

**Company Registration No. 07772278 (England and Wales)**

**THE JOSEPH WHITAKER SCHOOL**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2015**

# THE JOSEPH WHITAKER SCHOOL

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# THE JOSEPH WHITAKER SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

CLlr C P Barnfather (Chair) \*  
D Wakelin (Vice Chair) \*  
R P Martlew (Headteacher) (Resigned 31 August 2015) \*  
J A Eden (Academy Trust) \*  
R Evans (Academy Trust) \*  
K Turner (Academy Trust)  
W Bates (Parent)  
T Burton (Parent) (Resigned 4 May 2015)  
N Foster (Parent) (Resigned 22 March 2015)  
A Hancock (Parent) \*  
J Walker (Parent) (Resigned 10 June 2015)  
D Cook (Staff) (Resigned 4 May 2015) \*  
S Linnell (Staff) \*  
A Naslas (Staff) (Resigned 19 April 2015)  
C Dobb (Parent) (Resigned 1 October 2014)  
A Ball (Academy Trust) (Resigned 16 September 2015) \*  
D Bell (Headteacher) (Appointed 1 September 2015) \*  
M Smith (Academy Trust) (Appointed 2 May 2015)  
C Morgan (Academy trust) (Appointed 3 November 2015)  
J Staton (Academy Trust) (Appointed 3 November 2015)  
C Arthur (Parent) (Appointed 18 March 2015) \*  
D Brennan (Parent) (Appointed 3 November 2015)  
R Corder (Parent) (Appointed 3 November 2015) \*  
K Johnson (Parent) (Appointed 18 March 2015)  
P Whitlam (Parent) (Appointed 3 November 2015) \*  
H Maiden (Staff) (Appointed 2 June 2015)  
D O'Connor (Staff) (Appointed 2 June 2015) \*

\* members of the personnel and finance committee

### Members

D Wakelin  
Rev C J Rattenberry  
R P Martlew (Resigned 31 August 2015)

### Senior management team

- Headteacher	R P Martlew (Resigned 31 August 2015)
- Headteacher	D Bell (Appointed 1 September 2015)
- Vice Principal	M Croft
- Vice Principal	H Darnbrough
- Vice Principal	F Derrick
- Associate Leader	M Beastall
- Associate Leader	G Brookes
- Associate Leader	J L Gomersall
- Associate Leader	V Hasnip

# THE JOSEPH WHITAKER SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Company secretary</b>	H Darnbrough
<b>Company registration number</b>	07772278 (England and Wales)
<b>Registered office</b>	Warsop Lane Rainworth Mansfield Nottingham NG21 0AG
<b>Independent auditor</b>	UHY Hacker Young 22 The Ropewalk Nottingham NG1 5DT
<b>Bankers</b>	Lloyds Bank 1-3 Church Street Mansfield NG18 1AF
<b>Solicitors</b>	Stone King 13 Queen Street Bath BA1 2HJ

# THE JOSEPH WHITAKER SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2015

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The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust took over the operation of The Joseph Whitaker School on the school's conversion to academy status on 1 November 2011. Since then the Academy Trust's principal object and activity has been to manage the school's provision of education to pupils between the ages of 11 and 18.

#### **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 trustees of The Joseph Whitaker School are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Joseph Whitaker School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

##### 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 he/she are a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a member.

##### Trustees' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Governors. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust.

Details of the insurance cover are provided in note 9 to the financial statements.

# THE JOSEPH WHITAKER SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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

Any Trustee elections will be held as soon as practicable after the occurrence of a vacancy. The objective will always be to ensure that the Governing Body's business is conducted with the right balance of Governorships so that there is a good range of skills, representation and experience. Any vacancies will be advertised on the school website and through letters to the parent body.

We have delegated to the Company Secretary the overall responsibility for organising the election and to also undertake the role of the Returning Officer. At any one time the structure of the Governing Body must be:

- The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- Subject to Articles 48-49 and 64, the Academy Trust shall have the following Trustees:
  - i. Up to 10 Trustees, appointed under Article 50; A minimum of 2 and up to 7 Parent Trustees appointed under Articles 53-58;
  - ii. Up to 3 Staff Trustees, (and, where there are 2 or more Staff Trustees in office, at least 1 of these shall be a teacher and at least 1 shall be support staff), subject to Article 50A;
  - iii. The Principal;
  - iv. Any Additional Trustees, if appointed under Article 62, 62A or 68A; and
  - v. Any Further Trustees, if appointed under Article 63 or Article 68A.
- The Academy Trust may also have any Co-opted Trustee appointed under Article 59.

