

**REPORT OF THE GOVERNORS, STRATEGIC REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014
FOR
JOYDENS WOOD INFANT SCHOOL**

Wilkins Kennedy LLP
Chartered Accountants
Statutory Auditor
Greytown House
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JOYDENS WOOD INFANT SCHOOL
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FOR THE YEAR ENDED 31 AUGUST 2014

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JOYDENS WOOD INFANT SCHOOL
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2014

MEMBERS	C Jacobs A Gray J Rickwood J Bailey
GOVERNORS	S Hall (appointed 1.12.2013) R Palache (appointed 1.12.2013) S Hallam Reverend R E L Harding (resigned 1.9.2014) C Lawton R McGrory J Rickwood N Settle J Chiverton C Jacobs A Gray J Bailey A Allen
SENIOR LEADERSHIP TEAM	J Bailey (Headteacher) P Chapman (Assistant Headteacher)
REGISTERED OFFICE	Joydens Wood Infant School Park Way Bexley Kent DA5 2JD
REGISTERED COMPANY NUMBER	07804043 (England and Wales)
AUDITORS	Wilkins Kennedy LLP Chartered Accountants Statutory Auditor Greytown House 221-227 High Street Orpington Kent BR6 0NZ
SOLICITOR	Eversheds LLP One Wood Street London EC2V 7WS
BANKER	Lloyds TSB PO Box 1000 Andover BX1 1LT

JOYDENS WOOD INFANT SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2014

The Governors present their report together with the financial statements and auditor's report of the academy for the year 1 September 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report and a director's report under company law.

The Trust operates an academy for pupils aged 4 to 7. It has a pupil capacity of 210 and had a roll of 222 in the school census in January 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration no. 07804043) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Governors act as the Trustees for the charitable activities of Joydens Wood Infant School and are also Directors of the charitable company for the purposes of company law. The charitable company is known as Joydens Wood Infant School. Details of the Governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Joydens Wood Infant School was incorporated on 10 October 2011 and obtained Academy status from 1 November 2011.

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.

Principal activities

The principal activity of the Academy is 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.

Recruitment and appointment of new trustees

The members of the Academy Trust shall comprise the signatories to the Memorandum, 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, the Chairman of the Governors and any person appointed under Article 16.

The number of Governors shall be not less than 3, but shall not be subject to a maximum. The first Governors shall be those named in the initial Memorandum. The Academy Trust shall have up to 11 Governors; 2 Staff Governors, 1 LA Governor; 4 parent Governors; the Principal, any Additional Governors if appointed under Article 62, 62A or 68A; and any Further Governors if appointed under Article 63 or Article 68A. The Academy may also have up to 3 Co-opted Governors, a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Headteacher).

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, and Governor may be re-appointed or re-elected.

Induction and training of new trustees

During the year under review the Governors held 3 meetings. The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

JOYDENS WOOD INFANT SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The structure consists of the following levels: the Governors, Senior Leadership Team and School Improvement Group. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Senior Leadership Team are the Headteacher and Assistant Headteachers. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for middle and senior leader posts will contain a Governor.

Connected Organisations including Related Party Relationships

We are linked with Joydens Wood Junior School and Wilmington Primary School.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Joydens Wood Infant School is a school with children aged 4 - 7. We foster a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others.

The principal object of the Academy is specifically restricted to the following, to advance 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.

Objectives, Strategies and Activities

The main objectives of the Academy during the year ended 31 August 2014 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Joydens Wood Infant School community values diversity and seeks to give everyone in the school an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we will work together to develop the potential of all pupils academically, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit Joydens Wood Infant School.

Pupils will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Parents will fulfil their roles as true partners, recognizing their role in the student- school - parent partnership to ensure that their child realises his/her potential.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school in becoming a nationally recognised centre of excellence.

JOYDENS WOOD INFANT SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2014

Equal opportunities policy

The Governors recognise that equal opportunities should be an integral part of good practice within the school. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all members of the school community are fully valued.

Disabled persons

The Academy complies fully with the DDA regulations and equipped to welcome and/or teach any child or adult with a disability.

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

STRATEGIC REPORT

ACHIEVEMENT AND PERFORMANCE

The Academy continues to achieve the forecast numbers of students. Total pupils in the year ended 31 August 2014 numbers 220 (2013: 218) and the Academy has a full complement in all period groups.

