

Company Registration No. 07804043 (England and Wales)

**JOYDENS WOOD INFANT SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' STRATEGIC REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

# JOYDENS WOOD INFANT SCHOOL

## CONTENTS

---

	<b>Page</b>
Reference and administrative details	1 - 2
Governors' report	3 - 9
Governance statement	10 - 14
Statement on regularity, propriety and compliance	15
Statement of governors' responsibilities	16
Independent auditor's report on the accounts	17 - 19
Independent reporting accountant's report on regularity	20 - 21
Statement of financial activities including income and expenditure account	22 - 23
Balance sheet	24
Statement of cash flows	25
Notes to the accounts including accounting policies	26 - 44

---

# JOYDENS WOOD INFANT SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Governors

C Jacobs (Chair)  
P Chapman (Appointed 1 September 2016)  
J Bailey (Resigned 1 September 2016)  
J Chiverton (Resigned 31 August 2017)  
A Gray  
S Grimble  
S Hallam  
R Macionis  
R Palache  
N Settle  
J Stow (Resigned 1 September 2017)  
R Hatley (Accounting Officer) (Appointed 1 January 2017)

### Members

C Jacobs  
A Gray  
S Grimble

### Senior leadership team

R Hatley	- Headteacher
P Chapman	- Assistant Headteacher
C Parkin	- EYFS Leader (from 01/09/17)
B Clarke	- Achievemnet Leader (from 01/09/17)
S Hallam	- Business Manager

### Company registration number

07804043 (England and Wales)

### Registered office

Joydens Wood Infant School  
Park Way  
Bexley  
Kent  
DA5 2JD

### Independent auditor

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

### Bankers

Lloyds Bank PLC  
PO Box 1000  
Andover  
BX1 1LT

# JOYDENS WOOD INFANT SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Solicitors

Eversheds LLP  
One Wood Street  
London  
EC2V 7WS

# JOYDENS WOOD INFANT SCHOOL

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

---

The governors present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 7. It has a pupil capacity of 270 and had a roll of 270 in the school census in May 2017.

#### **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 the primary governing documents of the academy trust.

The governors are the trustees of Joydens Wood Infant School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

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 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.

##### Method of recruitment and appointment or election of governors

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 Headteacher, 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, any Governor may be re-appointed or re-elected.

##### Policies and procedures adopted for the induction and training of governors

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

## GOVERNORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2017*

---

### Organisational structure

Our Leadership Team consists of; Headteacher, Assistant Headteacher, School Business Manager and 2 senior middle leaders. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. The Leadership Team ensure that the school moves rapidly forward in a strategic way enabling current forward thinking practice to be rapidly embedded and sustained across the school.

At present our middle leadership structure is in its infancy due to all members being new to the middle leadership. Through a robust in house CPD programme planned by SLT the middle leaders will gain effective training on leadership at our school. CPD for 2018-2019 will be linked to external development and inter-school sharing of best practice at a middle leadership level. Senior middle leaders will be supported over the next two years to transfer into more senior positions (either in or out of our school).

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. Governance plays an important role in effective leadership as they consistently challenge leaders and hold staff to account on the decisions/progression within the school.

### Arrangements for setting pay and remuneration of key management personnel

Rigorous and collaborative approach feeds into the pay progression for our team. Headteacher performance management is undertaken by the appointed Governors with the review in September 2018 to be reviewed with our newly appointed advisor. Other leadership posts are managed by the Headteacher who ensures that accountability and impact is equally measurable. Pay progression is linked to effective outcomes of staff and on their individual performance based on their level of responsibility. All performance management targets are set through professional discussion and progression towards these targets and are planned through targeted CPD.

### Related parties and other connected charities and organisations

#### **Objectives and activities**

##### Objects 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 objective 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.

# JOYDENS WOOD INFANT SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### Objectives, strategies and activities

The main objectives of the Academy during the year ended 31 August 2017 are summarised below:

- to establish a consistent, effective and cohesive leadership structure.
- to rapidly raise the standards in the teaching, learning and outcomes for pupils in Phonics, KS1 below and expected children and the % of EYFS children who obtain a GLD.
- to develop resilient learners who are prepared for modern life.
- to provide an inspiring, purposeful child-led EYFS provision that enables the children to explore and be inquisitive through developing their independence, resilience and love for learning.
- to ensure the expenditure of PP funding has a significant impact that is quantifiable
- to provide value for money for the funds expended;
- to ensure that new teachers are established in teaching, learning and assessment
- to begin to appoint middle leaders and new senior leaders
- to develop CPD through carefully crafted school specific training
- to ensure that policies, procedures and new incentives are rapidly embedded and impact demonstrated
- to improve the parent/pupil voice and community communication through a new website

Embed our new vision and values (created jointly with; governors, parents, children and staff):

Our Mission Statement is:

In our school we stimulate awe and wonder through a captivating curriculum that develops effort based on learning. We support and work together to make our school a purposeful place that enables every child to thrive and succeed. We celebrate differences and see the uniqueness in all.

