

SWAKELEYS SCHOOL FOR GIRLS

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

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SWAKELEYS SCHOOL FOR GIRLS
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Governors/Trustees	Mrs S Pryor, Head Teacher Mr D Charles, Chair Mr D McLauchlan, Vice Chair Dr C Kilbride Mrs T Gruber-Miller Mr R Sall Mrs A Torrent Mrs A Zandu Mr J Fox Mr B Jakhu Mrs D Sadeh Mrs S Proctor (appointed 1 September 2015)
Company registered number	07570315
Company name	Swakeleys School For Girls
Registered and principal office	Clifton Gardens Uxbridge Middlesex UB10 0EJ
Members	Mr D Charles Dr C Kilbride Mr D McLauchlan
Company Secretary	Mrs H Y Manwaring
Chief Executive Officer	Mrs S Pryor
Senior Management Team	Mrs S Pryor, Head Teacher Mrs G Hare, Deputy Head Teacher Mrs C Devereux, Deputy Head Teacher Miss O Wall, Deputy Head Teacher Mrs H Y Manwaring, Business Manager Mrs S Hanlon, Assistant Head Mr L Hepner, Assistant Head Mrs P Laguillo, Assistant Head Mr I Mand, Assistant Head Dr K Laxton, Acting Assistant Head Mr A Hull, Assistant Head
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Plc 35 Swakeleys Rd Uxbridge Middlesex UB10 8DB

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their Annual Report together with the financial statements and Auditors' Report of Swakeleys School For Girls (the Charitable Company, the Trust or the Academy) for the year ended 31 August 2016. The Annual Report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Charitable Company operates as an academy school for girls aged 11-16 with a mixed sixth form of pupils aged 17-19. In the 2016 school census the number of pupils on roll was 1,132.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is also known as Swakeleys School For Girls (the School).

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details section on page 1.

Member's liability

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

Trustee and Officers' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and details of the costs are disclosed in note 12 to the accounts.

Method of recruitment and appointment or election of Trustees

- Parent Governors are appointed by the election of parents of students attending the School.
- Staff Governors are appointed by election of staff employed by the Academy.
- Community Governors may be appointed by the Governing Body.
- Co-opted Governors may be appointed by those Governors who are not themselves co-opted Governors.
- Member Governors may be appointed directly by Members.
- The Headteacher automatically becomes an ex-officio Governor.
- Further Governors may be appointed by the Secretary of State.

Policies and Procedures adopted for the induction and training of Trustees

All Governors receive training on Academy Governance and Governor's responsibilities three times a year. Each training session is bespoke to meet the needs of the Academy. In addition Governors visit the School throughout the year.

New Governors receive a comprehensive induction package tailored to the needs of the individual and, where necessary, training is also provided on education, legal and financial matters. All new Governors will be given a tour of the School and chance to meet with staff and students.

All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake the role as Governors.

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Governing Body, which meets on at least 3 occasions per year, is responsible for the strategic direction of the Academy. The full Governing Body delegates certain functions to three committees: Pastoral and Curriculum, Finance and Health and Safety and Personnel. These meetings are attended by members of the Senior Leadership Team. The committees review progress towards educational objectives and results, approve major expenditure requests, set the budget for the following year, and set the organisational staffing structure and, agree the performance objectives of the Headteacher. Any decisions that are made at committee level are taken to the full Governing Body for ratification.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Governing Body as required for approval. Each member of the Senior Leadership Team has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

Arrangements for setting pay and remuneration of key management personnel

The School pay policy determines the pay and remuneration of key management personnel by a number of factors. These include the pay scales for each role and the Individual Salary Range (ISR) set for the school by the Governing Body. Additional consideration is given for retention and expansion of the role to meet the needs of the school. This is reviewed by the Pay Committee of the Governing Body every three years. The pay levels may be affected by nationally agreed pay awards and the ability to recruit and retain in post.

Connected Organisations and Related Parties

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

The Academy maintains a register of pecuniary interests of the Governing Body which is regularly reviewed and updated.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of Swakeleys School For Girls to provide free education and care for pupils of different abilities between the ages of 11 and 19.

Strategies and Activities

During the year the School has worked towards achieving these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements; and
- conducting the Academy's business in accordance with the highest standards of integrity.