Percentage of Pupils attaining or surpassing each level at Key Stage 1 by subject in 2014

		A/D	L2+	L2B+	L3+
Reading	School	0	97.3	94.5	63
	National	0	89.7	80.6	30.5
	Difference	0	7.6	13.9	32.5
	Significance	-			
Writing	School	0	95.9	86.3	39.7
	National	0	86.2	69.7	16.1
	Difference	0	9.7	16.6	23.6
	Significance	-	-	-	-
Maths	School	0	100	95.9	57.5
	National	0	92.1	79.9	24.2
	Difference	0	7.9	16	33.3
	Significance	-		-	-

To ensure that standards are continually raised the Academy: operates a programme of internal and external reviewed of curriculum areas.

Going concern

After making appropriate enquiries, the governing body 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.

Key financial performance indicators

- We are above local and national averages in our KS1 results.
- We received good in an Ofsted in June 2014
- Good staff mobility – Teachers only leave for promotions or relocations.
- Effective staff performance management is in place which is performance related.
- Pupil progress meetings and rigorous tracking of all children
- Effective use of outside advisors for monitoring learning and teaching and developing practice
- We have high pupil numbers and are over our PAN

JOYDENS WOOD INFANT SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2014

FINANCIAL REVIEW

Financial report for the year

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2014 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as 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.

During the year ended 31 August 2014, total expenditure of £1,007k (2013: £903k) was met by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £70k (2013: £68k).

At 31 August 2014 the net book value of fixed assets was £1,574k (2013: £1,567k). Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Kent County Council Pension Fund, in which the Academy participates, showed a deficit of £277k at 31 August 2014 (2013: £319k). Of this sum, £243k was inherited by Joydens Wood Infant School from the Kent County Council on 1 November 2011, the date the local authority's staff transferred to employment with the Academy.

Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should be equivalent to four weeks' expenditure, approximately £65k (2013: £72k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves of £135k (2013: £109k) (total funds less the amount held in fixed assets and restricted funds), the Governors expect to utilise the excess in reserves in the coming year.

Investment policy

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Financial position

The Academy held fund balances at 31 August 2014 of £1,511k (2013: £1,407k) comprising £1,376k (2013: £1,298k) of restricted funds and £135k (2013: £109k) of unrestricted general funds. Of the restricted funds £1,574k (2013: £1,567k) is represented by tangible fixed assets.

The pension reserve which is considered part of restricted funds was 2014: £277k (2013: £319k) in deficit.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The main financial risks which Joydens Wood Infant School is exposed, taking account of the mitigations in place, relate the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk also arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £277k (2013: £319k).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties that Joydens Wood Infant School faces are mitigated by the risk management process that the academy trust has in place.

JOYDENS WOOD INFANT SCHOOL
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2014

RISK MANAGEMENT

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors are introducing systems, including operational procedures internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 9.

FUTURE DEVELOPMENTS

The Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils reach their full potential.

The school has a good understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The school also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The School Development Plan has all the correct areas identified for improvement and is based on regular analysis of data which is meticulously analysed by the headteacher and the senior leadership team. The SDP is regularly monitored and amended annually by the SLT and Governors. It is underpinned by appropriate budget links.

School improvement strategies are effective because subjects identified as previously underperforming have been successfully addressed through a combination of rigorous monitoring, CPD, including analysis of results. The school makes good provision for personalised learning, support and intervention programmes for individual pupils and the quality of provision for inclusion is good.

The strive for improvement is evident in many aspects of school life, but particularly in the strong culture of collaboration, openness and commitment to professional learning. The school is hoping to increase its pupil admission number to 90 in September 2014.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the governors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy's auditors are unaware, and each governor has taken all the steps that they ought to have taken as a governor in order to make them aware of any audit information and to establish that the academy's auditors are aware of that information.

AUDITORS

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
C Jacobs - Governor

Date:

JOYDENS WOOD INFANT SCHOOL
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

Scope of Responsibility

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

The board of the governors has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Joydens Wood Infant School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

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

Governor	Meetings attended	Out of a possible
J Bailey	3	3
C Jacobs	3	3
J Rickwood	3	3
A Gray	3	3
A Allen	2	3
R Palache	2	2
J Chiverton	2	3
S Hallam	2	3
C Lawton	2	3
RI McGrory	3	3
S Hall	2	2
N Settle	2	3
R Harding	2	3

At the meeting on 3 July 2014 a Governing Body Self Review document was received and it was agreed that the governing body fulfilled all of the items. Subscription to Bexley governor training was discussed and renewal agreed, which would give all governors access to unlimited free training. There were no major changes to the governing body. The next Self Review will be carried out in the Autumn term. Clerk to distribute a skills audit at the next meeting.