Our Vision is:

A happy and safe place to learn and grow.

Our Values are:

- Ready: being on time for school, having excellent attendance and showing outstanding behaviour for learning
- Respectful: respecting others for who they are, regardless of our differences, being kind and helpful towards others and listening to each other and adults
- Responsible: being good role models, taking ownership of our learning, looking after our school and demonstrating kindness by helping others to do the same
- Resilient: taking on challenges by putting in lots of effort, striving to improve and recognising our own and others' achievements, no matter how big or small

Children 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 child- 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

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

#### 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.

Reception admissions are administered by The Admissions and Transport Team, Kent County Council.

In the event of over-subscription, places will be offered in descending order to:

- in Local Authority Care
- Current family association (A brother or sister in the same school at the time of entry where the family continue to live at the same address as when the sibling was admitted – or – if they have moved – live within 2 miles of the school – or have moved to a new property that is nearer to the school than the previous property).
- Health and Special Access reasons (Children who for reasons of health or physical impairment need to attend a particular school)
- Children of teachers
- Nearness of children's homes to school
- Summer born children and admissions out of year group

#### **Strategic report**

##### **Achievements and performance**

The Academy continues to achieve the forecast numbers of children. Total pupils in the year ended 31 August 2017 numbers 270.

Percentage of Pupils attaining or surpassing each level at Key Stage 1 by subject in 2017

	School		Kent		National	
	All	FSM	All	FSM	All	FSM
Reading % Expected Standard+	87.7	100	78.8	61.8	75.5	N/A
Writing % Expected Standard+	77.8	100	72.3	53.6	68.2	N/A
Maths % Expected Standard+	82.2	100	78.4	61.4	75.1	N/A
Reading % Greater Depth	45.6	50.0	26.1	11.9	25.2	N/A
Writing % Greater Depth	14.4	0.0	16.5	7.0	15.6	N/A
Maths % Greater Depth	41.1	50.0	20.7	9.2	20.5	N/A

#### Key Performance Indicators

The rapid evidencing of our key improvement priorities raised by Ofsted Inspection 2014 will indicate that the school is moving forward. On our SEF we are still a good school and key areas of weakness are being addressed.

Key improvement priorities:

- Not enough teaching is outstanding, not all pupils consistently make rapid and sustained progress.
- The most able pupils do not always have opportunities to demonstrate their higher attainment and work at a faster pace than others.
- Teachers' explanations and instructions to pupils are not always clear, sometimes they are not fully engaged in their learning because they are not sure what to do.

# JOYDENS WOOD INFANT SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### Key performance indicators

- From starting points those with exceeding outcomes at EYFS will get greater depth in R, W, M.
- More able children will be working at a harder/faster pace and learning mentors will address these children solely to ensure that next steps are rapidly addressed.
- The historical 'year 1 dip' in progress of approximately a term across the course of the year will be eradicated by July 2018 with the new child-led approach to teaching and learning in Year 1 thus raising the standards of attainment and progress for all children from the same starting points.
- Active learning will be evident across the school with 'passive learning' addressed through 'bite-sized' lessons.

#### 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.

#### **Financial review**

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2017 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 ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), 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 2017, total expenditure of £1,259k (2016: £1,222k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £46k (2016: £28k).

At 31 August 2017 the net book value of fixed assets was £2,154k (2016: £2,036k). Movements in tangible fixed assets are shown in note 12 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 £484k at 31 August 2017 (2016: £608k).

The Academy held fund balances at 31 August 2017 of £1,813k (2016: £1,588k) comprising £1,662k (2016: £1,439k) of restricted funds and £151k (2016: £149k) of unrestricted general funds. Of the restricted funds £2,154k (2016: £2,047k) is represented by tangible fixed assets and a deficit of £8k (2016: £8k) due to Salix.

The pension reserve which is considered part of restricted funds was 2017: £484k (2016: £608k) in deficit.

#### 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 £80k (2016: £70k).

The academy's current level of free reserves is £151k (2016: £149k) (total funds less the amount held in fixed assets and restricted funds). 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 Governors expect to utilise the excess in reserves in the coming year.

---

# JOYDENS WOOD INFANT SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### Investment policy and powers

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.

#### Principal risks and uncertainties

The Governors consider the following to be the major risks to which the Academy is exposed:

The principal financial risk faced by the school is the ongoing pressure on funding resulting in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Governors, mitigates the risk.

The risk that Trustees do not ensure that rigorous monitoring is undertaken in the absence of the Headteacher and/or Business Manager. Kent Financial Services are contracted to perform monthly monitoring which are scrutinised by Governors.

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 and 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 pages 10 to 14.

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.

#### 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 £484k (2016: £608k). The school follows the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

#### **Plans for future periods**

The school plans to 'establish their own' leaders and teachers through in school CPD opportunities. This will enable over time a healthy cycle of aspiring teachers or leaders coming through the school and moving on to leadership/teaching posts without costly implications for the school through pay progression. The school would like to explore the possibility in 2020 for expansion of a nursery/preschool provision to enhance the EYFS from birth-five and with the option to use the provision for chargeable wrap round care.

