Company Registration No. 08237106 (England and Wales)

GOSFORD HILL SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

GOSFORD HILL SCHOOL

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GOSFORD HILL SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors	Mr N Sellars (Head Teacher & Accounting Officer) (Appointed 11 April 2016) Dr S Bizley (Head Teacher & Accounting Officer) (Resigned 10 April 2016) Mr A Gauld (Acting Chair of Governors from 18 July 2016) Ms A Moon (Chair of Governors) (Resigned 17 July 2016) Dr D Hopkin (Acting Vice Chair of Governors from 18 July 2016) Mr C Robins Mrs A Hedges Ms R Foord (Resigned 17 July 2016) Cllr M Gibbard (Resigned 6 April 2016) Mr R Smith (Resigned 6 October 2016) Mrs D Rae (Resigned 31 August 2016) Mr P Whitford (Resigned 14 December 2015) Mr M Culkeen (Appointed 2 November 2015) Mr M Corness (Appointed 14 December 2015) Mrs G Shepherd (Appointed 1 September 2016) Mr M Payne (Appointed 10 October 2016 and resigned 27 November 2016) Ms R Avery (Appointed 15 November 2016) Mr D Thompson (Appointed 15 November 2016) Dr R Long (Appointed 23 November 2016) Mr C Walsh (Appointed 23 November 2016) Mrs E Millard (Appointed 28 November 2016) Mr N Usiskin (Appointed 6 July 2016 and resigned 22 August 2016) Miss S Lal Sarbatta (Appointed 18 January 2016 and resigned 20 September 2016)
Members	Ms A Moon (Until 17 July 2016) Mrs D Rae (Until 31 August 2016) Dr S Bizley (Until 10 April 2016) Ms R Foord (Until 17 July 2016) Mr P Whitford (Until 14 December 2015) Mr R Smith (Until 6 October 2016) Cllr M Gibbard (Until 6 April 2016) Mr C Robins Dr D Hopkin Mrs A Hedges Mr A Gauld Mr M Culkeen (From 2 November 2015) Mr N Sellars (From 11 April 2016)

GOSFORD HILL SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Senior Leadership Team	
- Head Teacher	Mr N Sellars
- Deputy Head Teacher (Leadership & Management, Curriculum)	Mr D Ward
- Senior Assistant Head Teacher (Student Behaviour, Safety & Welfare)	Mr R Belmont
- Assistant Head Teacher (Teaching, Learning & Assessment)	Mr J O'Regan
- Assistant Head Teacher (Student Attainment, Progress & Intervention)	Mrs J Fairchild
- Assistant Head Teacher (Student & Staff Development)	Mrs A Driscoll
Company registration number	08237106 (England and Wales)
Registered office	Oxford Road Kidlington Oxford Oxfordshire OX5 2NT
Independent auditor	Ellacotts LLP Countrywide House 23 West Bar Banbury Oxfordshire OX16 9SA England

GOSFORD HILL SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their annual report together with the accounts and independent auditor's reports of Gosford Hill School (a company limited by guarantee) ("Gosford Hill School" or "the Company") for the period from 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Company operates as an academy for pupils aged 11 to 19 serving a catchment area in Gosford and Kidlington ("the Academy"). The Academy has a pupil capacity of 1,221 and had a roll of 885.

Structure, governance and management

Constitution

The Company is a company limited by guarantee and an exempt charity and was incorporated on 2nd October 2012 and converted to academy status on 1 November 2012. The Company's Memorandum and Articles of Association are the primary governing documents of the Company. The Governors are also the Trustees, the Directors and the Members of the Company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on Page 1.

Members' liability

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

Governors' indemnities

In accordance with Article 5 of the Company's Articles of Association, third party indemnity provision is in place with a risk protection arrangement to the value of £10,000,000 for any one claim and in the aggregate in any one period. The Department for Education's risk protection arrangement is a voluntary arrangement for academies and is an alternative to insurance through which the cost of risks that materialise will be covered by government funds.

Method of recruitment and appointment or election of Governors

Up to seven Governors are appointed for a fixed term. The Head Teacher is an *ex officio* member of the Governing Body. In addition, Parent Governors (a minimum of two and a maximum of seven) and Staff Governors (up to three comprising of up to two teachers and one support staff) are elected to office or appointed if there are insufficient candidates offering themselves for election. Additional Governors may be appointed by the Secretary of State for Education in prescribed circumstances if deemed fit.

Policies and procedures adopted for the induction and training of Governors

New Governors are issued with an induction pack which includes Terms of Reference for all the committees, a description of the role of a Governor, the Company's Funding Agreement with the Education Funding Agency, the Articles of Association, the timetable of meetings and copies of all policy documents. The Governors recommend that new Governors attend training within six months of appointment.

Organisational structure

The management structure of the Academy consists of three senior levels:

- The Governors
- The Head Teacher
- The Senior Leadership Team ("SLT") which includes the Head Teacher, Deputy Head Teacher, Senior Assistant Head Teacher and three Assistant Head Teacher and fixed term secondees as the SLT see fit.

The aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the Academy nurtures the talents of its entire staff to support continual improvement and excellence.

The Governors are responsible for setting the Academy's policies, adopting the School Improvement Plan, approving the annual budget and medium term plan, monitoring performance against theses plans and making major decisions about the direction of the Academy including the curriculum and the achievement and welfare of students and staff.

The Governors have established four committees. Each committee has its own terms of reference detailing the responsibilities discharged to the committee, to the Head Teacher (the Accounting Officer) and to the SLT. The terms of reference and meeting frequency for each committee is reviewed and approved by the Governors annually. The committees of the Governors are:

- Strategy, Performance and Governance
- Finance and Resources
- Teaching and Learning
- Ethos and Community

It should be noted that the Governing Body requires the Executive Committee to discharge the duties of an Audit Committee, as detailed in the Executive Committee's Terms of Reference.

The Head Teacher and SLT manage the Academy at an executive level, implementing the policies set by the Governors and reporting back to them.