At Swakeleys School For Girls we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

STRATEGIC REPORT

Achievements and performance

In 2013, the School was graded by Ofsted as outstanding across all four key areas of the inspection namely, achievement of pupils, quality of teaching, behaviour and safety of pupils and leadership and management.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

This year, the School continues to improve and has been recognised nationally by the British Council for the high quality of our international work. Our RAISEonline report for 2015 results is outstanding even when based on first entry at GCSE. The sixth form continues to be successful with the ALPS report placing us in the top 10% of all 6th Forms in the country.

As a National Support School with Teaching School Status, the School has supported three schools which have been determined by Ofsted in the category of Requiring Improvement this year and has received grants of funding following successful bidding. Senior Staff have been on training in relation to the teaching school to support their role. As part of our teaching school work, the School has appointed four accredited Specialist Leaders in Education (SLEs). We are also involved in SCITT which is school based initial teacher training and have two members of staff starting this programme with us in September 2016.

The School continues to achieve success and upon application to the Department of Education has been successful in the application to become an Academy Sponsor.

The Headteacher has continued with her professional development and has undertaken extensive assessment as an Ofsted Inspector. She has been welcomed and congratulated by Sir Michael Willshaw upon joining his newly formed Ofsted Inspection Teams. Furthermore, following her success, she has been fast tracked through to Lead Inspector Training and is now an established Lead Inspector.

The Academy measures its success partly through a series of performance indicators. These indicators comprise:-

- Academy popularity/admissions.
- Examination results and other indicators of student performance.
- Staff and department performance monitoring.
- Financial Health.
- Stakeholder survey outcomes.

Examination Results

Our examination results for 2015/16 were:-

GCSE

	2015	2016
A*-C in Eng & Math	72%	68%
Pupils with 5 or more A*-A	21%	21%
% entered for Ebacc	66%	56%
% achieving Ebacc	43%	43%
achieving Ebacc of those entered	N/A	73%

Sixth Form

	2015	2016
A*%	16%	18%
A*-A%	28%	34%
A*-B%	56%	65%
A*-C%	86%	91%
A*-E%	100%	100%
U%	0%	0%

Our value added report is outstanding and the ALPS report places us in the top 10% if all sixth forms.

Key Performance Indicators

The Governors receive half termly information to enable them to monitor the performance of the School compared with aims, strategies and financial budgets. As funding is based on pupil numbers this is the key performance indicator. Pupils numbers were 1,132 against a forecast of 1,140.

The Governors compare costs as a percentage of income to monitor financial performance as these are commonly used and benchmarked within the sector. Attendance levels have been sustained at 95% and retention from year 11 going into Sixth Form over the past three years has been 60%.

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TRUSTEES' REPORT (continued) FOR
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Another key performance indicator is staffing cost as a percentage of income. For 2015/16 this was between 79-81% against set parameters of 80 -85% The Governors are confident that staffing levels are closely monitored to agreed full time equivalent and staffing structures which have been approved by the Governing Body.

The Finance and Health and Safety Committee also monitor premises costs to General Annual Grant (GAG) income, curriculum department allocations to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

Going concern

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

FINANCIAL REVIEW

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. In addition, the Academy generates additional income from lettings to the local community. For the year ended 31 August 2016, the Trust received £6,679,937 of GAG and other funding and unrestricted income. This is £57,588 less than the previous year. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. However, due to the poor state of the Academy's building and its high running costs, the Academy has had to spend large amounts of its income to maintain and run the building. This has resulted in the Academy spending 100% of its income for the year and using funds brought forward from the previous year of £46,149 to balance. This is £34,808 below the projected overspend when the budget was set. The Academy is due to have a new building in Spring 2017 which will see greatly reduced running costs and will negate the needs to draw upon its reserves.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund of £2,279,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves policy

The Governors are aware of the requirement to balance current and future needs. The Governors always aim to set a balanced budget with annual income balancing annual expenditure.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £698,581. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Governors have made a decision to designate unrestricted balances of £300,000 for the new build project, and the balance of the unrestricted funds are to be held to cover future increases in costs and expenditure that may arise from uninsurable losses. The school's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2016 was £698,58.

The Governors review the reserves levels of the Academy annually. This review encompasses the nature of income and expenditure together with the need to match income with commitments and the nature of the reserves. The Governors have taken the decision that the appropriate level of free reserves should be available to be equivalent to one month's gross salary expenditure which is currently £450k. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a buffer to deal with in expected emergencies such as urgent maintenance and repairs.