# JOYDENS WOOD INFANT SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

The immediate plans for 2017-2018 are:

- Develop the role of Middle Leaders so that they plan, lead and measure impact across their area of responsibility with increased independence.
- Ensure that pupils are constantly challenged and progress is accelerated from their starting points including; ensuring the most able pupils demonstrate their higher attainment and work at a faster pace than others and all lessons are pitched to the highest level of challenge.
- To ensure that TAs are equipped with the skills to enable them to effectively move teaching and learning forward and rapidly address misconceptions during lessons.
- To ensure patterns in historical data are eradicated so that:
  - Outcomes for Phonics and Writing are significantly above national expectations and in alignment with Reading and Maths outcomes at the end of KS1.
  - Year 1 progress and attainment is rapid and sustained from their EYFS starting points.
  - An increasing number of pupils obtaining greater depth at the end of KS1 in Reading, Writing and Maths, particularly those who were exceeding at the end of EYFS.
- To have highly active learners who articulate and generate learning 'buzz' throughout lessons, whereby concentration and sustainability is prolonged (at an age-appropriate level).
- To embed 'in the moment' planning and sharing best practice into Year 1 so that transition into KS1 is highly effective.

#### **Auditor**

In so far as the governors are aware:

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

A resolution proposing that Wilkins Kennedy LLP be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 30 November 2017 and signed on its behalf by:

C Jacobs  
**Chair**

R Hatley  
**Accounting Officer**

# JOYDENS WOOD INFANT SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2017**

---

### 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 or loss.

The board of 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 Governors' Report 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:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
C Jacobs (Chair)	3	3
P Chapman (Appointed 1 September 2016)	3	3
J Bailey (Resigned 1 September 2016)	2	3
J Chiverton (Resigned 31 August 2017)	0	0
A Gray	3	3
S Grimble	3	3
S Hallam	2	3
R Macionis	1	3
R Palache	3	3
N Settle	3	3
J Stow (Resigned 1 September 2017)	0	3
R Hatley (Accounting Officer) (Appointed 1 January 2017)	2	2

The appointments listed above were made to improve the skills base of the Board. Key changes in the composition of the board of Trustees related to 2 resignations. No particular challenges have arisen for the board, although the school was led by an Acting Headteacher for the Autumn term before the substantive head took up post. The board are well supplied with school, national and local authority data which give a full picture of strengths and weaknesses. Skills Audit forms are completed annually by all board members.

The Governing Body intends to conduct its next self-evaluation external review in 2017/2018.

The Resources 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 Internal Auditor.

# JOYDENS WOOD INFANT SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

---

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
C Jacobs (Chair)	5	5
A Gray	5	5
S Hallam	5	5
R Macionis	2	5
R Palache	5	5
N Settle	1	5
R Hatley (Accounting Officer) (Appointed 1 January 2017)	3	3

### Review of value for money

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

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

The Governing body is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's development plans. Governors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the school's achievements and services.

### What Is Best Value?

Governors will apply the four principles of best value:

- Challenge - Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- Compare - How does the school's pupil performance and financial performance compare with all schools? How does it compare with LA schools? How does it compare with similar schools?
- Consult - How does the school seek the views of stakeholders about the services the school provides?
- Compete - How does the school secure efficient and effective services? Are services of appropriate quality, economic?

### The Governors' Approach

The Governors and the school will apply the principles of best value when making decisions about the allocation of resources to best promote the aims and values of the school.

- The targeting of resources to best improve standards and the quality of provision.
- The use of resources to best support the various educational needs of all pupils.

# JOYDENS WOOD INFANT SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

---

### **Governors, and the school leaders, will:**

- Make comparisons with other/similar schools using data provided by the LA and the Government, e.g. Raise on line/Making Figures Speak, quality of teaching & learning, levels of expenditure
- Challenge proposals, examining them for effectiveness, efficiency, and cost, e.g. setting of annual pupil achievement targets
- Require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup
- Consult individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers, e.g. pupil reports, OFSTED, Gas and Electricity provider, Internet Provider

This will apply in particular to:

- Safeguarding
- Staffing
- Use of premises
- Use of resources
- Quality of teaching
- Quality of learning
- Purchasing
- Pupils' behaviour, welfare and safety
- Site security health and safety

### **Governors and the school:**

- Will not waste time and resources on investigating minor areas where few improvements can be achieved
- Will not waste time and resources to make minor savings in costs
- Will not waste time and resources by seeking tenders for minor supplies and services
- The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

### **Staffing**

- Governors and school leaders will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management.
- Use of Premises
- Governors and school leaders will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching & learning, for support services, and for communal access to central resources, e.g. Library.

### **Use of Resources**

Governors and school leaders will deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.