Arrangements for setting pay and remuneration of key management personnel

The governors consider the governors of the Academy and the senior leadership team comprise the key management personnel of the Academy, who are in charge of directing and controlling, running and operating the Academy on a day to day basis. The pay of the senior leadership team is reviewed annually and where appropriate, increased in line with average earnings. The Academy benchmark the pay of the senior leadership team against national pay scale levels and other schools. The Head Teacher and other staff governors who are part of the senior leadership team only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as governors. Details of key management personnel total aggregate remuneration are disclosed in note 8 to the accounts.

All other governors give of their time freely and no other governor apart from the head teacher and staff governors received remuneration in the year. Details of Governors' expenses and related party transactions are disclosed in note 9 to the accounts.

Connected organisations including related party relationships

The Academy is a strategic partner within the Oxfordshire Teaching Schools Alliance ("OTSA").

The Academy is part of the Oxfordshire Education Business Alliance as a partner school with five other secondary schools working together with local businesses.

The Academy has well established links with local businesses and other organisations as part of the Academy's work experience programme.

The Academy has a parent organisation called the Friends of Gosford Hill School. The organisation supports the Academy by raising funds to support student outcomes.

Objectives and activities

Objects and aims

As set out in the Article 4 of the Company's Articles of Association, the Company's object is specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on managing and developing a school offering a broad and balanced curriculum; and

- To promote for the benefit of the inhabitants of Gosford and Kidlington and the surrounding area the provision of the facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The Academy's objective is to be an outstanding school, recognised both locally and nationally, that provides an outstanding, creative education for all its students and prepares them for life after Gosford Hill as responsible members of society.

To develop an environment that will help all our students exceed in achieving their goals and aspirations by:

- Creating a supportive, collaborative and nurturing community for both students and staff;
- Enabling our staff deliver teaching and learning excellence, which is both challenging and inspiring to all;
- Provide outstanding pastoral care and developing all of our students' individual qualities;
- Ensuring that all stakeholders are valued and contribute to the success and sustainability of the School; and
- Embedding a passion for learning which will change lives and last a lifetime.

The Academy's curriculum objectives will strive to:

- Meet the personalised needs of specific groups of learners of different abilities to raise achievement
- Enable learners to access a flexible curriculum where ever possible
- Focus on English and Maths as the most important subjects based on knowledge, skills and understanding
- Keep learners motivated and interested to enable and develop independent learning
- Inspire able, gifted and talented students while supporting those learners who find aspects of learning difficult
- Be as consistent as possible while recognising the changing needs of individual cohorts and national policy
- Promote opportunities for students to lead and inspire others
- Work in partnership with other education establishments

The Academy's Curriculum aims to provide a curriculum that:

- Raises academic attainment
- Enables every student to reach his/her potential through high quality learning and teaching
- Provides extra curricula activities that stimulate and encourage students to learn outside the classroom

Objectives, strategies and activities

The Academy aims to be a high performing school which is focused on raising academic standards and to be the best school it can possibly be.

The Academy's focus is on continuous improvement. At its heart is a personalised curriculum designed to meet the needs of every individual. We want our students to develop as resilient and autonomous learners, keen to overcome challenges, and take risks, so that they gain the transferable skills needed to enable them to lead fulfilling lives as confident and articulate individuals in our society. This is underpinned by a strong pastoral structure that both challenges and supports students on their voyage to academic excellence. Life in the classroom is about learning, engagement and celebrating success.

The Academy is a school where students feel safe and happy and achieve the highest standards possible within a culture of continuous improvement. Inspirational learning and teaching is at the heart of what we do and our environment is both welcoming and stimulating. There is a developing student voice and decision making at all levels is strong. There is a sense of belonging within a true learning community - where we are all learners.

Support, challenge and high expectations are essential ingredients for continued success and self evaluation is at every level. Leadership throughout our school is developed, encouraged and celebrated. Independent thinking is encouraged.

There is a real belief that all students play a positive part in contributing to the school community. Through promoting active participation in school life and decision-making, we have high expectations of all our students. We expect excellent attendance and punctuality and expect all students to produce work of a high standard at all times. Importance is placed on school uniform, mutual respect, co-operation and trust to ensure a real sense of community within a positive learning environment.

Every student has strengths and talents, and it is our job to find and unlock that potential in every student. Whether it's sport, art, music, Duke of Edinburgh or World challenge, we celebrate success and recognise that learning goes beyond the classroom. Students are often more likely to remember the wealth and diverse range of opportunities available to them beyond the classroom as they are faced with new and exciting challenges.

We work closely with parents, and it is our belief that where the school, individual student and their parents work closely together, students will succeed. We also work closely with the local community and wider and other agencies to improve outcomes for our children and young people.

We aim for international links which in the future are fruitful for both staff and students with an agenda for innovation and exchange of ideas for further improvement. There is a real determination to widen horizons and the latest technology is embraced.

Governors support all levels of learning and are an integral part of the Academy's success. We celebrate all achievement and encourage all learners to make a positive contribution to the school, local community and wider society.

Resources are efficiently and effectively deployed to support purposeful teaching. Our curriculum focuses on student needs and encourages lifelong learning. Physical, intellectual, emotional, spiritual, moral, cultural and personal development is central to both our formal and informal curriculum.

Progress through encouragement and personal accountability are central to the ethos of our school. Young people, parents, staff and Governors are proud to be associated with Gosford Hill.

Public benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit in exercising their powers and duties as published by the Charity Commission. The key aim of the Governors is the advancement of non-selective secondary education through the provision of a broad curriculum, pastoral care and enrichment for the students at the Academy. The public benefit of this provision is identifiable in the educational attainment of our students as published on our website annually.

Education at the Academy is open to all young people from 11 to 19 in the Gosford and Kidlington and surrounding area regardless of race, gender, religion, sexual orientation, social class and ability.

In accordance with Article 4(b) of the Company's Articles of Association the Governors actively promote the use of the Academy's facilities for the benefit of our local community.

Strategic Report

Achievements and performance

In the year ended 31 August 2016, the Academy continued to ensure that all students achieved their potential through public examination. Students were encouraged to participate in a wide range of extra-curricular activities including public performances, sporting activities, charity collections and work in the community. Students also participated in trips abroad including World Challenge, skiing, Europe and also theatre and other enrichment activities.