The Finance and Personnel Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for ratification. This committee has also taken on the role of the audit committee and as such will review the reports issued by the Responsible Officer.

Attendances at meetings in the year were as follows:

Governor	Meetings attended	Out of a possible
Jessica Bailey	3	3
Cynthia Jacobs	3	3
Anne Gray	3	3
Sue Hallam	3	3
Robert Palache	1	2

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 Joydens Wood Infant School for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

JOYDENS WOOD INFANT SCHOOL
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

Capacity to Handle Risk

The board of governors 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 governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and 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;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Wilkins Kennedy LLP, to complete the internal audit function. Wilkins Kennedy LLP's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, Wilkins Kennedy LLP reports to the Governing body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The role is carried out by a separate office at Wilkins Kennedy LLP with no connection to the audit team, this is to ensure the reviews are carried out independently.

All planned work was carried out and no material control issues were discovered.

Review of Effectiveness

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

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

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

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

.....
C Jacobs - Governor

.....
J Bailey - Accounting Officer

JOYDENS WOOD INFANT SCHOOL

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2014**

As accounting officer of Joydens Wood Infant 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy 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.

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 the EFA.

.....
J Bailey - Accounting Officer

Date:

JOYDENS WOOD INFANT SCHOOL

**STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2014**

The governors (who act as trustees of Joydens Wood Infant School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the academy 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 academy 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.

ON BEHALF OF THE BOARD:

.....
C Jacobs - Governor

Date:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOYDENS WOOD INFANT SCHOOL

We have audited the financial statements of Joydens Wood Infant School for the year ended 31 August 2014 on pages fifteen to thirty one. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2014 issued by the Education Funding Agency (EFA).

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 the academy's 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 Statement of Governors Responsibilities set out on page eleven, the governors (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 governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
JOYDENS WOOD INFANT SCHOOL**

Matters on which we are required to report by exception

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

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

Michelle Wilkes (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Chartered Accountants
Statutory Auditor
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Date:

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOYDENS WOOD INFANT SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Joydens Wood Infant School during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Joydens Wood Infant School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Joydens Wood Infant School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts direction 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2014 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 matter 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.

As a firm we have taken the decision to use the Mercia work programme for regularity audit as approved by the ICAEW. The work undertaken to draw to our conclusion includes:

- Identification and assessment of the design and operational effectiveness of controls in place.
- Assessment and review of the policies and procedures in place and implementation thereof.
- Assessment that the policies and procedures have been implemented.
- Considered the activity represented by the expenditure and considered whether any may represent a breach of terms included within the funding agreement and the academy's charitable objects.
- Confirmed that the results of procedures throughout the audit did not provide any evidence that related party transactions and controlling party, if any, is incomplete.
- Considered whether the movements, including the level of disposals, and depreciation of fixed assets appear reasonable in view of our knowledge of the academy, its funding and consent received for disposals.
- Verified a sample of grants receivable to grant documentation, especially noting any restrictions as to timing or other recognition of the income, and any claw back clauses.
- Considered whether income appeared to be derived from activities outside of the academy's charitable objects and wider framework of authorities.
- Ensured that bank accounts are operated within the terms of the governing document, delegated powers, and the bank mandates.
- Considered the systems in place to ensure compliance with terms of funding and other relevant authorities (e.g. terms of the Academies Financial Handbook or terms relevant to non-core funding streams).
- Ensured that the overall level of retained funds is acceptable in view of the academy's needs and plans, and that the accumulated funds are justifiable and permissible under the terms of funding.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
JOYDENS WOOD INFANT SCHOOL AND THE EDUCATION FUNDING AGENCY**

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

Wilkins Kennedy LLP
Chartered Accountants
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Date:

JOYDENS WOOD INFANT SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2014

	Not es	Unrestricted fund £'000	Restricted funds £'000	Fixed asset reserve £'000	2014 Total funds £'000	2013 Total funds £'000
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	14	7	-	21	14
Activities for generating funds	3	61	2	-	63	75
Incoming resources from charitable activities						
Academy's educational operations	4	-	965	-	965	888
Total incoming resources		75	974	-	1,049	977
RESOURCES EXPENDED						
Charitable activities						
Academy's educational operations	6	49	920	28	977	891
Governance costs	7	-	10	-	10	12
Total resources expended	5	49	930	28	1,007	903
NET INCOMING/(OUTGOING) RESOURCES						
		26	44	(28)	42	74
Gross transfers between funds	15	-	(35)	35	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		26	9	7	42	74
Other recognised gains/losses						
Actuarial gains/losses on defined benefit schemes	16	-	62	-	62	(17)
NET MOVEMENT IN FUNDS		26	71	7	104	57
RECONCILIATION OF FUNDS						
Total funds brought forward		109	(269)	1,567	1,407	1,350
TOTAL FUNDS CARRIED FORWARD		<u>135</u>	<u>(198)</u>	<u>1,574</u>	<u>1,511</u>	<u>1,407</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

The notes form part of these financial statements

JOYDENS WOOD INFANT SCHOOL (REGISTERED NUMBER: 07804043)

BALANCE SHEET
AT 31 AUGUST 2014

	Notes	2014 £'000	2013 £'000
FIXED ASSETS			
Tangible assets	11	1,574	1,567
CURRENT ASSETS			
Debtors	12	17	10
Cash in hand		<u>262</u>	<u>184</u>
		279	194
CREDITORS			
Amounts falling due within one year	13	(65)	(35)
NET CURRENT ASSETS		<u>214</u>	<u>159</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,788	1,726
PENSION LIABILITY	16	(277)	(319)
NET ASSETS		<u>1,511</u>	<u>1,407</u>
FUNDS	15		
Unrestricted funds:			
General fund		135	109
Restricted funds:			
General restricted fund		79	50
Fixed asset reserve		1,574	1,567
Pension reserve		<u>(277)</u>	<u>(319)</u>
		<u>1,376</u>	<u>1,298</u>
TOTAL FUNDS		<u>1,511</u>	<u>1,407</u>

The financial statements were approved by the Board of Governors on and were signed on its behalf by:

.....
C Jacobs -Governor

.....
J Bailey -Governor

The notes form part of these financial statements

JOYDENS WOOD INFANT SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £'000	2013 £'000
Net cash inflow from operating activities	21	113	104
Capital expenditure and financial investment	22	(35)	(51)
		<u> </u>	<u> </u>
Increase in cash in the period		<u>78</u>	<u>53</u>
Reconciliation of net cash flow to movement in net funds	23		
Increase in cash in the period		<u>78</u>	<u>53</u>
Change in net funds resulting from cash flows		<u>78</u>	<u>53</u>
Movement in net funds in the period		78	53
Net funds at 1 September		<u>184</u>	<u>131</u>
Net funds at 31 August		<u>262</u>	<u>184</u>

The notes form part of these financial statements

JOYDENS WOOD INFANT SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards, The Charity Commission Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), the Academies Accounts Direction issued by the EFA and the Companies Act 2006 (other than in respect of the disclosure of remuneration received by staff governors under employment contracts - see note 8 for details). A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

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

Incoming resources

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

Grants receivable

Grants, where conditions have been met to establish entitlement, are included in the statement of financial activities on a receivable basis. Where grants are received but conditions establishing entitlement have not been met, these are deferred. The balance of income receivable for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

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.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Other income

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Where it has been ascertained that the risks and rewards of property subject to long lease agreements lie substantially with the Academy, a reasonable estimate of the gross value is included within fixed assets and, with an appropriate credit to voluntary income (gift in kind), within the restricted fixed asset fund. The valuation is at an estimation of depreciated replacement cost on the basis that the assets represent specialised property and the open market value for existing use is not readily available.

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

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

1. ACCOUNTING POLICIES - continued**Resources expended**

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

All resources expended are inclusive of irrecoverable VAT.

Governance costs

Governance costs include the costs attributable to the Academy's compliance and constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

Tangible fixed assets

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £5,000 are written off in the year of acquisition. All other assets are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the Statement of Financial Activities and carried forward in the balance sheet). The depreciation on such assets is charged to the restricted fund in the Statement of Financial Activities.

The property has been included at its donated value as provided by the EFA when completing their desktop valuation.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land.