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

During the year under review the Full Governing Body met 5 times and there were 20 committee meetings. The training and induction provided for new Trustees depends on their previous experience. All new Trustees are given a tour of the school and the chance to meet with the Headteacher, staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. New Trustees are encouraged to attend an Induction course provided by the Nottinghamshire County Council and have access to a full programme of courses which they will choose to attend, based on their role and experience.

#### Risk management

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

# THE JOSEPH WHITAKER SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### Organisational structure

The organisational structure consists of three levels: the Trustees, the Senior Leadership Team (including the extended Senior Leadership Team, constituted by Associate Leaders). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Governing Body has delegated areas of its work, and in specific cases decision-making responsibilities to a number of committees. All of these:

- Meet at least once a term, elect a Chair and Vice Chair at the first meeting of the year, and have a quorum of two thirds of the membership of each committee
- Receive reports from the Headteacher or Vice Principal (Support Services) at each meeting. These can contain key issues for the attention of the committee
- Perform a largely strategic role (for example, setting aims and objectives, agreeing policies, targets and priorities and monitoring and reviewing aims, objectives and progress), act as a 'critical friend', delegate responsibilities to the Headteacher as appropriate, and make necessary decisions/recommendations
- Work within the bounds of school policies and practices, LA Regulations and Statutory Instruments

The Senior Leadership Team comprises the Headteacher, 4 Vice Principals and 4 Associate Leaders. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment boards for posts in the Senior Leadership Team always contain a Trustee. Some spending control is devolved to members of the Middle Management Team, with limits above which a member of the Senior Leadership Team must countersign.

The Middle Management Team includes Faculty Leaders, Progress Leaders, Subject Leaders and Heads of House. Along with the Senior Management Team these managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

#### Related parties and other connected charities and organisations

We connect with Stubbings Court, Adventure Services, Buxton Training Enterprises, Vision West Notts and Real Education to provide alternative education for a very small number of pupils, either on a part-time or full-time basis. Funding for this is devolved to the academy from the Local Authority and the organisations are used by the Local Authority to provide education to pupils with behavioural, emotional and social needs.

The academy operates a PTA which supports school functions such as concerts and performances and raises small amounts of funds to support the school, predominantly through providing a celebration mug to all school leavers.

# THE JOSEPH WHITAKER SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### **Objectives and activities**

##### Objects and aims

The Academy Trust's principle object is to:

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

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on our specialism.

The main objectives of the Academy during the period ended 31 August 2015 are summarised below:

- Offering the widest possible range of academic and vocational educational opportunities to match every student's need and ambitions thus enabling them to achieve economic well-being
- Fostering attitudes that will help them grow into tolerant, responsible citizens who will make a positive contribution in the community
- Providing emotional and pastoral support to help individual pupils meet the challenges they face in a safe, happy and caring environment
- Nurturing positive attitudes towards personal safety and a healthy lifestyle
- Exploiting the benefits of our specialist school status to create a distinctive character for the school in order to further raise individual levels of achievement and standards of performance
- Working in close partnership with parents, outside agencies, business, civic and voluntary bodies in order to motivate students, broaden their experience, develop enterprise and help them to see the relevance of education to their future prospects in life
- Working with schools and colleges in the locality
- Providing an attractive and stimulating working environment with regard to buildings, facilities, equipment and furniture
- Make teaching and learning more productive and efficient by harnessing modern technology and promoting independent learning



# THE JOSEPH WHITAKER SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### Objectives, strategies and activities

Our vision for The Joseph Whitaker School is that we will be outstanding through:

- Outstanding leadership and management
- Outstanding teaching and learning
- Outstanding personal development of students

We have high expectations, a no excuses culture towards achieving and excellent attitudes to learning.