Suitably qualified staff were recruited and retained and underwent professional development where appropriate. We continue to work collaboratively with other schools, Universities and other bodies in maintaining our charitable objectives.

The Academy's results for 2015-2016 have remained strong in the core subjects of English and maths. The percentage of students achieving grade C or better in both English and maths was 67%, our second highest ever. The percentage of students achieving A*- C was 75% in English and 73% in Maths. In English, 83% of students made at least expected progress and 71% did so in Maths. This was a substantial increase on the Academy's 2015 results. The percentage of students achieving five or more A*- C grades, including English and Maths was 61%. Progress is broadly in line with the national average and the gap between disadvantaged and non disadvantaged students is starting to close based on the Progress 8 measure compared to 2015 as well as on expected progress in English and maths 2014-2016.

At A level, results by entry have improved on last year at A* , A*/A, A*- B and A*- C grades: over a quarter of grades awarded were A* or A and almost half were A*-B

Key performance indicators

The Governors have delegated financial management to the Finance and Premises Committee. This committee meets a minimum of five times per year to consider the Academy's performance against budget, to approve the annual budget, to consider the medium term financial plan, to consider the Responsible Officer's Quarterly Reports, to consider financial developments, to oversee contracts and procurement and to review finance policies.

The Key Performance Indicators are:

- Staff costs as a percentage of General Annual Grant ("GAG") income
- Estimated outturn forecasts
- Final outrun against budgeted outturn
- Restricted and unrestricted funds carried forward

Going concern

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

Financial review
The majority of the Academy's income was obtained from the Education Funding Agency ("EFA") in the form of the General Annual Grant, the use of which was restricted to particular purposes.

The GAG received from the EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2016, the excess of expenditure over income for the year was £395,324 (Year ended 31 August 2015: excess of expenditure over income was £212,215) including depreciation and amortisation.

As at 31 August 2016, the net book value of assets was £10,678,616 (Year ended 31 August 2015:£10,791,087). The assets were used exclusively for providing education and associated support services to the students of the Academy. Fixed assets in the form of buildings, fixtures and fittings and Information Technology received on conversion are shown in restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Academy's share of the scheme's assets is currently assessed to be less than its share of liabilities in the scheme. Consequently, the Academy shows a net liability of £2,281,000 in respect of the pension entitlements of non-teaching staff (Year ended 31 August 2015:net liability of £1,237,000). Further information is set out in Note 19 of the financial statements.

Reserves policy
The Governors consider the level of cash reserves are appropriate and will enable the Company to continue its rolling programme of improvements and in particular at least ensure that wages and salary expenses can be met in full on a monthly basis.

The Academy has fully utilised all of it's free reserves as at 31 August 2016 (as at 31 August 2015 : £82,226). Reserves are reviewed at least every two months by the Finance and Premises Committee. The reserves policy is reviewed annually by the Governors.

The academy is currently reviewing the teaching and learning responsibility and support staff structure and investigating the sale of land in order to reduce spending and build reserves for the future.

Due to the accounting rules for the Local Government Pension Scheme under Financial Reporting Standard 102, the Academy is recognising a significant pension fund deficit of £2,281,000 (year ended 31 August 2015 : deficit of £1,237,000). This does not mean that an immediate liability for this amount crystallises; such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The Academy is currently making payments of £138,000 per annum towards the deficit and it is envisaged that should this amount be increased it will be met from its budgeted annual income. The recognition of the deficit has no direct impact on the free reserves of the Academy. The Academy has total Restricted funds of £8,376,540 (2015: £9,629,638).

Investment policy and powers
The Academy banks with Lloyds Bank plc. The Academy's investment policy is that any short or longer term deposits, on which interest is earned, are only held with Lloyds Bank plc. The Academy pays no bank charges.

Principal risks and uncertainties

The principal risks facing the Academy are set out below. The Governors have implemented a number of systems to assess and reduce risks that the Academy faces, especially in operational areas in relation to teaching, health and safety (including educational visits), behaviour management, and the control of finances. The Governors have introduced policies and systems for: the recruitment, selection and vetting of new staff; continual professional development of staff; child protection; supervision of students around the Academy site; and internal financial controls. Adequate risk protection or insurance has been arranged where a significant financial risk remains a possibility. The Academy has an effective system of internal financial control as outlined in the Governance Statement.

The Governors have assessed the principal risks facing the Academy as follows:

- Reduced Government Funding - This is probably the main risk the Academy faces. School Funding Reforms and the move to a National Funding Formula are still likely to have a negative impact on income. Government austerity measures are impacting on education in regard to support for vulnerable families (local support hubs are under threat). In order to reduce the impact of these threats the Company continues to monitor and plan for the future.

- Student numbers in the Sixth Form- Demographics impacts on the size of the Sixth Form, which is also impacted in the short term by a number of smaller cohorts in the upper year groups of the Academy.

- Staff Retention – This is a risk for the Academy in a time of teacher shortages. The retention of key staff is extremely important to the Academy. Succession planning, particularly for the SLT, is discussed by Governors. In order to mitigate this risk the Academy is continually reviewing its staffing structure and does not always replace like with like. The Academy also works to grow its own teachers through the OTSA SCITT Programme and this is largely focused on the core subjects.

- Staffing Levels - This is a risk in the context of the above and is continually under review. Careful curriculum planning means that the Academy is able to address this risk. Meetings regarding staff and staffing occur on a weekly basis.

- Changing Educational Landscape - With the rise of Free Schools and Multi Academy Trusts, there is a risk of the Academy being isolated. The Academy is addressing this risk through a new vision statement which focuses on working in partnership with others.

Plans for future periods

The Academy plans to extend its leadership in the delivery of the Outstanding Teacher Programme through further training of existing staff as facilitators.

The Academy will continue to be a self evaluating school in order to continue to meet its four priorities:

- Continue to develop outstanding teaching
- Continue to maintain a curriculum to meet individual needs
- Continue to create a learning culture to ensure all students are fully supported
- Continue to support the local community and surrounding area

Funds held as custodian trustee on behalf of others

The Academy does not hold any funds as Custodian Trustee on behalf of other Charities.