The principal annual rates used for other assets are:

Buildings	2%
Furniture	25%
ICT equipment	33.3%

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

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

Leased assets

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

Taxation

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

JOYDENS WOOD INFANT SCHOOL

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

1. ACCOUNTING POLICIES - continued

Fund accounting

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the Governors.

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

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

Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 19. The TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. VOLUNTARY INCOME

	2014	2013
	£'000	£'000
Trips	10	9
Donations	11	5
	<u>21</u>	<u>14</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2014	2013
	£'000	£'000
Hire of facilities	1	3
Catering income	46	47
Other income	16	25
	<u>63</u>	<u>75</u>

JOYDENS WOOD INFANT SCHOOL

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

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted General Funds £'000	2014 Total £'000	2013 Total £'000
DfE/ EFA revenue Grants				
General Annual Grant (GAG)	-	842	842	813
Other DfE/ EFA grants	-	27	27	46
Capital Maintenance grant		79	79	-
	-	948	948	859
Other Government Grants				
Local Authority Grants	-	17	17	29
	-	17	17	29
Total Grants	-	965	965	888

5. RESOURCES EXPENDED

	Staff costs £'000	Non-pay expenditure		2014 Total £'000	2013 Total £'000
		Premises £'000	Other costs £'000		
Charitable activities Academy's educational operations					
Direct costs	575	24	75	674	676
Allocated support costs	113	55	155	323	215
	688	79	230	997	891
Governance costs including allocated support costs	-	-	10	10	12
	688	79	240	1,007	903

Net resources are stated after charging/(crediting):

	2014 £'000	2013 £'000
Auditors' remuneration	7	8
Auditors' remuneration for non-audit work	1	-
Depreciation - owned assets	28	23

JOYDENS WOOD INFANT SCHOOL

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

6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2014 Total funds £'000	2013 Total funds £'000
Direct costs				
Teaching and educational support staff	-	575	575	594
Depreciation	-	24	24	23
Technology costs	-	5	5	-
Educational supplies	-	29	29	28
Staff development	-	13	13	16
Other direct costs	-	28	28	15
	-	674	674	676
Allocated support costs				
Support staff costs	-	113	113	59
Depreciation	-	4	4	-
Technology costs	-	19	19	16
Maintenance of premises and equipment	-	26	26	9
Cleaning	-	15	15	15
Rent and rates	-	4	4	4
Energy costs	-	10	10	12
Insurance	-	12	12	12
Catering	49	-	49	50
Other support costs	-	71	71	38
	49	274	323	215
	<u>49</u>	<u>948</u>	<u>997</u>	<u>891</u>

7. GOVERNANCE COSTS

	2014 £'000	2013 £'000
Auditors' remuneration	7	8
Auditors' remuneration for non-audit work	1	-
Legal and professional fees	2	4
	<u>10</u>	<u>12</u>

JOYDENS WOOD INFANT SCHOOL

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

8. GOVERNORS' REMUNERATION AND BENEFITS

Headteacher and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The three Governors who received remuneration (including pensions) are:

Name	2014 Amount	2013 Amount
J Bailey	£80,000 - £85,000	£75,000-£80,000
R McGrory and S Hallam	£73,241	£65,452

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

Related party transactions involving the Governors are set out in note 19.

Governors' expenses

There were no governors' expenses paid for the year ended 31 August 2014 nor for the year ended 31 August 2013.

9. STAFF COSTS

	2014 £'000	2013 £'000
Wages and salaries	549	535
Social security costs	37	36
Other pension costs	<u>102</u>	<u>82</u>
	<u>688</u>	<u>653</u>

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

	2014	2013
Management	1	1
Teachers	9	9
Administration and support	<u>14</u>	<u>11</u>
	<u>24</u>	<u>21</u>

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

	2014	2013
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

The employee above participated in the Teachers Pension Scheme. During the year to 31 August 2014, pension contributions for this member of staff amounted to £10,014 (2013: £9,678).

10. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2013 £418 (2013: £669).

JOYDENS WOOD INFANT SCHOOL

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

11. TANGIBLE FIXED ASSETS

	Freehold property £'000	Computer equipment £'000	Totals £'000
COST			
At 1 September 2013	1,606	7	1,613
Additions	34	16	50
Disposals	<u>(15)</u>	<u>-</u>	<u>(15)</u>
At 31 August 2014	<u>1,625</u>	<u>23</u>	<u>1,648</u>
DEPRECIATION			
At 1 September 2013	46	-	46
Charge for year	<u>24</u>	<u>4</u>	<u>28</u>
At 31 August 2014	<u>70</u>	<u>4</u>	<u>74</u>
NET BOOK VALUE			
At 31 August 2014	<u>1,555</u>	<u>19</u>	<u>1,574</u>
At 31 August 2013	<u>1,560</u>	<u>7</u>	<u>1,567</u>

Included in Freehold property is land of £424,000 (2013: £424,000) which is not depreciated.

