	<u>1,102,512</u>

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8. DIRECT COSTS (continued)

9. SUPPORT COSTS

	Educational Operations £	Total 2014 £	<i>Total 2013 £</i>
Pension income	20,000	20,000	14,000
Maintenance of premises and equipment	71,542	71,542	76,640
Cleaning	5,028	5,028	4,988
Rent & rates	5,870	5,870	5,680
Energy costs	12,189	12,189	14,669
Insurance	23,351	23,351	27,169
Security and transport	1,266	1,266	869
Catering	30,130	30,130	20,691
Bank interest and charges	67	67	72
Other support costs	64,140	64,140	59,430
Wages and salaries	189,592	189,592	153,927
National insurance	8,809	8,809	8,017
Pension cost	78,401	78,401	58,463
	<u>510,385</u>	<u>510,385</u>	<u>444,615</u>

10. RESOURCES EXPENDED

	Staff costs 2014 £	Premises 2014 £	Other costs 2014 £	Total 2014 £	<i>Total 2013 £</i>
Direct costs	810,257	189,575	124,008	1,123,840	1,102,512
Support costs	276,802	117,980	115,603	510,385	444,615
Charitable activities	<u>1,087,059</u>	<u>307,555</u>	<u>239,611</u>	<u>1,634,225</u>	<u>1,547,127</u>
Governance costs	<u>-</u>	<u>-</u>	<u>14,147</u>	<u>14,147</u>	<u>12,885</u>
	<u>1,087,059</u>	<u>307,555</u>	<u>253,758</u>	<u>1,648,372</u>	<u>1,560,012</u>

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2014 £	Support costs 2014 £	Total 2014 £	<i>Total 2013 £</i>
Educational Operations	<u>1,123,840</u>	<u>510,385</u>	<u>1,634,225</u>	<u>1,547,126</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

12. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the charity	189,574	183,300
Auditors' remuneration	7,000	6,000
Governance Internal audit costs	-	-
Operating lease rentals:		
- other operating leases	10,286	3,977
	<u>10,286</u>	<u>3,977</u>

13. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	868,012	779,887
Social security costs	56,671	53,175
Other pension costs (Note 27)	147,983	120,948
	<u>1,072,666</u>	<u>954,010</u>
Supply teacher costs	11,393	12,155
Compensation payments	3,000	-
	<u>1,087,059</u>	<u>966,165</u>

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2014 No.	2013 No.
Teachers	20	22
Administration and support	15	8
Management	2	2
	<u>37</u>	<u>32</u>

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2014 No.	2013 No.
In the band £60,001 - £70,000	1	1

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014

13. STAFF (continued)

1 (2013 - 1) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for these staff amounted to £8,728 (2013- £8,642)

14. GOVERNORS' REMUNERATION AND EXPENSES

The Principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of governors' remuneration fell within the following bands:

	2014 £'000	2013 £'000
C Savage, staff governor and trustee	10-15	10-15
M Hobday, staff governor and trustee	25-30	20-25
S Coulthrop, staff governor and trustee	35-40	35-40
N Ruddock, staff governor and trustee	40-45	45-50
N Kadwill, staff governor and trustee	60-65	60-65
J Lunn, staff governor and trustee	0-5	Nil

During the year, no governors received any reimbursement of expenses (2013 - £NIL).

15. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 is included in the total insurance cost.

16. OTHER FINANCE INCOME

	2014 £	2013 £
Expected return on pension scheme assets	9,000	5,000
Interest on pension scheme liabilities	(29,000)	(19,000)
	<u>(20,000)</u>	<u>(14,000)</u>

17. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and equipment £	Computer equipment £	Other fixed assets £
Cost				
At 1 September 2013	2,462,681	494,575	107,885	-
Additions	68,584	7,050	7,124	34,518
At 31 August 2014	<u>2,531,265</u>	<u>501,625</u>	<u>115,009</u>	<u>34,518</u>

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17. TANGIBLE FIXED ASSETS (continued)

Depreciation

At 1 September 2013	75,150	248,243	53,714	-
Charge for the year	36,334	124,905	28,335	-
At 31 August 2014	<u>111,484</u>	<u>373,148</u>	<u>82,049</u>	<u>-</u>
Net book value				
At 31 August 2014	<u>2,419,781</u>	<u>128,477</u>	<u>32,960</u>	<u>34,518</u>
At 31 August 2013	<u>2,387,531</u>	<u>246,332</u>	<u>54,171</u>	<u>-</u>

**Total
£**

Cost

At 1 September 2013	3,065,141
Additions	117,276
At 31 August 2014	<u>3,182,417</u>

Depreciation

At 1 September 2013	377,107
Charge for the year	189,574
At 31 August 2014	<u>566,681</u>

Net book value

At 31 August 2014	<u>2,615,736</u>
At 31 August 2013	<u>2,688,034</u>

Included in land and buildings is freehold land at valuation of £650,000 (2013 - £650,000), which is not depreciated.