Auditor

In so far as the Governors are aware:

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

A resolution proposing that Ellacotts LLP be reappointed as auditor of the Company will be put to the Members.

The Governors' report, incorporating a strategic report, was approved by order the Governors, as the Company's directors, on 14/12/16 and signed on its behalf by:

....

Mr A Gauld

Chair of Governors

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities.

The Governors have met as a Full Governing Body eight times during the year ended 31 August 2016. Attendance at meetings in the year was as follows:

Governors	**Meetings attended**	**Out of possible**
Mr N Sellars (Head Teacher & Accounting Officer) (Appointed 11 April 2016)	4	4
Dr S Bizley (Head Teacher & Accounting Officer) (Resigned 10 April 2016)	5	5
Mr A Gauld (Acting Chair of Governors from 18 July 2016)	5	8
Ms A Moon (Chair of Governors) (Resigned 17 July 2016)	7	7
Dr D Hopkin (Acting Vice Chair of Governors from 18 July 2016)	6	8
Mr C Robins	7	8
Mrs A Hedges	6	8
Ms R Foord (Resigned 17 July 2016)	5	7
Cllr M Gibbard (Resigned 6 April 2016)	2	5
Mr R Smith (Resigned 6 October 2016)	8	8
Mrs D Rae (Resigned 31 August 2016)	4	8
Mr P Whitford (Resigned 14 December 2015)	3	3
Mr M Culkeen (Appointed 2 November 2015)	6	6
Mr M Corness (Appointed 14 December 2015)	5	6
Mrs G Shepherd (Appointed 1 September 2016)	0	0
Mr M Payne (Appointed 10 October 2016 and resigned 27 November 2016)	0	0
Ms R Avery (Appointed 15 November 2016)	0	0
Mr D Thompson (Appointed 15 November 2016)	0	0
Dr R Long (Appointed 23 November 2016)	0	0
Mr C Walsh (Appointed 23 November 2016)	0	0
Mrs E Millard (Appointed 28 November 2016)	0	0
Mr N Usiskin (Appointed 6 July 2016 and resigned 22 August 2016)	0	0
Miss S Lal Sarbatta (Appointed 18 January 2016 and resigned 20 September 2016)	0	0

During the year there has been a review of the Senior Leadership Team and governance structure and the Academy are in the process of finalising these details.

Dr S Bizley the Head Teacher and Accounting Officer resigned on 10 April 2016. Mr N Sellars was appointed from 11 April 2016. Mr A Gauld, was acting Chair of Governors from 18 July 2016 and elected Chair from 28 November 2016. The previous Chair, Ms A Moon, resigned on 17 July 2016.

The use of one sub-committee with delegated responsibilities has allowed the Governing Body to retain its strategic focus. A further evaluation of effectiveness will take place in the New Year.

The Finance and Resources Committee is a sub-committee of the Governors and its purpose is to advise the Governors on all matters relating to the financial, facilities and health and safety management of the Company.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr N Sellars (Head Teacher & Accounting Officer) (Appointed 11 April 2016)	3	3
Dr S Bizley (Head Teacher & Accounting Officer) (Resigned 10 April 2016)	3	3
Mr A Gauld (Acting Chair of Governors from 18 July 2016)	5	6
Ms A Moon (Chair of Governors) (Resigned 17 July 2016)	4	4
Mr C Robins	3	4
Cllr M Gibbard (Resigned 6 April 2016)	1	3
Mr P Whitford (Resigned 14 December 2015)	2	2

The Strategy, Performance and Governance Committee is a sub-committee of the Governors and its purpose is to: set the strategic direction of the Governing Body; ensure committees know what statutory policies need to be in place; self evaluation of the Governing Body; and to coordinate the annual meeting of the Company to approve the Annual Report and Financial Statements.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr N Sellars (Head Teacher & Accounting Officer) (Appointed 11 April 2016)	1	1
Dr S Bizley (Head Teacher & Accounting Officer) (Resigned 10 April 2016)	4	4
Mr A Gauld (Acting Chair of Governors from 18 July 2016)	4	4
Ms A Moon (Chair of Governors) (Resigned 17 July 2016)	4	4
Dr D Hopkin (Acting Vice Chair of Governors from 18 July 2016)	1	4
Mr C Robins	2	4
Mrs A Hedges	1	4
Ms R Foord (Resigned 17 July 2016)	4	4
Cllr M Gibbard (Resigned 6 April 2016)	1	4
Mr R Smith (Resigned 6 October 2016)	4	4
Mrs D Rae (Resigned 31 August 2016)	2	4
Mr P Whitford (Resigned 14 December 2015)	3	3
Mr M Culkeen (Appointed 2 November 2015)	2	2
Mr M Corness (Appointed 14 December 2015)	1	1

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that the Company 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 Governors have delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between the Company and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Governors any material weaknesses or breakdowns in internal control.

Review of value for money

As Accounting Officer the Head Teacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Governors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer has delivered improved value for money during the year by:

Improving educational outcomes: for our targeted group of disadvantaged students:

- The attainment 8 gap between disadvantaged and non-disadvantaged students improved from 1.29 in 2015 to 1.13 in 2016;
- The expected progress in English gap between disadvantaged and non-disadvantaged students improved by closing from 45% in 2014 to 10% in 2015; it was 15% in 2016;
- The expected progress in Maths gap between disadvantaged and non-disadvantaged students improved by closing slightly from 37% in 2014 to 33% in 2015 and then almost closed in 2016 with a gap of only 5%.

The gender gap on A* -C EM (5 A*-C, including English and Maths) fell from 28% in 2015 to 4% in 2016. Our challenge is to maintain this year on year for different cohort of student.

The area the Academy could do better is in ensuring that all our special educational needs students do as well as others in the Academy and that boys' performance matches the high standards achieved by girls.