The Academy's Development Plan describes our objectives and aims

#### Excellence in Teaching and Learning

- Embed Lesson Study
- Introduce Kagan co-operative learning
- Develop and implement teaching and learning development programme
- Develop and implement faculty teaching and learning development plans
- Further develop and implement pupil feedback for progress systems in all faculties
- Develop VLE so that all pupils have access to their work, homework and Schemes of Work
- Further develop and embed teaching improvement model including coaching
- Develop and implement systems to develop literacy in all faculties

#### Excellence in Leadership

- Develop raising pupil aspiration programme including curriculum, assemblies, JWS Graduate scheme, mentoring and visits
- Develop pupil teaching and learning programme in at least two faculties
- Continue School Improvement Groups focusing on specialism, VLE and Literacy

#### Care and respect for each other

- Continue to embed House system, including a strong house ethos, inter-house competition and peer mentoring
- Embed revised rewards system
- Continue to embed revised behaviour management systems

#### The part that we play in our community

- Embed widened specialism
- Develop further links with family of schools, particularly in relation to performing arts and MFL
- Implement community environment project

#### Quality of Leadership and Management

- Embed new staffing and faculty structure with focus on teaching, progression and support
- Embed revised quality assurance systems
- Develop response to revised KS3 curriculum, GCSEs and A levels
- Further develop intervention programmes
- Develop pupil review
- Continue to implement facilities development plan, including refurbishment of music block into performing arts centre
- Implement revised appraisal systems for all staff, linked to teacher standards for teachers

## **THE JOSEPH WHITAKER SCHOOL**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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##### Public benefit

The Joseph Whitaker School is an Academy catering for children aged 11 to 18 and strives to promote and support the advancement of education within the local area. The school provides an extensive programme of educational and recreational activity, all designed to contribute to the overall education of our students in areas such as academic distinction, the Performing Arts and Sport. For example, the school works with:

- Nottingham Trent University to provide activities for high achieving pupils
- The Youth Sport Trust to develop sport both within school and across the Newark and Sherwood Sports Partnership and to develop volunteering (the academy is the lead school in the partnership)
- The Duke of Edinburgh award organisation to promote engagement in outdoor pursuits, independence and volunteering
- Local Parish councils, Brownies and Scout groups along with employers through involvement with The Joseph Whitaker School Young Engineers Club

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:

- 3G football pitch
- Squash courts and gym facilities
- 6th Form Centre for function and training events
- Letting the Main School Hall and Sixth Form Centre for local community events
- Fund raising for House Charities

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

# THE JOSEPH WHITAKER SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### Strategic report

##### Achievements and performance

Overall achievement has been judged Good (Grade 2- ) in 2015, with Post 16 Outcomes judged as 2+. After below average attainment and progress in 2014 the outcomes in 2015 were above national averages in headline measures. The progress of groups has improved during the last 3 years but the 'gaps' remain due to improved performance by 'Others'. There is a gap between genders, in line with the national picture, which the Academy continues to prioritise.

#### Headlines:

##### Post 16

**Record outcomes were achieved in Year 13 against the standard range of performance indicators, as shown below:**

Y13 RESULTS	2011	2012	2013	2014	2015	2015 A Level Only
A*-A	35%	39%	52%	56%	68.6%	32%
A*-B	64%	59%	72%	82%	83.5%	69.2%
A*-C	80%	89%	92%	93%	93.4%	88.2%
Pass Rate	100%	100%	100%	100%	100%	98.7%

- Attainment at Key Stage 5 is at least good and much is outstanding (2+):
- Average points per level 3 entry 229.05 – 2015 compared to the National Average of 212.
- A Level average points per entry – 224.29.
- % A\*/A grades (A Level only) 32% compared to the National Average of 26%
- Academic average points per pupil 833.66 compared to the National Average of 786
- Vocational average points per pupil 1038.77 compared to the National Average of 562
- Vocational average points per entry 250.51
- % Attaining one or more A/A\*/Equivalence was 68.6%
- % Attaining one or more A\*-B/Equivalence was 83.5%
- % Attaining one or more A\*-C/Equivalence was 92.9%
- Rising trends of attainment at Key Stage 5 are evident
- The pass rate at Key Stage 5 has been 100% for the past six years
- Students make very good progress, including disabled students, those with special educational needs, disadvantaged students and the most able. Post-16 progress (L3VA) is significantly above average for both academic and vocational qualifications:
  - A Level: Significantly above average (See ALIS graph)
  - Academic qualifications +0.11: Significantly above average
  - Vocational qualifications +0.45: Significantly above average
- No in school gap between the achievements of disadvantaged students.
- Disadvantaged students:
  - Academic APS per entry 226.88 v all at 224.03
  - Vocational APS per entry 270 v all at 250.17
- Level 3 value added progress measures in the large majority of subjects are at least in line with the national rate and many are above.
- Post-16 success rate 91% compared to the National Average of 83%
- English and Mathematics 2015 GCSE Re-sit outcomes
- Maths – 10/16 achieved Grade C
- English – 4/5 achieved Grade C