Investment policy

An Investment Policy was approved by the Governing body in November 2015.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Governors do not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

The Governors assess the other principal risks and uncertainties facing the Trust as follows:

- The Academy has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

PLANS FOR FUTURE PERIODS

The Academy is due to take up occupation of a brand new purpose built building funded by the Education Funding Agency in Spring 2017. The new school will be an increase from the current 6 form entry to 8 form entry with capacity for 350 pupils in the Sixth Form. The present occupied school buildings will be demolished save for the Maths Block and New Sports Hall. The new building will see a reduction in energy costs and maintenance costs but an increase in pupil numbers and staffing costs. The Academy has put into place financial planning to equip the new build and for the predicted increases in costs.

**SWAKELEYS SCHOOL FOR GIRLS
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**TRUSTEES' REPORT (continued) FOR
THE YEAR ENDED 31 AUGUST 2016**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

PROVISION OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditors are unaware, and the Trustees have taken all the 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.

AUDITORS

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

This Report was approved by the Governing Body on 14 December 2016 and signed on its behalf by:

**Mr D Charles
Chair of Governors**

SWAKELEYS SCHOOL FOR GIRLS
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Swakeleys School For Girls and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mrs S Pryor, Head Teacher	3	3
Mrs A Torrent	2	3
Mrs T Gruber-Miller	3	3
Mrs A Zandu	1	3
Mr P McLauchlan	3	3
Mr D Charles	3	3
Dr C Kilbride	1	3
Mr R Sall	3	3
Mr J Fox	2	3
Mr B Jakhu	0	3
Mrs D Sadeh	2	3
Mrs S Proctor	1	3

The Finance and Health and Safety Committee is a sub-committee of the main Board of Trustees. Its purpose is to address financial matters.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs A Torrent	2	3
Mr P McLauchlan	3	3
Mr D Charles	3	3
Mr R Sall	2	3
Mrs S Proctor	2	3

The Finance and Health and Safety Committee is responsible for the audit of the Academy. The committee fulfils the functions of an audit committee, reviewing the risks to internal control to inform the statement of internal control and, so far as is possible, provide assurance to the external Auditors. A Risk Register has been produced to enable principal risks and uncertainties facing the School to be regularly reviewed and addressed.

The Trustees reappointed Mr Dean Charles as Responsible Officer for the period 1st September 2015 to 31st August 2016. The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The Responsible Officer conducted 3 visits during the accounting period. No significant risk features have been identified or reported on and the Responsible Officer has given high assurance in all areas of financial control.

SWAKELEYS SCHOOL FOR GIRLS
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GOVERNANCE STATEMENT (continued)

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 Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

1. Raising student attainment

The Academy has used its resources together with the additional support of the Pupil Premium for targeted intervention to secure examination results for 2015-16 which show that more than 75% of all students achieved 5 or more A* to C grades with 68% both English and Maths.

At Key Stage 5 the Academy has continued a six year trend of 100% A* to E grades. Year 13 students achieved 65% A* to B grades and 91% A*/C grades which is above the national average.

2. Robust governance and oversight of Academy Trust finances

The Academy benefits from services of a suitably qualified Responsible Officer (RO). The RO reviews key financial policies, systems and procedures, including the use of the tendering process and presents reports on compliance to the Finance and Health and Safety Committee of the Governing Body. The Committee receive termly budget monitoring reports from the Business Manager and report to the full Governing Body on compliance in all areas of the Academy Trusts' Finance Policy .

The Governing Body approves the budget each year and are mindful of the need to balance expenditure against income to ensure that the Academy is sustainable. The Academy regularly reviews the Development Plan to ensure that financial planning reflects any changes made. Governors review and challenge spending before decisions are made.

The Governing Body has identified key areas of high spending in relation to the poor state of the building which has an impact on the available resources and in light of the new building planned for Spring 2017, will only action repairs where the health and safety of all stakeholders is compromised.

The Governing Body also receives and approves the Annual Accounts and the External Auditors Management Report each year.

3. Ensuring the operation of the Trust demonstrates good value for money and efficient and effective use of resources

The Academy regularly benchmarks financial performance against other academy trusts to demonstrate that the Academy provides good value for money. Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that contracts remain competitive.