Financial Governance and oversight: The Governors have challenged the Academy to re-examine how the Pupil Premium money is spent. This has resulted in a new Pupil Premium statement with Key Performance Indicators, which is published on the Academy's website. The Academy has also been effective in ensuring that the Pupil Premium money is tracked more closely.

Better purchasing: This has been achieved through:

- Adhering to purchasing policies;
- Reviewing of the budget six times a year at Governors meetings;
- Negotiating costs for goods and services, for example the photocopying contract; and
- Looking at longer term implications of purchases and staff replacements, for example teaching posts.

Maximising income generation: This has been achieved through:

- Actively managing surplus cash resources in interest bearing risk free investments; and
- Exploring ways of increasing income from the Academy's resources.

Reviewing controls and managing risks: This has been achieved through:

- The regular preparation and review of budget reports each term;
- Ensuring regular checks and balances are made;
- Undertaking a PESTLE exercise to look at potential risks in the long term; and
- Matching financial skills and background of Governors with the Finance and Premises Committee's scrutiny of documentation and figures.

Lessons Learned: The Academy is more mindful of the need to track finances which are "ring-fenced", for example, DSEN and Pupil Premium. This is so that the overview of the budget can focus on the bigger picture of where money needs to be spent.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Company for the period from 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Governors have reviewed the key risks to which the Company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governors are of the view that there is a formal ongoing process for identifying, evaluating and managing the Company's significant risks and that it has been in place for the period from 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governors.

The risk and control framework

The Company'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 Governors;
- regular reviews by the Finance and Premises 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; and
- identification and management of risks.

The Governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However the Governors have appointed Ellacotts LLP, the external auditor, as Responsible Officer to perform additional checks. The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the Company's financial systems. In particular the checks carried out in the current period included testing of payroll, purchase and bank reconciliation systems. On a quarterly basis, the Responsible Officer reports to the Governors on the operation of the systems of control and on the discharge of the financial responsibilities of the Governors.

Review of effectiveness

As Accounting Officer the Head Teacher 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 as set out in Quarterly Reports;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of managers within the Company 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 Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governors on ....14.12.16... and signed on its behalf by:

N. J. Sellars.

Mr N Sellars
Head Teacher & Accounting Officer

Mr A Gauld
Chair of Governors

GOSFORD HILL SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

As accounting officer of Gosford Hill School I have considered my responsibility to notify the Academy Board of Governors 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy's Board of Governors 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 2015.

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

N. J. Sellars

Mr N Sellars
Head Teacher & Accounting Officer

14/12/16.

GOSFORD HILL SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as Trustees for Gosford Hill School and are also the Directors of Gosford Hill School for the purposes of company law) are responsible for preparing the Governors' Report and the accounts 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 accounts for each financial year. Under company law the Governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from the Education Funding Agency 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 Company website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the Governors on 14/12/16 and signed on its behalf by:

Mr A Gauld
Chair of Governors

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF GOSFORD HILL SCHOOL

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

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

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 17, the Governors, who are also the directors of Gosford Hill School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

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

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF GOSFORD HILL SCHOOL (CONTINUED)

Matters on which we are required to report by exception

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

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

Ellacotts LLP

David Stevens BA FCA (Senior Statutory Auditor)
for and on behalf of Ellacotts LLP

Chartered Accountants &
Statutory Auditor
Countrywide House
23 West Bar
Banbury
Oxfordshire
OX16 9SA
England

Dated: 14 December 2016

GOSFORD HILL SCHOOL

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

In accordance with the terms of our engagement letter dated 5 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Gosford Hill School during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Gosford Hill School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Gosford Hill School's funding agreement with the Secretary of State for Education dated 25 May 2012 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

Conclusion

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

Ellacotts LLP

Reporting Accountant
Ellacotts LLP
Chartered Accountants & Business Advisers

Countrywide House
23 West Bar
Banbury
Oxfordshire
OX16 9SA
England

Dated: 14 December 2016

GOSFORD HILL SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	-	4,280	19,154	23,434	35,976
Charitable activities:						
- Funding for educational operations	3	-	4,347,313	-	4,347,313	4,378,805
Other trading activities	4	50,825	174,599	-	225,424	220,853
Investments	5	2,734	-	-	2,734	1,498
Total income and endowments		53,559	4,526,192	19,154	4,598,905	4,637,132
Expenditure on:						
Raising funds	6	300	-	-	300	-
Charitable activities:						
- Educational operations	7	-	4,848,071	145,858	4,993,929	4,849,347
Total expenditure	6	300	4,848,071	145,858	4,994,229	4,849,347
Net income/(expenditure)		53,259	(321,879)	(126,704)	(395,324)	(212,215)
Transfers between funds		(135,485)	145,828	(10,343)	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	(940,000)	-	(940,000)	52,000
Net movement in funds		(82,226)	(1,116,051)	(137,047)	(1,335,324)	(160,215)
Reconciliation of funds						
Total funds brought forward		82,226	(1,186,025)	10,815,663	9,711,864	9,872,079
Total funds carried forward		-	(2,302,076)	10,678,616	8,376,540	9,711,864

GOSFORD HILL SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2015 £
Income and endowments from:					
Donations and capital grants	2	-	3,968	10,809	14,777
Charitable activities:					
- Funding for educational operations	3	-	4,400,004	-	4,400,004
Other trading activities	4	37,111	183,742	-	220,853
Investments	5	1,498	-	-	1,498
Total income and endowments		38,609	4,587,714	10,809	4,637,132
Expenditure on:					
Charitable activities:					
- Educational operations	7	-	4,710,234	139,113	4,849,347
Total expenditure	6	-	4,710,234	139,113	4,849,347
Net income/(expenditure)		38,609	(122,520)	(128,304)	(212,215)
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	19	-	52,000	-	52,000
Net movement in funds		38,609	(70,520)	(128,304)	(160,215)
Reconciliation of funds					
Total funds brought forward		43,617	(1,115,505)	10,943,967	9,872,079
Total funds carried forward		82,226	(1,186,025)	10,815,663	9,711,864