### **Teaching**

Governors and school leaders will review the quality of curriculum provision and quality of teaching, to provide parents and pupils with:

- A curriculum which meets the requirements of the National Curriculum
- Teaching which builds on previous learning and has high expectations of children's achievement.

### **Learning**

- Governors and school leaders will review the quality of children's learning, by cohort, class and group, to track rapid progress over time.
- All children are expected to make a minimum of 6 steps progress yearly.

# JOYDENS WOOD INFANT SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

---

### **Purchasing**

Governors and school leaders will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place include:

- Competitive tendering procedures
- Procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- Procedures which minimise office time by the purchase of goods or services under £1,000 direct from known, reliable suppliers (e.g. stationery)

Governors and school leaders will review the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation.

### **Health & Safety**

Governors and school leaders will review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

### **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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Joydens Wood Infant School for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts. 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 board of governors;
- regular reviews by the Finance and Personnel 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 a Responsible Officer. 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.

# JOYDENS WOOD INFANT SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

In particular the checks carried out in the current period include:

- Testing of control systems
- Testing of control account/ bank reconciliation
- Review of policies and procedures and adherence thereon
- Review of governance and training of Governors

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.

Wilkins Kennedy LLP have delivered their schedule of work as planned and all recommendations have been actioned.

The Governors confirm the internal auditor has delivered their schedule of work as planned, and no material control issues arose as a result of the internal auditor's work.

#### **Review of effectiveness**

As accounting officer the Headteacher 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 internal auditor;
- 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 board of governors on 30 November 2017 and signed on its behalf by:

C Jacobs  
**Chair**

R Hatley  
**Accounting Officer**

# JOYDENS WOOD INFANT SCHOOL

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2017*

---

As accounting officer of Joydens Wood Infant School I have considered my responsibility to notify the academy trust board of governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 2016.

I confirm that I and the academy trust's board of governors 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 2016.

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 ESFA.

R Hately  
**Accounting Officer**

30 November 2017

# JOYDENS WOOD INFANT SCHOOL

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2017**

---

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

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

In preparing these accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the board of governors on 30 November 2017 and signed on its behalf by:

C Jacobs  
**Chair**

R Hatley  
**Accounting Officer**

# JOYDENS WOOD INFANT SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOYDENS WOOD INFANT SCHOOL

---

### Opinion

We have audited the accounts of Joydens Wood Infant School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the governors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the governors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# JOYDENS WOOD INFANT SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOYDENS WOOD INFANT SCHOOL (CONTINUED)

---

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report, including the incorporated strategic report.

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

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

### **Responsibilities of governors**

As explained more fully in the Statement of Governors' Responsibilities, the governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# JOYDENS WOOD INFANT SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOYDENS WOOD INFANT SCHOOL (CONTINUED)

---

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Catherine Cooper (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

# JOYDENS WOOD INFANT SCHOOL

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

---

In accordance with the terms of our engagement letter dated 27 July 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, 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 2016 to 31 August 2017 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 ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Joydens Wood Infant School and ESFA 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 ESFA, 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 dated 1 November 2011 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

# JOYDENS WOOD INFANT SCHOOL

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOYDENS WOOD INFANT SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

---

### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

### **Reporting Accountant**

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

Dated: 08 December 2017

# JOYDENS WOOD INFANT SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2017 £'000	Total 2016 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	8	-	121	129	101
Charitable activities:						
- Funding for educational operations	4	-	1,134	-	1,134	1,115
Other trading activities	5	16	-	-	16	25
<b>Total income and endowments</b>		<u>24</u>	<u>1,134</u>	<u>121</u>	<u>1,279</u>	<u>1,241</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	7	2	1,202	55	1,259	1,222
<b>Total expenditure</b>	6	<u>2</u>	<u>1,202</u>	<u>55</u>	<u>1,259</u>	<u>1,222</u>
<b>Net income/(expenditure)</b>		22	(68)	66	20	19
Transfers between funds		(20)	(13)	33	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	205	-	205	(257)
<b>Net movement in funds</b>		<u>2</u>	<u>124</u>	<u>99</u>	<u>225</u>	<u>(238)</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		149	(608)	2,047	1,588	1,826
Total funds carried forward		<u>151</u>	<u>(484)</u>	<u>2,146</u>	<u>1,813</u>	<u>1,588</u>

# JOYDENS WOOD INFANT SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information Year ended 31 August 2016	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2016
		£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	7	-	94	101
Charitable activities:					
- Funding for educational operations	4	-	1,115	-	1,115
Other trading activities	5	25	-	-	25
<b>Total income and endowments</b>		32	1,115	94	1,241
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	7	4	1,171	47	1,222
<b>Total expenditure</b>	6	4	1,171	47	1,222
<b>Net income/(expenditure)</b>		28	(56)	47	19
Transfers between funds		(12)	13	(1)	-
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pension schemes	19	-	(257)	-	(257)
<b>Net movement in funds</b>		16	(300)	46	(238)
<b>Reconciliation of funds</b>					
Total funds brought forward		133	(308)	2,001	1,826
Total funds carried forward		149	(608)	2,047	1,588