The disposal to freehold property relates to professional fees capitalised in the previous year for building works that were anticipated at that time. However, those specific projects are no longer occurring and therefore the costs have been eliminated.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
VAT	13	10
Prepayments and accrued income	<u>4</u>	<u>-</u>
	<u>17</u>	<u>10</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Social security and other taxes	-	21
Accruals and deferred income	<u>65</u>	<u>14</u>
	<u>65</u>	<u>35</u>

Deferred income analysis

	2014 £000	2013 £000
Deferred income at 1 September 2013	5	4
Resources deferred in the period	52	5
Amounts released from previous years	<u>(5)</u>	<u>(4)</u>
Deferred income at 31 August 2014	<u>52</u>	<u>5</u>

At the balance sheet date, the Academy Trust was holding funds received in advance for free school meals funding and devolved capital formula grant.

JOYDENS WOOD INFANT SCHOOL

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

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset reserve £'000	Total 2014 funds £'000	Total 2013 funds £'000
Fixed assets	-	-	1,574	1,574	1,567
Current assets	135	144	-	279	194
Current liabilities	-	(65)	-	(65)	(35)
Pension liability	-	(277)	-	(277)	(319)
	<u>135</u>	<u>(198)</u>	<u>1,574</u>	<u>1,511</u>	<u>1,407</u>

15. MOVEMENT IN FUNDS

	Balance at 1 September 2013 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	31 August 2014 £000
Restricted General Funds					
General Annual Grant (GAG)	50	842	(857)	(35)	-
Other DfE/ EFA grants	-	27	(27)	-	-
Capital Maintenance grant	-	79	-	-	79
LA and other Grants	-	17	(17)	-	-
Other donations	-	9	(9)	-	-
	<u>50</u>	<u>974</u>	<u>(910)</u>	<u>(35)</u>	<u>79</u>
Restricted Fixed Asset Funds					
General Fixed Assets	1,567	-	(28)	35	1,574
	<u>1,567</u>	<u>-</u>	<u>(28)</u>	<u>35</u>	<u>1,574</u>
Pension Reserve	<u>(319)</u>	<u>-</u>	<u>(20)</u>	<u>62</u>	<u>(277)</u>
Total Restricted Funds	<u>1,298</u>	<u>974</u>	<u>(958)</u>	<u>62</u>	<u>1,376</u>
Unrestricted Funds	<u>109</u>	<u>75</u>	<u>(49)</u>	<u>-</u>	<u>135</u>
Total Funds	<u>1,407</u>	<u>1,049</u>	<u>(1,007)</u>	<u>62</u>	<u>1,511</u>

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

General Annual Grant: Income received from the EFA to cover the normal running costs of the Academy. Under the amended funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Other DfE/EFA grants: This includes the pupil premium, sports grant; and the devolved formula capital grant.

Capital Maintenance Grant: This is the capital grant from DfE for adapting a server into a functioning kitchen.

LA and other grants: This includes SEN funding and Kent Music Hub from Kent County Council.

The transfer of funds relate to the purchases and disposals of fixed assets during the year.

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

16. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff and the local Government Pension Scheme (LGPS) for non-teaching staff which is managed by Kent County Council. Both are Defined Benefit Schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ending 31 March 2004 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.

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

Valuation of the Teachers' Pension Scheme

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

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

16. PENSION COMMITMENTS - continued

Teachers' Pension Scheme Changes

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

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

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

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

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

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

Local government pension scheme

The Local Government Pension Scheme (LGPS) is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year 31 August 2014 was £48k (2013: £44k), of which employer's contributions totalled £39k (2013: £36k) and employees' contributions totalled £9k (2013: £8k).

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 of Education, the guarantee came into force on 18 July 2013.