18. STOCKS

	2014 £	2013 £
Uniform stock	<u>672</u>	<u>1,756</u>

19. DEBTORS

	2014 £	2013 £
Trade debtors	600	4,353
VAT recoverable	11,697	6,342
Prepayments and accrued income	58,502	64,688
	<u>70,799</u>	<u>75,383</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. DEBTORS (continued)

20. CREDITORS:

Amounts falling due within one year

	2014 £	2013 £
Trade creditors	5,505	20,614
Other taxation and social security	33,362	28,983
Accruals and deferred income	59,845	24,140
	<u>98,712</u>	<u>73,737</u>

Deferred income

Deferred income at 1 September 2013	3,461
Resources deferred during the year	26,605
Amounts released from previous years	<u>(3,461)</u>
Deferred income at 31 August 2014	<u>26,605</u>

£

21. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	102,762	183,389	(121,945)	(65,000)	-	99,206
Restricted funds						
General Annual Grant (GAG)	(36,900)	1,012,141	(1,098,325)	52,093	-	(70,991)
Other DFE/EFA grants	11,025	48,867	(33,287)	-	-	26,605
Local Authority Grants	26,361	33,106	(59,467)	-	-	-
Local Delivery Group	95,109	50,216	(99,773)	-	-	45,552
Pension reserve	(445,000)	-	(46,000)	-	55,000	(436,000)
	<u>(349,405)</u>	<u>1,144,330</u>	<u>(1,336,852)</u>	<u>52,093</u>	<u>55,000</u>	<u>(434,834)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Inherited fixed assets	2,568,519	-	(152,109)	12,907	-	2,429,317
Capital Expenditure from GAG	80,937	-	(12,505)	-	-	68,432
DfE/EFA capital grants	38,578	104,369	(24,961)	-	-	117,986
	<u>2,688,034</u>	<u>104,369</u>	<u>(189,575)</u>	<u>12,907</u>	<u>-</u>	<u>2,615,735</u>
Total restricted funds	2,338,629	1,248,699	(1,526,427)	65,000	55,000	2,180,901
Total of funds	<u>2,441,391</u>	<u>1,432,088</u>	<u>(1,648,372)</u>	<u>-</u>	<u>55,000</u>	<u>2,280,107</u>

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

Restricted general funds and other restricted funds

These relate to the Academy's development and operational activities.

Restricted fixed asset fund

These grants relate to capital funding to carry out works of a capital nature

Pension reserve

The pension reserve relates to the Academy's share of the deficit of the Local Government Pension Scheme

Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014. Note 2 discloses whether the limit was exceeded.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	102,762	183,389	(121,945)	(65,000)	-	99,206
Restricted funds	(349,405)	1,144,330	(1,336,852)	52,093	55,000	(434,834)
Restricted fixed asset funds	2,688,034	104,369	(189,575)	12,907	-	2,615,735
	<u>2,441,391</u>	<u>1,432,088</u>	<u>(1,648,372)</u>	<u>-</u>	<u>55,000</u>	<u>2,280,107</u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Unrestricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	2,615,735	-	2,615,735	2,688,034
Current assets	99,877	-	99,206	199,083	272,094
Creditors due within one year	(98,711)	-	-	(98,711)	(73,737)
Provisions for liabilities and charges	(436,000)	-	-	(436,000)	(445,000)
	<u>(434,834)</u>	<u>2,615,735</u>	<u>99,206</u>	<u>2,280,107</u>	<u>2,441,391</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources before revaluations	(216,284)	(269,322)
Returns on investments and servicing of finance	(1,141)	(1,148)
Depreciation of tangible fixed assets	189,574	183,300
Decrease in stocks	1,087	1,183
Decrease/(increase) in debtors	4,584	(56,681)
Increase in creditors	24,972	23,927
FRS 17 adjustments	46,000	28,000
Net cash inflow/(outflow) from operations	<u>48,792</u>	<u>(90,741)</u>

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

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	<u>1,141</u>	<u>1,148</u>
Capital expenditure and financial investment		
Purchase of intangible fixed assets	<u>(117,276)</u>	<u>(34,616)</u>

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25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	194,955	(67,343)	-	127,612
Net funds	194,955	(67,343)	-	127,612

26. TRANSFER BETWEEN FUNDS

Funds have been transferred in respect of the following:

£12,907 has been transferred from the restricted fixed asset fund to the restricted fund representing revenue expenditure made from the DfE/EFA capital grants fund.