For purchases above £10,000 but below the tender limit 3 quotes are required.

4. Maximising income generation

The Academy explores every opportunity to generate income through the letting of Academy facilities and provision of services to other educational providers and the community. In addition, the Academy provides consultancy services to neighbouring schools and nationally as a support school.

5. Reviewing controls and managing risks.

Monthly budget monitoring reports are produced and reviewed by the Headteacher and the Business Manager and any necessary remedial action taken to address any significant variances that may have an impact on the budget out-turn. The Academy Trust ensures that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential.

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GOVERNANCE STATEMENT (continued)

6. Reviewing operation to maximise use of resources.

The Academy Leadership Group review expenditure within each area of the budget annually and make adjustments based on the effectiveness of strategies introduced in previous years, curriculum offer and any new strategies identified in the Academy Development Plan.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Swakeleys School For Girls for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Health and Safety 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 Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an Internal Auditor. However, the Trustees have appointed Mr D Charles, a Trustee, as Responsible Officer (RO).

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

Mr D Charles delivered his schedule of works as planned and no material control issues were identified.

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GOVERNANCE STATEMENT (continued)

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

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

Approved by the Board of Trustees on 14 December 2016 and signed on their behalf, by:

Mr D Charles
Chair of Trustees

Mrs S Pryor
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Swakeleys School For Girls I have considered my responsibility to notify the Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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

Mrs S Pryor
Accounting Officer

Date: 14 December 2016

SWAKELEYS SCHOOL FOR GIRLS
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who act as Governors of Swakeleys School for Girls, are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the EFA, United Kingdom Accounting Standards (UKGAAP) and applicable law and regulations.

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

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

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

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

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

Approved by the Board of Trustees on 14 December 2016 and signed on its behalf by:

Mr D Charles
Chair of Governors

SWAKELEYS SCHOOL FOR GIRLS
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SWAKELEYS SCHOOL FOR GIRLS**

We have audited the financial statements of Swakeleys School For Girls for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SWAKELEYS SCHOOL FOR GIRLS**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Mr Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
16 December 2016

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SWAKELEYS SCHOOL FOR GIRLS AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 17 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Swakeleys School For Girls during the year 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 Swakeleys School For Girls and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Swakeleys School For Girls and the EFA those matters we are required to state in a Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Swakeleys School For Girls and the EFA, for our work, for this Report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF SWAKELEYS SCHOOL FOR GIRLS'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Swakeleys School For Girls's funding agreement with the Secretary of State for Education dated 28 March 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers' statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

**SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SWAKELEYS
SCHOOL FOR GIRLS AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

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

Reporting Accountant

Price Bailey LLP

Chartered Accountants

16 December 2016

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	28,051	32,942	24,436	85,429	86,018
Charitable activities	5	99,175	6,382,960	-	6,482,135	6,483,301
Other trading activities	3	19,792	-	-	19,792	33,294
Investments	4	864	-	-	864	911
Other income		-	91,717	-	91,717	18,825
TOTAL INCOME		147,882	6,507,619	24,436	6,679,937	6,622,349
EXPENDITURE ON:						
Charitable activities		142,192	6,563,205	20,689	6,726,086	6,873,727
TOTAL EXPENDITURE	6	142,192	6,563,205	20,689	6,726,086	6,873,727
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between funds	15	5,690	(55,586)	3,747	(46,149)	(251,378)
		-	(8,414)	8,414	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		5,690	(64,000)	12,161	(46,149)	(251,378)
Actuarial losses on defined benefit pension schemes	20	-	(964,000)	-	(964,000)	(53,000)
NET MOVEMENT IN FUNDS		5,690	(1,028,000)	12,161	(1,010,149)	(304,378)
RECONCILIATION OF FUNDS:						
Total funds brought forward		692,891	(1,251,000)	10,065,868	9,507,759	9,812,137
TOTAL FUNDS CARRIED FORWARD		698,581	(2,279,000)	10,078,029	8,497,610	9,507,759