## **THE JOSEPH WHITAKER SCHOOL**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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##### Key performance indicators

The primary focus during 2014/15 was to achieve budget expectations, to reduce the cost base going forward into 2015/16 due to the increase in Teacher Pensions rate, national insurance rates and cost inflation. All of these have been achieved.

The plan for 2015/16 is to identify further ways to reduce costs and increase income to offset the future financial forecast which indicates a likely reductions of funding from the Local Authority.

The Governors consider that the following are key performance indicators for the Academy Trust:

- General financial stability
- Aim for income to match expenditure each year
- Staff costs as a percentage of revenue income
- Pupil/Teacher Ratio

The Governors are pleased that expectations for all key performance indicators have been met during the period.

**THE JOSEPH WHITAKER SCHOOL**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

<b>Year 12</b>	2012	2013	2014	2015
<b>Cohort</b>	88	80	101	<b>94</b>
<b>APS by Pupil</b>	389.66	257.44	400.84	<b>310.45</b>
<b>APS by entry</b>	106.49	92.35	105.43	<b>98.92</b>
<b>A Level 1 x A*-B</b>	70.7%	52.6%	64.4%	<b>53.9%</b>
<b>A Level 1 x A*-C</b>	89.3%	80.7%	81.6%	<b>78.9%</b>
<b>A Level 1 x A*-E</b>	98.7%	98.2%	100%	<b>97.4%</b>

**Headlines GCSE**

English 2015

Total for Core English	A*-A%	A*-C%	A*-G %	3+ LOP %	4+ LOP %	5+ LOP %	Stu Count	Avg Points	Avg Grade
2015	11.5	75.8	98.6	77.9	22.6	1.5	209	40.34	C
2014	15.5	70.3	98.6	73.6	27.4	4.2	219	39.5	C

Maths 2015

Total for Core Maths	A*-A%	A*-C%	A*-G %	3+ LOP %	4+ LOP %	5+ LOP %	Stu Count	Avg Points	Avg Grade
2015	19.6	75.1	96.7	70.58	26	5.9	209	39.72	C
2014	12.8	68.5	98.6	63.4	19.4	4.6	219	38.4	C-

<b>Headline Measure</b>	<b>2015</b>
5 A*-C inc EM	66%
Average Capped Points	332
EBAAC	17.2%

## THE JOSEPH WHITAKER SCHOOL

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2015

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- Almost all key performance indicators for achievement improved significantly in 2015
- The proportion of pupils achieving expected progress in English is consistently strong and improving
- Gaps in achievement between disadvantaged pupils and other pupils are narrowing but remain a priority
- Achievement was broadly good prior to 2014
- Achievement will be good (2+) in 2016
- The impact of KS3 teaching and learning, higher target grades and the reduction of low level behaviour incidents are all factors in this improvement.

Other notable milestones over the academic year

#### Staffing:

- Recruitment and retention is a strong feature of the school. Specialists teach in all key areas including maths, English and science.
- The Schools Direct and ITT programme have contributed significantly to recruitment in the core subjects.

#### Curriculum, teaching and extra-curricular:

- The curriculum offer at all Key Stages is broad and balanced, and meets the needs, aptitudes and interests of pupils well. Whilst the curriculum offer is designed to maximise academic performance, an appropriate range of vocational courses are offered at both level 2 and 3
- Provision for SMSC, including the promotion of British Values, is a very strong feature of the school
- Pupils are exceptionally well-prepared for their next steps, resulting in 0% NEET figures in 2013, 2014 and 2015. The school has invested in very good CEIAG support through Futures
- The school offers a good range of extra-curricular opportunities including sport, performing arts, young engineers, Duke of Edinburgh, leadership awards and international links

#### Going concern

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

#### **Financial review**

Most of the Academy's recurrent income is obtained from the EFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2015, total expenditure of £7,395,650 was almost covered by recurrent grant funding from the EFA together with other incoming resources of £7,219,719. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £13,431.