# JOYDENS WOOD INFANT SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2017

		2017		2016	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11		2,154		2,036
<b>Current assets</b>					
Debtors	12	136		33	
Cash at bank and in hand		387		426	
		<u>523</u>		<u>459</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(373)		(292)	
<b>Net current assets</b>			150		167
<b>Total assets less current liabilities</b>			2,304		2,203
Creditors: amounts falling due after more than one year	14		(7)		(7)
<b>Net assets excluding pension liability</b>			2,297		2,196
Defined benefit pension liability	19		(484)		(608)
<b>Net assets</b>			<u>1,813</u>		<u>1,588</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			2,146		2,047
- Pension reserve			(484)		(608)
<b>Total restricted funds</b>			<u>1,662</u>		<u>1,439</u>
<b>Unrestricted income funds</b>	17		151		149
<b>Total funds</b>			<u>1,813</u>		<u>1,588</u>

The accounts set out on pages 22 to 44 were approved by the board of governors and authorised for issue on 30 November 2017 and are signed on its behalf by:

C Jacobs  
Chair

R Hatley  
Accounting Officer

Company Number 07804043

# JOYDENS WOOD INFANT SCHOOL

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

---

	Notes	2017 £'000	£'000	2016 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	20		13		102
<b>Cash flows from investing activities</b>					
Capital grants from DfE and EFA		106		94	
Capital funding from sponsors and others		15		-	
Payments to acquire tangible fixed assets		(173)		(238)	
			(52)		(144)
<b>Cash flows from financing activities</b>					
Repayment of other loan		-		8	
			-		8
<b>Change in cash and cash equivalents in the reporting period</b>			(39)		(34)
Cash and cash equivalents at 1 September 2016			426		460
<b>Cash and cash equivalents at 31 August 2017</b>			387		426

---

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

---

### 1 Accounting policies

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

#### 1.1 Basis of preparation

The accounts of the academy 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006 (other than in respect of the disclosure of remunerations received by staff governors under employment contracts - see note 10 for details).

Joydens Wood Infant School meets the definition of a public benefit entity under FRS 102.

#### 1.2 Going concern

The governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 accounts.

#### 1.3 Income

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

##### Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### Donations

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

##### Other income

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

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

---

### 1 Accounting policies

(Continued)

#### Donated goods, facilities and services

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

#### Donated fixed assets

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

#### Interest receivable

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

### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### Governance costs

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

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### 1 Accounting policies

(Continued)

##### 1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The property has been included at the valuation provided by the ESFA when completing their desktop valuation.

The academy has a 125 year lease from conversion on the land and buildings with Kent County Council.

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

Land and buildings	2%
Assets under construction	Nil
Computer equipment	33.3%
Fixtures, fittings & equipment	25%

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.

##### 1.6 Liabilities

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

##### 1.7 Leasing commitments

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

##### 1.8 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### 1 Accounting policies

(Continued)

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 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.

#### 1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes 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 quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

#### 1.11 Fund accounting

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

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

---

### 1 Accounting policies

(Continued)

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

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

### 2 Critical accounting estimates and areas of judgement

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

#### 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

##### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See 11 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

##### Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Capital grants	-	106	106	94
Other donations	8	15	23	7
	<u>8</u>	<u>121</u>	<u>129</u>	<u>101</u>

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	968	968	926
Other DfE / ESFA grants	-	118	118	132
	<u>-</u>	<u>1,086</u>	<u>1,086</u>	<u>1,058</u>
<b>Other government grants</b>				
Local authority grants	-	48	48	57
	<u>-</u>	<u>48</u>	<u>48</u>	<u>57</u>
<b>Total funding</b>	<u>-</u>	<u>1,134</u>	<u>1,134</u>	<u>1,115</u>

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Hire of facilities	3	-	3	2
Other income	13	-	13	23
	<u>16</u>	<u>-</u>	<u>16</u>	<u>25</u>

### 6 Expenditure

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2017 £'000	Total 2016 £'000
Academy's educational operations					
- Direct costs	679	35	28	742	775
- Allocated support costs	190	92	235	517	447
	<u>869</u>	<u>127</u>	<u>263</u>	<u>1,259</u>	<u>1,222</u>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