GOSFORD HILL SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible assets	11		10,786		-
Tangible assets	12		10,667,830		10,791,087
			10,678,616		10,791,087
Current assets					
Debtors	13	188,293		112,921	
Cash at bank and in hand		343,099		560,006	
		531,392		672,927	
Current liabilities					
Creditors: amounts falling due within one year	14	(442,406)		(397,751)	
Net current assets			88,986		275,176
Total assets less current liabilities			10,767,602		11,066,263
Creditors: amounts falling due after more than one year	15		(110,062)		(117,399)
Net assets excluding pension liability			10,657,540		10,948,864
Defined benefit pension liability	19		(2,281,000)		(1,237,000)
Net assets			8,376,540		9,711,864
Funds of the Academy:					
Restricted funds	17				
- Fixed asset funds			10,678,616		10,815,663
- Restricted income funds			(21,076)		50,975
- Pension reserve			(2,281,000)		(1,237,000)
Total restricted funds			8,376,540		9,629,638
Unrestricted income funds	17		-		82,226
Total funds			8,376,540		9,711,864

The accounts were approved by the Board of Governors and authorised for issue on ...14/12/16........ and are signed on its behalf by:

....

Mr A Gauld
Chair of Governors

Company Number 08237106

GOSFORD HILL SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Cash flows from operating activities					
Net cash provided by (used in) operating activities	20		(201,373)		103,966
Cash flows from investing activities					
Dividends, interest and rents from investments		2,734		1,498	
Capital grants from DfE and EFA		19,154		32,008	
Payments to acquire intangible fixed assets		(13,482)		-	
Payments to acquire tangible fixed assets		(19,905)		(19,176)	
Proceeds from sales of tangible fixed assets		-		470	
			(11,499)		14,800
Cash flows from financing activities					
Financing costs		(4,035)		(4,035)	
			(4,035)		(4,035)
Change in cash and cash equivalents in the reporting period			(216,907)		114,731
Cash and cash equivalents at 1 September 2015			560,006		445,275
Cash and cash equivalents at 31 August 2016			343,099		560,006

1 Accounting policies

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

1.1 Basis of preparation

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

Gosford Hill School meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of Gosford Hill School prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 25.

1.2 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 accounts. The Governors have a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future.

1.3 Income

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

<u>Grants receivable</u>

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

The 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.

<u>Sponsorship income</u>

Sponsorship income provided to the Company 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 the value of the donation is measurable.

1 Accounting policies **(Continued)**

Donations

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

Other income

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

Donated goods, facilities and services

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

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

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

1 Accounting policies **(Continued)**

1.5 Intangible fixed assets and amortisation

Intangible assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Software licences	5 years straight line

1.6 Tangible fixed assets and depreciation

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Buildings have been included at depreciated replacement cost which has been treated as deemed cost and will be written down over its useful economic life.

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land and buildings	125 years straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	Between 5% and 10% straight line
Motor vehicles	Between 10% and 33% straight line

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

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

1.7 Liabilities

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

1.8 Leasing and hire purchase commitments

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

1 Accounting policies **(Continued)**

1.9 Taxation

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

1.10 Pensions benefits

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 quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.11 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 with restrictions imposed by the funder/donor and include grants from the Education Funding Agency and Department of Education.

1.12 Critical accounting estimates and areas of judgement

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

1 Accounting policies **(Continued)**

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful lives of fixed assets - depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the Academy's accounting policies. Useful lives are regularly reviewed and should they shorten, then depreciation charges would increase in the financial statements and the carrying amounts of the fixed assets would reduce accordingly.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Capital grants	-	19,154	19,154	32,008
Other donations	-	4,280	4,280	3,968
	-	23,434	23,434	35,976

3 Funding for the Academy's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE / EFA grants				
General annual grant (GAG)	-	4,164,152	4,164,152	4,203,051
Other DfE / EFA grants	-	139,969	139,969	133,275
	-	4,304,121	4,304,121	4,336,326
Other government grants				
Local authority grants	-	43,192	43,192	42,479
Total funding	-	4,347,313	4,347,313	4,378,805

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities/lettings	50,825	-	50,825	37,111
Catering income	-	180	180	-
Contributions to student visits and events	-	154,683	154,683	140,899
Other income	-	19,736	19,736	42,843
	50,825	174,599	225,424	220,853

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	2,734	-	2,734	1,498

6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
- Direct costs	2,750,570	138,565	189,379	3,078,514	3,197,013
- Allocated support costs	985,301	44,189	885,925	1,915,415	1,652,334
	3,735,871	182,754	1,075,304	4,993,929	4,849,347
Other expenditure					
Raising funds	-	-	300	300	-
Total expenditure	3,735,871	182,754	1,075,604	4,994,229	4,849,347

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees payable to auditor for:		
- Audit	5,500	5,500
- Other services	7,190	5,900
Operating lease rentals	56,518	56,519
Depreciation of tangible and intangible fixed assets	145,858	139,113

7 Charitable activities

	2016 £	2015 £
All from restricted funds:		
Direct costs - educational operations	3,078,514	3,197,013
Support costs - educational operations	1,915,415	1,652,334
	4,993,929	4,849,347

	2016 £	2015 £
Analysis of support costs		
Support staff costs	985,301	751,058
Depreciation and amortisation	7,293	6,956
Technology costs	75,074	113,934
Premises costs	223,145	264,262
Other support costs	560,080	467,706
Governance costs	64,522	48,418
	1,915,415	1,652,334

8 Staff costs

	2016 £	2015 £
Wages and salaries	2,829,426	2,858,535
Social security costs	258,786	205,787
Operating costs of defined benefit pension schemes	542,408	506,283
Staff costs	3,630,620	3,570,605
Supply staff costs	73,123	62,835
Staff development and other staff costs	32,128	21,348
Total staff expenditure	3,735,871	3,654,788

Staff numbers

The average number of persons employed by the Academy during the year was as follows:

	2016 Number	2015 Number
Teachers	55	53
Administration and support	51	52
Management	6	6
	112	111

8 Staff costs

(Continued)

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016 Number	2015 Number
£60,001 - £70,000	2	1
£80,001 - £90,000	1	1

Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £435,040.