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07570315

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		10,078,029		10,065,868
CURRENT ASSETS					
Debtors	13	81,012		117,279	
Cash at bank and in hand		658,784		615,901	
			739,796		733,180
CREDITORS: amounts falling due within one year	14	(41,215)		(40,289)	
NET CURRENT ASSETS			698,581		692,891
TOTAL ASSETS LESS CURRENT LIABILITIES			10,776,610		10,758,759
Defined benefit pension scheme liability	20		(2,279,000)		(1,251,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			8,497,610		9,507,759
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds excluding pension liability	15	10,078,029		10,065,868	
Pension reserve		(2,279,000)		(1,251,000)	
Total restricted income funds			7,799,029		8,814,868
Unrestricted income funds	15		698,581		692,891
TOTAL FUNDS			8,497,610		9,507,759

The financial statements were approved by the Trustees, and authorised for issue, on 14 December 2016 and are signed on their behalf, by:

Mr D Charles
Chair of Governors

The notes on pages 21 to 36 form part of these financial statements.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	74,869	(117,355)
Cash flows from investing activities:			
Interest received		864	911
Purchase of tangible fixed assets		(32,850)	-
Net cash (used in)/provided by investing activities		<u>(31,986)</u>	<u>911</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		42,883	(116,444)
		615,901	732,345
Cash and cash equivalents carried forward		<u><u>658,784</u></u>	<u><u>615,901</u></u>

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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 of financial statements

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

Swakeleys School For Girls constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 23.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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 allocated on the portion of the asset's use.

Charitable activities and governance costs 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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	3 years straight line
Plant and machinery	-	25% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	25% straight line

1.7 Operating leases

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

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the bank.

1.9 Taxation

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

1.10 Liabilities and provisions

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

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.11 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes 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 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1.12 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations and trip income	28,051	32,942	-	60,993	62,032
Capital grants	-	-	24,436	24,436	23,986
	<u>28,051</u>	<u>32,942</u>	<u>24,436</u>	<u>85,429</u>	<u>86,018</u>

In 2015, of the total income from donations and capital grants, £17,900 was to unrestricted funds and £68,118 was to restricted funds

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	14,996	14,996	25,746
Other income	4,796	4,796	7,548
	<u>19,792</u>	<u>19,792</u>	<u>33,294</u>

In 2015, of the total income from other trading activities, £33,294 was to unrestricted funds and £NIL was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	864	864	911
	<u>864</u>	<u>864</u>	<u>911</u>

In 2015, of the total investment income, £911 was to unrestricted funds and £NIL was to restricted funds.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	6,167,043	6,167,043	6,173,721
Other DfE / EFA grants	-	180,805	180,805	184,794
	<u>-</u>	<u>6,347,848</u>	<u>6,347,848</u>	<u>6,358,515</u>
Other government grants				
Local Authority grants	-	35,112	35,112	32,057
	<u>-</u>	<u>35,112</u>	<u>35,112</u>	<u>32,057</u>
Other funding				
Catering Income	99,175	-	99,175	92,729
	<u>99,175</u>	<u>-</u>	<u>99,175</u>	<u>92,729</u>
	<u>99,175</u>	<u>6,382,960</u>	<u>6,482,135</u>	<u>6,483,301</u>

In 2015, of the total income from charitable activities, £92,729 was to unrestricted funds and £6,390,572 was to restricted funds.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Education:					
Direct costs	4,485,225	-	336,427	4,821,652	4,689,034
Support costs	834,502	363,673	706,259	1,904,434	2,184,693
	<u>5,319,727</u>	<u>363,673</u>	<u>1,042,686</u>	<u>6,726,086</u>	<u>6,873,727</u>

In 2016, of the total expenditure, £142,192 (2015 - £207,966) was to unrestricted funds and £6,583,894 (2015 - £6,665,761) was to restricted funds.

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. CHARITABLE ACTIVITIES

	2016 £	As restated 2015 £
Direct costs	4,821,652	4,689,034
Support costs	1,904,434	2,184,693
	6,726,086	6,873,727
	6,726,086	6,873,727

Analysis of support costs

	2016 £	2015 £
Support staff costs	834,502	903,237
Premises	363,673	425,981
Other support costs	695,234	844,875
Governance costs	11,025	10,600
	1,904,434	2,184,693
	1,904,434	2,184,693

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned or leased by the Academy	20,689	54,315
Auditors' remuneration	6,500	6,500
Auditors' non-audit costs	4,500	4,100
	31,689	64,915
	31,689	64,915

SWAKELEYS SCHOOL FOR GIRLS
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	4,227,508	4,081,768
Social security costs	343,945	315,885
Operating costs of defined benefit pension schemes	718,097	622,812
	5,289,550	5,020,465
Supply teacher costs	30,177	249,450
	5,319,727	5,269,915