# THE JOSEPH WHITAKER SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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At 31 August 2015, the net book value of fixed assets was £18,814,287 and movements in tangible fixed assets are shown in notes 10 and 11 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

#### Reserves policy

The Trustees review the reserve levels of the Academy Trust throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

The Academy has identified the need to build a reserve for unforeseen events such as significant repair or capital expenditure. Additional reserves are established for major refurbishment projects, e.g. the sixth form centre, external fascia, replacement and internal refurbishment of identified classrooms, as part of a 10 year development plan. The unrestricted reserves for the end of this financial year is £573,145.

Under FRS17 projected deficits on the Local Government Pension Scheme (LGPS) provided for non-teaching staff have to be charged to a specific restricted reserve. As at 31st August 2015 the deficit on this reserve was £2,352,000. Contributions to the pension scheme are being increased over the next few years in order to help reduce the deficit.

#### Investment policy and powers

The Academy has no investments.

#### Principal risks and uncertainties

The Academy Trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments are liquidity risk and cash flow interest rate risk.

Liquidity risk - The Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Interest rate risk - The Trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the Trust's assets.

Credit risk arises from the possibility that amounts owed to the Trust will not be repaid. The Trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

## **THE JOSEPH WHITAKER SCHOOL**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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The main risks that the Academy is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

Operational and reputational - this covers risks to the running of the Academy (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.

Financial - covering risks to the Academy Trust's financial position, including revenue streams, cost control and cash management.

The risks to which the Academy Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

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

During the 2015-16 academic year we will:

- Further improve the quality of teaching and learning in all Faculty areas to maximise student outcomes in line with new accountability measures and national expectations
- Ensure that all students, whatever their background or ability, achieve their full potential
- Continue to develop and implement KS4 and KS5 curriculum changes
- Implement a new KS3 Assessment Policy
- Further improve the climate for learning
- Focus on the school specialisms to maintain the ethos of the school, enhance student outcomes and to develop wider skills
- Increase collaboration with other schools both locally, nationally and globally to ensure best educational practice is followed
- Attempt to improve the infra-structure of the School by seeking external funding streams and by maximising our current financial position



**THE JOSEPH WHITAKER SCHOOL**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

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**Auditor**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 24 November 2015 and signed on its behalf by:

Cllr C P Barnfather  
**Chair**

# THE JOSEPH WHITAKER SCHOOL

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### **Scope of responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the 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 The Joseph Whitaker School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

# THE JOSEPH WHITAKER SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
CLlr C P Barnfather (Chair)	5	5
D Wakelin (Vice Chair)	4	5
R P Martlew (Headteacher) (Resigned 31 August 2015)	5	5
J A Eden (Academy Trust)	4	5
R Evans (Academy Trust)	4	5
K Turner (Academy Trust)	3	5
W Bates (Parent)	3	5
T Burton (Parent) (Resigned 4 May 2015)	2	4
N Foster (Parent) (Resigned 22 March 2015)	0	4
A Hancock (Parent)	3	5
J Walker (Parent) (Resigned 10 June 2015)	4	5
D Cook (Staff) (Resigned 4 May 2015)	3	4
S Linnell (Staff)	4	5
A Naslas (Staff) (Resigned 19 April 2015)	2	4
C Dobb (Parent) (Resigned 1 October 2014)	0	0
A Ball (Academy Trust) (Resigned 16 September 2015)	0	0
D Bell (Headteacher) (Appointed 1 September 2015)	0	0
M Smith (Academy Trust) (Appointed 2 May 2015)	1	1
C Morgan (Academy trust) (Appointed 3 November 2015)	0	0
J Staton (Academy Trust) (Appointed 3 November 2015)	0	0
C Arthur (Parent) (Appointed 18 March 2015)	1	2
D Brennan (Parent) (Appointed 3 November 2015)	0	0
R Corder (Parent) (Appointed 3 November 2015)	0	0
K Johnson (Parent) (Appointed 18 March 2015)	2	2
P Whitlam (Parent) (Appointed 3 November 2015)	0	0
H Maiden (Staff) (Appointed 2 June 2015)	0	0
D O'Connor (Staff) (Appointed 2 June 2015)	0	0