£65,000 has been transferred from the unrestricted fund to the restricted fund to cover the cash deficit on this fund.

27. PENSION COMMITMENTS

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

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

Contributions amounting to £9,789 were payable to the scheme at 31 August 2014 (2013 - 12,575) 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.

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

Valuation of the Teachers' Pension Scheme

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27. PENSION COMMITMENTS (continued)

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatting Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £52,337, of which employer's

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27. PENSION COMMITMENTS (continued)

contributions totalled £35,251 and employees' contributions totalled £17,086. The agreed contribution rates for future years are 12.3% for employers and 5.5-12.5% 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.

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.10	138,000	6.60	84,000
Gilts	3.00	14,000	3.50	10,000
Other Bond	3.60	24,000	4.40	12,000
Property	5.10	25,000	5.60	14,000
Cash	2.90	6,000	0.50	4,000
Alternative Assets	3.60	9,000	4.40	5,000
Total market value of assets		216,000		129,000
Present value of scheme liabilities		(652,000)		(574,000)
(Deficit)/surplus in the scheme		(436,000)		(445,000)

The expected return on assets is based on the long-term future expected investment return for each asset classes as at the beginning of the period (i.e. as at September 2014) for the year 31 August 2015. The returns on all gilts and other bonds are assumed to be the gilt yield and the corporate bond yield (with an allowance for defaults) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(652,000)	(574,000)
Fair value of scheme assets	216,000	129,000
Net liability	(436,000)	(445,000)

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27. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2014 £	2013 £
Current service cost	(78,000)	(57,000)
Interest on obligation	(29,000)	(19,000)
Expected return on scheme assets	9,000	5,000
	<u>(98,000)</u>	<u>(71,000)</u>
Actual return on scheme assets	<u>20,000</u>	<u>13,000</u>

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

	2014 £	2013 £
Opening defined benefit obligation	574,000	452,000
Current service cost	78,000	57,000
Interest cost	29,000	19,000
Contributions by scheme participants	17,000	13,000
Actuarial (Gains)/losses	(46,000)	33,000
	<u>652,000</u>	<u>574,000</u>

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

	2014 £	2013 £
Opening fair value of scheme assets	129,000	60,000
Expected return on assets	9,000	5,000
Actuarial gains and (losses)	9,000	8,000
Contributions by employer	52,000	43,000
Contributions by employees	17,000	13,000
	<u>216,000</u>	<u>129,000</u>

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

	2014	2013
Equities	64.00 %	65.00 %
Gilts	6.00 %	8.00 %
Other Bonds	11.00 %	9.00 %
Property	12.00 %	11.00 %
Cash	3.00 %	3.00 %
Alternative Assets	4.00 %	4.00 %

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27. PENSION COMMITMENTS (continued)

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

	2014	2013
RPI increases	3.40 %	3.70 %
CPI increases	2.60 %	2.90 %
Rate of increase in salaries	4.40 %	4.70 %
Rate of increase for pensions in payment / inflation	2.60 %	2.90 %
Discount rate	3.90 %	4.70 %

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

	2014	2013
Retiring today		
Males	22.7	22.7
Females	25.1	25.3
Retiring in 20 years		
Males	24.9	24.2
Females	27.4	26.9

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2014 £	2013 £	2012 £
Defined benefit obligation	(652,000)	(574,000)	(452,000)
Scheme assets	216,000	129,000	60,000
Deficit	(436,000)	(445,000)	(392,000)
Experience adjustments on scheme liabilities	46,000	(33,000)	-
Experience adjustments on scheme assets	9,000	8,000	-

28. OPERATING LEASE COMMITMENTS

At 31 August 2014 the Academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Between 2 and 5 years	10,286	3,977

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29. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a governors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Mr B Dunmow

Mr B Dunmow is a governor and trustee of Jotmans Hall Primary School and a director of Interim IT (Essex) Ltd. Jotmans Hall Primary School employed Interim IT (Essex) Ltd to provide IT services during the period amounting to a total cost of £8,612 (2013: £7,119)

30. CONTROLLING PARTY

There is no ultimate controlling party.