JOYDENS WOOD INFANT SCHOOL

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

16. PENSION COMMITMENTS - continued

Principle actuarial assumptions:	At 31 August 2014	At 31 August 2013
	%	%
Rate of increase in salaries	4.4	5.1
Rate of increase for pensions in payment/ inflation	2.6	2.9
Discount rate for scheme liabilities	3.9	4.7
Inflation assumption (CPI)	2.6	2.9
Commutation of pensions to lump sums	50.0	50.0

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

	At 31 August 2014	At 31 August 2013
Retiring in 20 years		
- Males	24.9	21.1
- Females	27.4	26.0
Retiring today		
- Males	22.7	20.1
- Females	25.1	24.1

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

	Expected return at 31 August 2014	Value at 31 August 2014	Expected return at 31 August 2013	Value at 31 August 2013
	%	£000	%	£000
Equities	6.7	245	6.6	154
Gilts	3.0	4	3.5	-
Other Bonds	3.6	42	4.4	26
Property	5.9	36	4.6	17
Cash	2.9	15	0.5	9
Target return portfolio	5.9	15	5.0	9
Total market value of assets		357		215
Present value of scheme liabilities		(634)		(534)
Deficit in the scheme		(277)		(319)

The return on the fund (on a bid value to bid value basis) for the year to 31 August 2014 is estimated to be 10%. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on Scheme assets was £25k (2013: £25k).

JOYDENS WOOD INFANT SCHOOL

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

16. PENSION COMMITMENTS - continued

Local government pension scheme

Amounts recognised in the Statement of Financial Activity

	2014 £000	2013 £000
Current service cost (net of employees contributions)	47	37
Past service cost	-	-
	<u>47</u>	<u>37</u>

Analysis of pension finance income/ (costs)

Expected return on Scheme Assets	14	9
Interest on pension liabilities	(26)	(18)
	<u>(12)</u>	<u>(9)</u>

Analysis of pension finance income/ (costs)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £62,000 gain (2013: £7,000 loss).

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

	2014 £000	2013 £000
At 1 September 2013	534	447
Current service cost	47	37
Interest cost	26	18
Employee contributions	9	8
Actuarial loss/ (Gain) on Scheme Liabilities	18	24
Benefits paid	-	-
	<u>634</u>	<u>534</u>

Movement in the fair value of Academy's share of Scheme Assets:

	2014 £000	2013 £000
At 1 September 2013	215	145
Expected return on assets	14	9
Actuarial gain/(loss)	80	17
Employer contributions	39	36
Employee contributions	9	8
Benefits paid	-	-
	<u>357</u>	<u>215</u>

The estimated value of employer contributions for the year ended 31 August 2015 is £32k (2013: £35k).

JOYDENS WOOD INFANT SCHOOL

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

16. PENSION COMMITMENTS - continued
Local government pension scheme

The five-year history of experience adjustments is as follows:

	2014 £000	2013 £000	2012 £000
Present value of Defined Benefit Obligation	(634)	(534)	(447)
Fair value of Scheme assets	357	215	145
	<u>(277)</u>	<u>(319)</u>	<u>(302)</u>
Experience adjustments on Scheme assets			
Amount £'000	80	17	5
Experience adjustments on Scheme liabilities			
Amount £'000	-	-	-

17. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

18. CAPITAL COMMITMENTS

	2014 £'000	2013 £'000
Contracted but not provided for in the financial statements	<u>79</u>	<u>-</u>

19. RELATED PARTY DISCLOSURES

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

Kent County Council is a local authority organisation, in which Ann Allen, Governor, is an elected member. There are no transactions with the Academy in which Ann Allenn would have any control over amounts paid or grants received.

20. 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 period 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.

JOYDENS WOOD INFANT SCHOOL

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

21. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£'000	£'000
Net incoming resources	62	74
Depreciation charges	28	24
Increase in debtors	(7)	-
Increase in creditors	<u>30</u>	<u>6</u>
Net cash inflow from operating activities	<u><u>113</u></u>	<u><u>104</u></u>

22. ANALYSIS OF CASH FLOWS HEADINGS

	2014	2013
	£'000	£'000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(50)	(51)
Sale of tangible fixed assets	<u>15</u>	<u>-</u>
Net cash outflow for capital expenditure and financial investment	<u><u>(35)</u></u>	<u><u>(51)</u></u>

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.13	Cash flow	At 31.8.14
	£'000	£'000	£'000
Net cash:			
Cash in hand	184	78	262
	<u> </u>	<u> </u>	<u> </u>
Total	<u><u>184</u></u>	<u><u>78</u></u>	<u><u>262</u></u>