The Governing Body has experienced significant changes over the last academic year due to changes in personal circumstances. Three staff members resigned, including the Headteacher, after securing positions at other establishments. Governors asked for applications from the parent body with particular skills set after reviewing current competencies e.g. business links, education knowledge, and finance/accounting. The Governors are pleased to report they have recently recruited 5 new parents to the Governing Body with the required skill set.

## THE JOSEPH WHITAKER SCHOOL

### GOVERNANCE STATEMENT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2015

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The personnel and finance committee is a sub-committee of the main board of trustees.

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
CLr C P Barnfather (Chair)	5	6
D Wakelin (Vice Chair)	5	6
R P Martlew (Headteacher) (Resigned 31 August 2015)	6	6
J A Eden (Academy Trust)	4	6
R Evans (Academy Trust)	4	6
A Hancock (Parent)	3	6
D Cook (Staff) (Resigned 4 May 2015)	5	5
S Linnell (Staff)	5	5
A Ball (Academy Trust) (Resigned 16 September 2015)	1	1
D Bell (Headteacher) (Appointed 1 September 2015)	0	0
C Arthur (Parent) (Appointed 18 March 2015)	1	2
R Corder (Parent) (Appointed 3 November 2015)	0	0
P Whitlam (Parent) (Appointed 3 November 2015)	0	0
D O'Connor (Staff) (Appointed 2 June 2015)	1	1

Its purpose is to plan and monitor the financial and other resources of the school effectively, and to ensure the school provides a safe educational environment. One of the Committee's responsibilities is routine budget setting and monitoring.

#### **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 The Joseph Whitaker School for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

# THE JOSEPH WHITAKER SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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### **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 trustees;
- regular reviews by the personnel and finance 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 board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed Mark Astill of Astill School Business Services, as responsible officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

### **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 Responsible Officer
- The work of the external Auditor
- The financial management and self evaluation process
- The work of the Vice Principal (Support Services) and Senior Finance and Personnel Manager within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the personnel and finance committee and a plan to address concerns and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 24 November 2015 and signed on its behalf by:

CLlr C P Barnfather  
**Chair**

D Bell  
**Accounting Officer**

## **THE JOSEPH WHITAKER SCHOOL**

### **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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As accounting officer of The Joseph Whitaker School I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on 24 November 2015 and signed by:

D Bell  
**Accounting Officer**

## THE JOSEPH WHITAKER SCHOOL

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 24 November 2015 and signed on its behalf by:

CLlr C P Barnfather  
**Chair**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JOSEPH WHITAKER SCHOOL**

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We have audited the accounts of The Joseph Whitaker School for the year ended 31 August 2015 set out on pages 26 to 49. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 21, the trustees, who are also the directors of The Joseph Whitaker School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the accounts**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

### **Opinion on other matter prescribed by the Companies Act 2006**

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



**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF THE JOSEPH WHITAKER SCHOOL**

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

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

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

**Elizabeth Searby BSc FCA (Senior Statutory Auditor)**  
**UHY Hacker Young**

**Chartered Accountants**  
**Statutory Auditor**  
22 The Ropewalk  
Nottingham  
NG1 5DT

Dated: 24 November 2015

## **THE JOSEPH WHITAKER SCHOOL**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE JOSEPH WHITAKER SCHOOL AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 06 October 2011 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Joseph Whitaker School during the period 1 September 2014 to 31 August 2015 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 The Joseph Whitaker School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Joseph Whitaker School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the The Joseph Whitaker School and the EFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of The Joseph Whitaker School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Joseph Whitaker School's funding agreement with the Secretary of State for Education dated 31 October 2011 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

## **THE JOSEPH WHITAKER SCHOOL**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE JOSEPH WHITAKER SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)**

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The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety within the trust.
- Testing of those areas identified through risk assessment, including reviewing internal controls, analytical review and enquiries of management.
- Consideration of the evidence and concluding on the work carried out.