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

	2016	2015
	No.	No.
Teachers	66	65
Administration and support	57	63
Management	11	9
	134	137

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

	2016	2015
	No.	No.
In the band £ 60,001 - £ 70,000	1	2
In the band £ 70,001 - £ 80,000	2	1
In the band £140,001 - £150,000	0	1
In the band £170,000 - £180,000	1	0

Three of the above employees participated in the Teachers' Pension Scheme (2015: three) and one in the Local Government Pension Scheme (2015: one). During the period ended 31 August 2016 pension contributions for these staff amounted to £52,801 and £17,060 respectively (2015: £40,028 and £11,325 respectively).

The key management personnel of the Academy comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £328,378 (2015: £235,725).

Included in the above are employer pension contributions of £51,954 (2015: £31,279).

SWAKELEYS SCHOOL FOR GIRLS
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. TRUSTEES' REMUNERATION AND EXPENSES

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

Mrs S Pryor (Head Teacher and Trustee)

Remuneration £ [REDACTED]
Employer's pension contributions paid [REDACTED]

Mrs A Torrent (Staff Trustee)

Remuneration £ [REDACTED]
Employer's pension contributions paid £ [REDACTED]

Mrs A Zandu (Staff Trustee)

Remuneration £ [REDACTED]
Employer's pension contributions paid £ [REDACTED]

During the period 31 August 2016, no Trustees received any reimbursement of expenses for their role as Trustees (2015: £NIL).

Other related party transactions involving the Trustees are set out in note 22.

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost						
At 1 September 2015	17,370,540	126,469	17,000	20,096	139,732	17,673,837
Additions	-	-	-	-	32,850	32,850
At 31 August 2016	17,370,540	126,469	17,000	20,096	172,582	17,706,687
Depreciation						
At 1 September 2015	7,346,240	95,969	11,000	19,615	135,145	7,607,969
Charge for the year	-	15,246	3,000	481	1,962	20,689
At 31 August 2016	7,346,240	111,215	14,000	20,096	137,107	7,628,658
Net book value						
At 31 August 2016	10,024,300	15,254	3,000	-	35,475	10,078,029
At 31 August 2015	10,024,300	30,500	6,000	481	4,587	10,065,868

Included in freehold property is freehold land at valuation of £10,024,300 which is not depreciated.

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FOR THE YEAR ENDED 31 AUGUST 2016

13. DEBTORS

	2016 £	2015 £
Trade debtors	-	1,580
VAT recoverable	43,797	62,659
Prepayments and accrued income	37,215	53,040
	81,012	117,279
	81,012	117,279

14. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	16,715	19,118
Accruals and deferred income	24,500	21,171
	41,215	40,289
	41,215	40,289

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	2,175	1,020
Resources deferred during the year	-	2,175
Amounts released from previous years	(2,175)	(1,020)
	-	2,175
Deferred income at 31 August 2016	-	2,175
Deferred income related to school trips.		

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

15. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
Unrestricted funds	692,891	147,882	(142,192)	-	-	698,581
	<u>692,891</u>	<u>147,882</u>	<u>(142,192)</u>	<u>-</u>	<u>-</u>	<u>698,581</u>
Restricted funds						
General Annual Grant (GAG)	-	6,023,089	(6,014,675)	(8,414)	-	-
Special educational needs	-	35,112	(35,112)	-	-	-
Educational visits	-	32,942	(32,942)	-	-	-
Pupil Premium	-	293,454	(293,454)	-	-	-
16-19 bursary	-	26,930	(26,930)	-	-	-
Other restricted funds	-	96,092	(96,092)	-	-	-
Pension reserve	(1,251,000)	-	(64,000)	-	(964,000)	(2,279,000)
	<u>(1,251,000)</u>	<u>6,507,619</u>	<u>(6,563,205)</u>	<u>(8,414)</u>	<u>(964,000)</u>	<u>(2,279,000)</u>
Restricted fixed asset funds						
Restricted fixed assets	10,065,868	-	(20,689)	32,850	-	10,078,029
DFC	-	24,436	-	(24,436)	-	-
	<u>10,065,868</u>	<u>24,436</u>	<u>(20,689)</u>	<u>8,414</u>	<u>-</u>	<u>10,078,029</u>
Total restricted funds	<u>8,814,868</u>	<u>6,532,055</u>	<u>(6,583,894)</u>	<u>-</u>	<u>(964,000)</u>	<u>7,799,029</u>
Total of funds	<u>9,507,759</u>	<u>6,679,937</u>	<u>(6,726,086)</u>	<u>-</u>	<u>(964,000)</u>	<u>8,497,610</u>

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

Unrestricted Funds

This represents income received that does not have restrictions.