6 Expenditure	(Continued)			
<b>Net income/(expenditure) for the year includes:</b>			<b>2017</b>	<b>2016</b>
			<b>£'000</b>	<b>£'000</b>
Fees payable to auditor for:				
- Audit			8	7
- Other services			3	4
Operating lease rentals			1	1
Depreciation of tangible fixed assets			55	47
Net interest on defined benefit pension liability			13	12
			<u>          </u>	<u>          </u>
<b>7 Charitable activities</b>				
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Direct costs - educational operations	-	742	742	775
Support costs - educational operations	2	515	517	447
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	2	1,257	1,259	1,222
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
			<b>2017</b>	<b>2016</b>
			<b>£'000</b>	<b>£'000</b>
<b>Analysis of support costs</b>				
Support staff costs			190	145
Depreciation and amortisation			20	14
Technology costs			27	11
Premises costs			65	48
Other support costs			200	216
Governance costs			15	13
			<u>          </u>	<u>          </u>
			517	447
			<u>          </u>	<u>          </u>
<b>8 Staff costs</b>				
			<b>2017</b>	<b>2016</b>
			<b>£'000</b>	<b>£'000</b>
Wages and salaries			603	574
Social security costs			43	37
Operating costs of defined benefit pension schemes			172	131
			<u>          </u>	<u>          </u>
Staff costs			818	742
Supply staff costs			18	109
Staff restructuring costs			10	-
Staff development and other staff costs			23	15
			<u>          </u>	<u>          </u>
Total staff expenditure			869	866
			<u>          </u>	<u>          </u>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2017

---

#### 8 Staff costs

(Continued)

##### Staff numbers

The average number of persons by headcount employed by the academy trust during the year was as follows:

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Teachers	11	8
Administration and support	23	20
Management	3	4
	<u>37</u>	<u>32</u>

##### Higher paid staff

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

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
£70,001-£80,000	-	1
	<u>-</u>	<u>1</u>

Included in staff restructuring costs are non-statutory severance payments made to one member of staff totalling £9,830 (2016: £nil).

##### Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £151K (2016: £223k).

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 9 Governors' remuneration and expenses

The Headteacher and other 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 (2016: £Nil).

The value of governors' remuneration was as follows:

R Hatley (Headteacher for 8 months)

Remuneration £35,000 - £40,000 (2016: J Bailey £70,000 - £75,000)

Employers Pension Contributions £5,000 - £10,000 (2016: J Bailey £5,000 - £10,000)

P Chapman and S Hallam (2016: H Harry and S Hallam)

Remuneration £79,073 (2016: £57,854)

Employers Pension Contributions £13,834 (2016: £10,627)

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.

During the year no expenses were reimbursed or paid directly to governors (2016: £Nil).

Other related party transactions involving the governors are set out within the related parties note.

### 10 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2017 could not be ascertained as it is included with all insurance (2016: £418).

### 11 Tangible fixed assets

	Land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 September 2016	2,011	133	42	4	2,190
Transfers	133	(133)	-	-	-
Additions	135	-	18	20	173
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2017	2,279	-	60	24	2,363
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>					
At 1 September 2016	127	-	26	1	154
Charge for the year	35	-	16	4	55
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2017	162	-	42	5	209
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>					
At 31 August 2017	2,117	-	18	19	2,154
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2016	1,884	133	16	3	2,036
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 11 Tangible fixed assets

(Continued)

Included in land and buildings is land of £424k (2016: £424k) which is not depreciated.

The land and building additions in the year were for works completed on a new boiler.

12 Debtors	2017 £'000	2016 £'000
VAT recoverable	22	29
Other debtors	99	-
Prepayments and accrued income	15	4
	<u>136</u>	<u>33</u>
	<u><u>136</u></u>	<u><u>33</u></u>
13 Creditors: amounts falling due within one year	2017 £'000	2016 £'000
Other loans	1	1
Other taxation and social security	10	9
Other creditors	159	145
Accruals and deferred income	203	137
	<u>373</u>	<u>292</u>
	<u><u>373</u></u>	<u><u>292</u></u>
14 Creditors: amounts falling due after more than one year	2017 £'000	2016 £'000
Other loans	7	7
	<u>7</u>	<u>7</u>
	<u><u>7</u></u>	<u><u>7</u></u>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

		(Continued)	
14	Creditors: amounts falling due after more than one year	2017	2016
	<b>Analysis of loans</b>		
	Not wholly repayable within five years by instalments	2	2
	Wholly repayable within five years	6	6
		<u>8</u>	<u>8</u>
	Less: included in current liabilities	(1)	(1)
		<u>7</u>	<u>7</u>
	Amounts included above	<u>7</u>	<u>7</u>
	Instalments not due within five years	<u>2</u>	<u>2</u>
	<b>Loan maturity</b>		
	Debt due in one year or less	1	1
	Due in more than one year but not more than two years	1	1
	Due in more than two years but not more than five years	4	4
	Due in more than five years	2	2
		<u>8</u>	<u>8</u>
	Included within creditors is a loan of £8k from SALIX which is provided on the following terms. The loan is interest free and repayable in 16 equal half yearly payments of £505.		
15	<b>Deferred income</b>	<b>2017</b>	<b>2016</b>
		<b>£'000</b>	<b>£'000</b>
	Deferred income is included within:		
	Creditors due within one year	61	63
		<u>61</u>	<u>63</u>
	Deferred income at 1 September 2016	63	55
	Released from previous years	(63)	(55)
	Amounts deferred in the year	61	63
		<u>61</u>	<u>63</u>
	<b>Deferred income at 31 August 2017</b>	<u>61</u>	<u>63</u>
	At the balance sheet date, the Academy Trust was holding funds received in advance for devolved formula capital grant and universal infant free school meals for 2017/2018.		
16	<b>Financial instruments</b>	<b>2017</b>	<b>2016</b>
		<b>£'000</b>	<b>£'000</b>
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	22	29
		<u>22</u>	<u>29</u>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	301	219
		<u>301</u>	<u>219</u>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 17 Funds