#### **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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Elizabeth Searby BSc FCA

**Reporting Accountant**

UHY Hacker Young

Dated: 24 November 2015

**THE JOSEPH WHITAKER SCHOOL**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2015**

		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Fixed Asset fund</b>	<b>Total 2015</b>	<b>Total 2014</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Incoming resources</u></b>						
<i>Resources from generated funds</i>						
- Activities for generating funds	<b>2</b>	376,984	35,445	-	412,429	380,848
- Investment income	<b>3</b>	1,541	-	-	1,541	1,675
<i>Resources from charitable activities</i>						
- Funding for educational operations	<b>4</b>	-	6,575,023	230,726	6,805,749	6,793,564
<b>Total incoming resources</b>		<b>378,525</b>	<b>6,610,468</b>	<b>230,726</b>	<b>7,219,719</b>	<b>7,176,087</b>
<b><u>Resources expended</u></b>						
<i>Costs of generating funds</i>						
- Other	<b>5</b>	376,985	-	-	376,985	350,494
<i>Charitable activities</i>						
- Educational operations	<b>6</b>	-	6,592,575	393,226	6,985,801	6,880,158
Governance costs	<b>7</b>	-	32,864	-	32,864	32,204
<b>Total resources expended</b>	<b>5</b>	<b>376,985</b>	<b>6,625,439</b>	<b>393,226</b>	<b>7,395,650</b>	<b>7,262,856</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>1,540</b>	<b>(14,971)</b>	<b>(162,500)</b>	<b>(175,931)</b>	<b>(86,769)</b>
Gross transfers between funds		-	(26,003)	26,003	-	-
<b>Net income/(expenditure) for the year</b>		<b>1,540</b>	<b>(40,974)</b>	<b>(136,497)</b>	<b>(175,931)</b>	<b>(86,769)</b>
<b><u>Other recognised gains and losses</u></b>						
Actuarial gains/(losses) on defined benefit pension scheme	<b>19</b>	-	25,000	-	25,000	(196,000)
<b>Net movement in funds</b>		<b>1,540</b>	<b>(15,974)</b>	<b>(136,497)</b>	<b>(150,931)</b>	<b>(282,769)</b>
Fund balances at 1 September 2014		571,605	(1,926,597)	18,950,784	17,595,792	17,878,561
<b>Fund balances at 31 August 2015</b>		<b>573,145</b>	<b>(1,942,571)</b>	<b>18,814,287</b>	<b>17,444,861</b>	<b>17,595,792</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

**THE JOSEPH WHITAKER SCHOOL**

**BALANCE SHEET**

**AS AT 31 AUGUST 2015**

	Notes	2015		2014	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	10		-		11,072
Tangible assets	11		18,814,287		18,939,712
			<u>18,814,287</u>		<u>18,950,784</u>
<b>Current assets</b>					
Stocks	12	12,045		14,338	
Debtors	13	126,805		98,071	
Cash at bank and in hand		1,343,769		1,361,893	
		<u>1,482,619</u>		<u>1,474,302</u>	
Creditors: amounts falling due within one year	14	(432,585)		(497,885)	
<b>Net current assets</b>			<u>1,050,034</u>		<u>976,417</u>
<b>Total assets less current liabilities</b>			<u>19,864,321</u>		<u>19,927,201</u>
Creditors: amounts falling due after more than one year	15		(67,460)		(95,409)
<b>Net assets excluding pension liability</b>			<u>19,796,861</u>		<u>19,831,792</u>
Defined benefit pension liability	19		(2,352,000)		(2,236,000)
<b>Net assets</b>			<u><u>17,444,861</u></u>		<u><u>17,595,792</u></u>
<b>Funds of the academy trust:</b>					
<b>Restricted income funds</b>	17				
- Fixed asset funds			18,814,287		18,950,784
- General funds			409,429		309,403
- Pension reserve			(2,352,000)		(2,236,000)
<b>Total restricted funds</b>			<u>16,871,716</u>		<u>17,024,187</u>
<b>Unrestricted funds</b>	17		<u>573,145</u>		<u>571,605</u>
<b>Total funds</b>			<u><u>17,444,861</u></u>		<u><u>17,595,792</u></u>

The accounts were approved by order of the board of trustees and authorised for issue on 24 November 2015.