General annual grant (GAG)

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

Under the Funding Agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Special educational needs

This represents allocated funding for special educational needs pupils.

Educational visits

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

Pupil premium

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals, looked after children and those from families with parents in the Armed Forces.

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15. STATEMENT OF FUNDS (continued)

16-19 bursary

This fund helps 16 to 19 year olds to continue in education where they might otherwise struggle for financial reasons.

Other restricted funds

This represents funding received from other national and local bodies, public and private, that is restricted in nature.

Pension reserve

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

Restricted fixed asset 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 a specific purpose.

Devolved formula capital (DFC) fund

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

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	10,078,029	10,078,029	10,065,868
Current assets	739,796	-	-	739,796	733,180
Creditors due within one year	(41,215)	-	-	(41,215)	(40,289)
Provisions for liabilities and charges	-	(2,279,000)	-	(2,279,000)	(1,251,000)
	<u>698,581</u>	<u>(2,279,000)</u>	<u>10,078,029</u>	<u>8,497,610</u>	<u>9,507,759</u>

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17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(46,149)	(251,378)
Adjustment for:		
Depreciation charges	20,689	54,315
Dividends, interest and rents from investments	(864)	(911)
Decrease in debtors	36,267	19,487
Increase/(decrease) in creditors	926	(52,868)
Pension adjustments	64,000	114,000
	74,869	(117,355)
Net cash provided by/(used in) operating activities	74,869	(117,355)

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	658,784	615,901
Total	658,784	615,901

19. MEMBERS' LIABILITY

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

20. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions.

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NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION COMMITMENTS (continued)

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. 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 nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £492,187 (2015 - £418,656).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £263,000 (2015 - £186,000), of which employer's contributions totalled £211,000 (2015 - £137,000) and employees' contributions totalled £52,000 (2015 - £49,000). The agreed contribution rates for future years are 13% for employers and between 5.5% - 12.5% for employees.

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

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

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	3.10 %	3.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.7	22.7
Females	24.7	24.7
Retiring in 20 years		
Males	24.3	24.3
Females	26.9	26.9

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FOR THE YEAR ENDED 31 AUGUST 2016

20. PENSION COMMITMENTS (continued)

The Academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,660,000	1,304,000
Bonds	716,000	517,000
Property	343,000	292,000
Cash	143,000	135,000
	<hr/>	<hr/>
Total market value of assets	2,862,000	2,248,000
	<hr/>	<hr/>

The actual return on scheme assets was £421,000 (2015 - £59,000).

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(229,000)	(210,000)
Net interest cost	(46,000)	(41,000)
	<hr/>	<hr/>
Total	(275,000)	(251,000)
	<hr/>	<hr/>
Actual return on scheme assets	421,000	59,000
	<hr/>	<hr/>

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

	2016 £	2015 £
Opening defined benefit obligation	3,499,000	3,120,000
Current service cost	229,000	210,000
Interest cost	133,000	119,000
Contributions by employees	52,000	49,000
Actuarial losses	1,298,000	34,000
Benefits paid	(70,000)	(33,000)
	<hr/>	<hr/>
Closing defined benefit obligation	5,141,000	3,499,000
	<hr/>	<hr/>

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

	2016 £	2015 £
Opening fair value of scheme assets	2,248,000	2,036,000
Interest income	87,000	78,000
Actuarial gains and (losses)	334,000	(19,000)
Contributions by employer	211,000	137,000
Contributions by employees	52,000	49,000
Benefits paid	(70,000)	(33,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	2,862,000	2,248,000
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

21. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	65,330	110,677
Between 1 and 5 years	178,701	224,847
After more than 5 years	51,157	70,341
Total	<u>295,188</u>	<u>405,865</u>

22. RELATED PARTY TRANSACTIONS

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

Any transaction where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

There were no related party transactions during the period ended 31 August 2016.

23. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.