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
<b>Restricted general funds</b>					
General Annual Grant	-	968	(955)	(13)	-
Other DfE / ESFA grants	-	118	(118)	-	-
Other government grants	-	48	(48)	-	-
	-----	-----	-----	-----	-----
Funds excluding pensions	-	1,134	(1,121)	(13)	-
Pension reserve	(608)	-	(81)	205	(484)
	-----	-----	-----	-----	-----
	(608)	1,134	(1,202)	192	(484)
	=====	=====	=====	=====	=====
<b>Restricted fixed asset funds</b>					
DfE / ESFA capital grants	19	106	-	(125)	-
Capital expenditure from GAG	(8)	-	-	-	(8)
General fixed assets	2,036	15	(55)	158	2,154
	-----	-----	-----	-----	-----
	2,047	121	(55)	33	2,146
	=====	=====	=====	=====	=====
<b>Total restricted funds</b>	1,439	1,255	(1,257)	225	1,662
	=====	=====	=====	=====	=====
<b>Unrestricted funds</b>					
General funds	149	24	(2)	(20)	151
	-----	-----	-----	-----	-----
<b>Total funds</b>	1,588	1,279	(1,259)	205	1,813
	=====	=====	=====	=====	=====

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

General Annual Grant: Income received from the ESFA to cover the normal running cost 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 2017.

Other DFE/ESFA grants: This includes the pupil premium, sports grant and universal infant free school meals.

Local government grants: This includes SEN funding, rising roll funding and Mainstream funding from Kent County Council.

DFE/ EFSA Capital Grants: This includes the devolved formula capital grant

Salix loan: The Academy received a loan from Salix for a new boiler. The loan is repayable over 8 years.

The transfer of funds is the purchase of fixed assets from GAG and unrestricted funds

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 17 Funds

(Continued)

#### Movements in funds - previous year

	Balance at 1 September 2015 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2016 £'000
<b>Restricted general funds</b>					
General Annual Grant	-	926	(939)	13	-
Other DfE / ESFA grants	-	132	(132)	-	-
Other government grants	-	57	(57)	-	-
	<u>-</u>	<u>1,115</u>	<u>(1,128)</u>	<u>13</u>	<u>-</u>
Funds excluding pensions	-	1,115	(1,128)	13	-
Pension reserve	(308)	-	(43)	(257)	(608)
	<u>(308)</u>	<u>1,115</u>	<u>(1,171)</u>	<u>(244)</u>	<u>(608)</u>
	<u><u>-</u></u>	<u><u>1,115</u></u>	<u><u>(1,171)</u></u>	<u><u>(244)</u></u>	<u><u>(608)</u></u>
<b>Restricted fixed asset funds</b>					
DfE / ESFA capital grants	156	94	-	(231)	19
Capital expenditure from GAG	-	-	-	(8)	(8)
General fixed assets	1,845	-	(47)	238	2,036
	<u>2,001</u>	<u>94</u>	<u>(47)</u>	<u>(1)</u>	<u>2,047</u>
	<u><u>2,001</u></u>	<u><u>94</u></u>	<u><u>(47)</u></u>	<u><u>(1)</u></u>	<u><u>2,047</u></u>
<b>Total restricted funds</b>	<u>1,693</u>	<u>1,209</u>	<u>(1,218)</u>	<u>(245)</u>	<u>1,439</u>
	<u><u>1,693</u></u>	<u><u>1,209</u></u>	<u><u>(1,218)</u></u>	<u><u>(245)</u></u>	<u><u>1,439</u></u>
<b>Unrestricted funds</b>					
General funds	133	32	(4)	(12)	149
	<u>133</u>	<u>32</u>	<u>(4)</u>	<u>(12)</u>	<u>149</u>
	<u><u>133</u></u>	<u><u>32</u></u>	<u><u>(4)</u></u>	<u><u>(12)</u></u>	<u><u>149</u></u>
<b>Total funds</b>	<u>1,826</u>	<u>1,241</u>	<u>(1,222)</u>	<u>(257)</u>	<u>1,588</u>
	<u><u>1,826</u></u>	<u><u>1,241</u></u>	<u><u>(1,222)</u></u>	<u><u>(257)</u></u>	<u><u>1,588</u></u>