9 Governors' remuneration and expenses

The Head Teacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Company in respect of their role as Governors. During the year, travel and subsistence payments totalling £nil were reimbursed to Governors (2015: £nil).

The value of staff Governors' remuneration was as follows:

Dr S Bizley (Head Teacher up to 10 April 2016)
Remuneration: £60,001 - £65,000 (2015: £80,001 - £85,000)
Employers pension contributions: £10,001 - £15,000 (2015: £10,001 - £15,000)

Mr N Sellars (Head Teacher from 10 April 2016)
Remuneration: £30,001 - £35,000
Employers pension contributions: £5,001 - £10,000

Miss A Hedges (Staff and Governor)
Remuneration £20,001 - £25,000 (2015: £15,001 - £20,000)
Employers pension contributions: £0 - £5,000 (2015: £0 - £5,000)

Mr M Culkeen (Staff and Governor from 2 November 2015)
Remuneration: £30,001 - £35,000
Employers pension contributions: £5,001 - £10,000

Other related party transactions involving the Governors are set out within Note 24 on Related Parties.

10 Governors and officers insurance

In accordance with normal commercial practice, the Company has purchased a risk protection arrangement through the Department of Education to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Company's business. The risk protection arrangement provides cover up to £10,000,000 on any one claim and the cost of the membership is deducted at source from the General Annual Grant.

11 Intangible fixed assets

	Software licences £
Cost	
At 1 September 2015	-
Additions	13,482
At 31 August 2016	13,482
Amortisation	
At 1 September 2015	-
Charge for year	2,696
At 31 August 2016	2,696
Net book value	
At 31 August 2016	10,786

12 Tangible fixed assets

	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2015	10,628,216	104,792	429,572	11,000	11,173,580
Additions	-	13,727	6,178	-	19,905
At 31 August 2016	10,628,216	118,519	435,750	11,000	11,193,485
Depreciation					
At 1 September 2015	240,907	65,518	72,300	3,768	382,493
Charge for the year	85,026	29,629	27,177	1,330	143,162
At 31 August 2016	325,933	95,147	99,477	5,098	525,655
Net book value					
At 31 August 2016	10,302,283	23,372	336,273	5,902	10,667,830
At 31 August 2015	10,387,309	39,274	357,272	7,232	10,791,087

The land and buildings have been included in the accounts based on the insurance valuation using depreciated replacement cost which has been treated as deemed cost and will be written down over its useful economic life. The Governors believe that the cost of obtaining a more detailed valuation outweighs the benefit.

13 Debtors

	2016	2015
	£	£
VAT Recoverable	-	25,163
Other debtors	103,837	30,274
Prepayments and accrued income	84,456	57,484
	188,293	112,921

14 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	116,745	107,139
Other taxation and social security	91,899	115,686
Other creditors	129,304	130,741
Accruals and deferred income	104,458	44,185
	442,406	397,751

15 Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Other creditors	110,062	117,399

16 Deferred income

	2016	2015
	£	£
Deferred income is included within:		
Creditors due within one year	65,720	24,847
Deferred income at 1 September 2015	24,847	24,814
Released from previous years	(24,847)	(24,814)
Amounts deferred in the year	65,720	24,847
Deferred income at 31 August 2016	65,720	24,847

At the balance sheet, date the Company was holding funds received in advance in respect of Grant, parental contributions received in advance of educational visits planned for 2016/17 academic year.

17 Funds

	Balance at 1 September 2015	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2016
	£	£	£	£	£
Restricted general funds					
General Annual Grant	50,975	4,164,152	(4,382,031)	145,828	(21,076)
Other DfE / EFA grants	-	139,969	(139,969)	-	-
Other government grants	-	43,192	(43,192)	-	-
Other restricted funds	-	178,879	(178,879)	-	-
Funds excluding pensions	50,975	4,526,192	(4,744,071)	145,828	(21,076)
Pension reserve	(1,237,000)	-	(104,000)	(940,000)	(2,281,000)
	(1,186,025)	4,526,192	(4,848,071)	(794,172)	(2,302,076)
Restricted fixed asset funds					
Inherited funds / DfE / EFA capital grants	10,815,663	19,154	(145,858)	(10,343)	10,678,616
Total restricted funds	9,629,638	4,545,346	(4,993,929)	(804,515)	8,376,540
Unrestricted funds					
General funds	82,226	53,559	(300)	(135,485)	-
Total funds	9,711,864	4,598,905	(4,994,229)	(940,000)	8,376,540

17 Funds (Continued)

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

General Annual Grant
The General Annual Grant ("GAG") has been provided by the EFA/DfE in order to fund the normal running costs of the Academy. Where the GAG income exceeds GAG expenditure, the balance will be carried forward to use in future years and enable the establishment of a minimum prudent level of reserves to manage risks and unforeseen costs. Under the Funding Agreement with the Secretary of State for Education, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Other DfE/EFA Grants
This represents various grants from national government bodies for the provision of specific services to pupils of the Academy.

Other Government Grants
This represents various grants from local authorities for the provision of specific services to pupils of the Academy.

Other Restricted Funds
Other Restricted Funds include funding from the sale of uniforms and education related goods, income from exam fees, educational supplies and services and parental contributions to educational visits.

Pension Reserve
The Restricted Pension Reserve represents the deficit on the Company's share of the Local Government Pension Scheme as at 31 August 2016.

Restricted Fixed Assets Funds
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for specific purpose. The transfer of £10,343 represents the costs of acquired tangible fixed assets funded through GAG income and use of unrestricted funds.

18 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds: General	Fixed asset	Total 2016
	£	£	£	£
Fund balances at 31 August 2016 are represented by:				
Intangible fixed assets	-	-	10,786	10,786
Tangible fixed assets	-	-	10,667,830	10,667,830
Current assets	-	531,392	-	531,392
Creditors falling due within one year	-	(442,406)	-	(442,406)
Creditors falling due after one year	-	(110,062)	-	(110,062)
Defined benefit pension liability	-	(2,281,000)	-	(2,281,000)
	-	(2,302,076)	10,678,616	8,376,540

19 Pensions and similar obligations

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

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

Contributions amounting to £52,258 (2015: £52,146) were payable to the schemes as at 31 August 2016 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £371,232 (2015 - £320,019). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

19 Pensions and similar obligations (Continued)

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The estimated value of employer contributions for the forthcoming year is £138,000.

The LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the predecessor maintained school and to the new employees who were eligible to, and did, join the scheme in the previous period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor maintained school and the Academy at the balance sheet date.

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.

Total contributions made	**2016**	**2015**
	£	**£**
Employer's contributions	138,000	132,000
Employees' contributions	42,000	39,000
Total contributions	180,000	171,000

Principal actuarial assumptions	**2016**	**2015**
	%	**%**
Rate of increases in salaries	4.1	4.5
Rate of increase for pensions in payment	2.3	2.7
Discount rate	2.2	4.0

19 Pensions and similar obligations **(Continued)**

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Sensitivity Analysis	**£000's**	**£000's**	**£000's**
Adjustment to discount rate:	+0.1%	0.0%	-0.1%
Present Value of total obligation	3,739	3,825	3,913
Projected service cost	275	281	288
Adjustment to long term salary increase:	+0.1%	0.0%	-0.1%
Present Value of total obligation	3,839	3,825	3,811
Projected service cost	281	281	281
Adjustment to pension increases and deferred revaluation:	+0.1%	0.0%	-0.1%
Present Value of total obligation	3,899	3,825	3,752
Projected service cost	287	281	275
Adjustment to mortality age rating assumption:	1 year	None	- 1 year
Present Value of total obligation	3,926	3,825	3,726
Projected service cost	288	281	274

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

	2016 Years	**2015 Years**
Retiring today		
- Males	23.3	23.3
- Females	25.8	25.7
Retiring in 20 years		
- Males	25.6	25.5
- Females	28.1	28.0

The Academy's share of the assets in the scheme	**2016 Fair value £**	**2015 Fair value £**
Equities	1,010,000	794,000
Bonds	55,000	41,000
Gilts	195,000	147,000
Cash	54,000	38,000
Property	111,000	82,000
Other assets	119,000	97,000
Total market value of assets	1,544,000	1,199,000

19 Pensions and similar obligations (Continued)

Actual return on scheme assets - gain/(loss)	188,000	(37,000)

Amounts recognised in the statement of financial activities	**2016**	**2015**
	£	**£**
Current service cost (net of employee contributions)	195,000	187,000
Net interest cost	47,000	48,000

Changes in the present value of defined benefit obligations	**2016**
	£
Obligations at 1 September 2015	2,436,000
Current service cost	195,000
Interest cost	98,000
Employee contributions	42,000
Actuarial loss	1,077,000
Benefits paid	(23,000)
At 31 August 2016	3,825,000

Changes in the fair value of the Academy's share of scheme assets	**2016**
	£
Assets at 1 September 2015	1,199,000
Interest income	51,000
Return on plan assets (excluding amounts included in net interest):	
Actuarial gain	137,000
Employer contributions	138,000
Employee contributions	42,000
Benefits paid	(23,000)
At 31 August 2016	1,544,000

20 Reconciliation of net expenditure to net cash flows from operating activities

	2016	2015
	£	£
Net expenditure for the reporting period	(395,324)	(212,215)
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(19,154)	(32,008)
Investment income	(2,734)	(1,498)
Financing costs	4,035	4,035
Defined benefit pension costs less contributions payable	57,000	55,000
Defined benefit pension net finance cost/(income)	47,000	48,000
Depreciation of tangible fixed assets	145,858	139,113
(Increase)/decrease in debtors	(75,372)	33,816
Increase/(decrease) in creditors	37,318	69,723
Net cash used in operating activities	(201,373)	103,966

21 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016	2015
	£	£
Amounts due within one year	34,147	56,518
Amounts due in two and five years	70,437	104,584
	104,584	161,102

On conversion, the Academy had committed to a 125 year lease of the land it occupies from Oxfordshire County Council for a peppercorn rent.

22 Capital commitments

The Company had no capital commitments in existence as at 31 August 2016.

23 Related party transactions

Owing to the nature of the Academy's operations and the composition of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a Governor may have an interest.

Any transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The following related party transaction took place in the period of account:

Oxford Educational Psychology Practice Ltd - a company in which Mr M Corness (a governor of the Academy) has a majority interest:

- The Academy used services from Oxford Educational Psychology Practice Ltd totalling £2,135 during the year. There were no amounts outstanding at 31 August 2016.

- The services was conducted at arms' length and in accordance with the Academy's financial regulations and normal procurement procedures.

- In entering into the transaction the Academy has complied with the requirements of the Academies Financial Handbook 2015.

There were no other transactions with related parties during the year ended 31 August 2016 which require disclosure.

In the opinion of the Governors, there is no ultimate controlling party.

24 Members' liability

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

25 Reconciliations on adoption of FRS 102

Reconciliation of funds for the previous financial period

	Notes	1 September 2014 £	31 August 2015 £
Funds as reported under previous UK GAAP		9,872,079	9,711,864
Adjustments arising from transition to FRS 102:			
Interest income on plan assets	1	-	22,000
Return on assets excluding amounts included in net interest	1	-	(22,000)
Funds reported under FRS 102		9,872,079	9,711,864

25 Reconciliations on adoption of FRS 102 (Continued)

Reconciliation of net loss for the previous financial period

	Notes	2015 £
Net expenditure as reported under previous UK GAAP		(160,215)
Adjustments arising from transition to FRS 102:		
Interest income on plan assets	1	(22,000)
Return on assets excluding amounts included in net interest	1	22,000
Net expenditure reported under FRS 102		(160,215)

Notes to reconciliations on adoption of FRS 102

1 **Defined benefit pension scheme**

Under previous UK GAAP, the Academy recognised an expected return on defined plan assets in income. Under FRS102 a net interest expense, based on the net defined liability is recognised in expenditure. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the impact to the income and expenditure by £22,000 and increase the impact in other recognised gains and losses in the Statement of Financial Activities by an equivalent amount.