### 18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2017 £'000
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	2,154	2,154
Current assets	151	372	-	523
Creditors falling due within one year	-	(372)	(1)	(373)
Creditors falling due after one year	-	-	(7)	(7)
Defined benefit pension liability	-	(484)	-	(484)
	<u>151</u>	<u>(484)</u>	<u>2,146</u>	<u>1,813</u>
	<u><u>151</u></u>	<u><u>(484)</u></u>	<u><u>2,146</u></u>	<u><u>1,813</u></u>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2016 £'000
<b>Fund balances at 31 August 2016 are represented by:</b>				
Tangible fixed assets	-	-	2,036	2,036
Current assets	149	291	19	459
Creditors falling due within one year	-	(291)	(1)	(292)
Creditors falling due after one year	-	-	(7)	(7)
Defined benefit pension liability	-	(608)	-	(608)
	<u>149</u>	<u>(608)</u>	<u>2,047</u>	<u>1,588</u>

### 19 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, 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 ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £12k (2016: £12k) were payable to the schemes at 31 August 2017 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 19 Pensions and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £50k (2016: £47k).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.3% for employers and 5.5 to 7.5% for employees. The estimated value of employer contributions for the forthcoming year is £55k (2016: £52k).

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.

<b>Total contributions made</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	54	52
Employees' contributions	16	15
	<hr/>	<hr/>
Total contributions	70	67
	<hr/> <hr/>	<hr/> <hr/>

  

<b>Principal actuarial assumptions</b>	<b>2017</b>	<b>2016</b>
	<b>%</b>	<b>%</b>
Rate of increases in salaries	4.2	4.1
Rate of increase for pensions in payment	2.7	2.3
Discount rate	2.6	2.2
Inflation assumption (CPI)	2.7	3.2
	<hr/> <hr/>	<hr/> <hr/>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 19 Pensions and similar obligations

(Continued)

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

	<b>2017</b>	<b>2016</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	23.0	22.9
- Females	25.1	25.3
Retiring in 20 years		
- Males	25.2	25.2
- Females	27.4	27.7
	=====	=====

Scheme liabilities would have been affected by changes in assumptions as follows:

	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Discount rate + 0.1%	-23	-24
Discount rate - 0.1%	24	24
Mortality assumption + 1 year	39	30
Mortality assumption - 1 year	-38	-29
Long term salary increase + 0.1%	4	5
Long term salary increase - 0.1%	-4	-5
	=====	=====

#### The academy trust's share of the assets in the scheme

	<b>2017</b>	<b>2016</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£'000</b>	<b>£'000</b>
Equities	521	378
Gilts	5	5
Other bonds	71	60
Cash	23	13
Property	91	78
Other assets	28	24
	=====	=====
Total market value of assets	739	558
	=====	=====
Actual return on scheme assets - gain/(loss)	111	65
	=====	=====

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

---

<b>19 Pensions and similar obligations</b>	<b>(Continued)</b>	
<b>Amounts recognised in the statement of financial activities</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	122	83
Interest income	(13)	(18)
Interest cost	26	30
	<hr/>	<hr/>
Total operating charge	135	95
	<hr/> <hr/>	<hr/> <hr/>
<b>Changes in the present value of defined benefit obligations</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Obligations at 1 September 2016	1,166	734
Current service cost	122	83
Interest cost	26	30
Employee contributions	16	15
Actuarial (gain)/loss	(107)	304
	<hr/>	<hr/>
At 31 August 2017	1,223	1,166
	<hr/> <hr/>	<hr/> <hr/>
<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2017</b>	<b>2016</b>
	<b>£'000</b>	<b>£'000</b>
Assets at 1 September 2016	558	426
Interest income	13	18
Actuarial gain	98	47
Employer contributions	54	52
Employee contributions	16	15
	<hr/>	<hr/>
At 31 August 2017	739	558
	<hr/> <hr/>	<hr/> <hr/>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 20 Reconciliation of net income to net cash flows from operating activities

	2017 £'000	2016 £'000
Net income for the reporting period	20	19
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(121)	(94)
Defined benefit pension costs less contributions payable	68	31
Defined benefit pension net finance cost	13	12
Depreciation of tangible fixed assets	55	47
(Increase)/decrease in debtors	(103)	14
Increase in creditors	81	73
<b>Net cash provided by operating activities</b>	<b>13</b>	<b>102</b>

### 21 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 and Skills Funding Agency (ESFA) 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.

### 22 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £'000	2016 £'000
Amounts due within one year	7	7
Amounts due in two and five years	9	25
	<b>16</b>	<b>32</b>

# JOYDENS WOOD INFANT SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2017**

---

### **23 Related party transactions**

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

Ryland Communications Limited is a company controlled by the family of N Settle, Governor. During the year the Academy purchased communication services amounting to £1,013 (2016: £1,320), no amounts were due at the year end. The Academy made the purchase at arms' length, N Settle had no influence over the decision to use his family's company. In entering into the transaction the trust has complied with the requirements of the ESFA's Academies Financial Handbook.

JSP Clarity is a company where the Managing Director is J Stow, Governor. During the previous year the academy entered into a 5 year lease for photocopiers amounting to an annual commitment of £5,520. The Academy made the agreement at arm's length, J Stow had no influence over the decision to use their company. In entering into the transaction the trust has ensured they are achieving value for money.

### **24 Members' liability**

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