.....  
Cllr C P Barnfather  
**Chair**

.....  
D Bell  
**Accounting Officer**

Company Number  
07772278

**THE JOSEPH WHITAKER SCHOOL**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2015**

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	<b>Notes</b>	<b>2015</b> <b>£</b>	<b>2014</b> <b>£</b>
Net cash inflow/(outflow) from operating activities	<b>20</b>	6,338	486,583
<b>Returns on investments and servicing of finance</b>			
Investment income		<u>1,541</u>	<u>1,675</u>
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		<u>1,541</u>	<u>1,675</u>
		7,879	488,258
<b>Capital expenditure and financial investments</b>			
Capital grants received		230,726	172,978
Payments to acquire intangible fixed assets		-	(1,500)
Payments to acquire tangible fixed assets		<u>(256,729)</u>	<u>(287,838)</u>
<b>Net cash flow from capital activities</b>		<u>(26,003)</u>	<u>(116,360)</u>
<b>Increase/(decrease) in cash</b>	<b>21</b>	<u><u>(18,124)</u></u>	<u><u>371,898</u></u>

# THE JOSEPH WHITAKER SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

##### 1.2 Going concern

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

##### 1.3 Incoming resources

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

##### 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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

##### Sponsorship income

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

##### Donations

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

# THE JOSEPH WHITAKER SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 1 Accounting policies

(Continued)

##### Donated services and gifts in kind

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.

#### 1.4 Resources expended

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

##### Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

##### Charitable activities

These are costs incurred on the academy trust's educational operations.

##### Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

#### 1.5 Intangible fixed assets and amortisation

Software licences are amortised at an annual rate of 10% after its first accounting period in order to write off the asset over its estimated useful life of 10 years.

#### 1.6 Tangible fixed assets and depreciation

Assets costing £1,000 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.



# THE JOSEPH WHITAKER SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 1 Accounting policies

(Continued)

The land and buildings are included in the financial statements at valuation which is calculated using the depreciated replacement cost method.

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

Freehold land and buildings	50 years (buildings only)
Assets in the course of construction	not depreciated
Computer equipment	3 years
Fixtures, fittings & equipment	10 years

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.

#### 1.7 Leasing and hire purchase commitments

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

#### 1.8 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

#### 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 JOSEPH WHITAKER SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 1 Accounting policies

(Continued)

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

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

#### 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 trustees.

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

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

#### 2 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other income	66,277	-	66,277	60,840
Catering income	221,353	-	221,353	201,966
Hire of facilities	89,354	-	89,354	87,688
Trips income	-	35,445	35,445	30,354
	<u>376,984</u>	<u>35,445</u>	<u>412,429</u>	<u>380,848</u>

THE JOSEPH WHITAKER SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	1,541	-	1,541	1,675

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	6,018,218	6,018,218	6,189,601
Capital grants	-	39,408	39,408	24,672
Other DfE / EFA grants	-	304,301	304,301	261,021
	-	6,361,927	6,361,927	6,475,294
<b>Other government grants</b>				
Local authority grants	-	189,346	189,346	96,645
Local authority capital grants	-	191,318	191,318	148,306
Other grants	-	63,158	63,158	73,319
	-	443,822	443,822	318,270
<b>Total funding</b>	-	6,805,749	6,805,749	6,793,564

THE JOSEPH WHITAKER SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 Resources expended

	Staff costs & £	Premises equipment £	Other costs £	Total 2015 £	Total 2014 £
<b>Academy's educational operations</b>					
- Direct costs	4,074,095	-	443,693	4,517,788	4,383,012
- Allocated support costs	1,420,460	570,266	477,287	2,468,013	2,497,146
	<u>5,494,555</u>	<u>570,266</u>	<u>920,980</u>	<u>6,985,801</u>	<u>6,880,158</u>
<b>Other expenditure</b>					
Costs of activities for generating funds	221,403	-	155,582	376,985	350,494
Governance costs	-	-	32,864	32,864	32,204
	<u>221,403</u>	<u>-</u>	<u>188,446</u>	<u>409,849</u>	<u>382,698</u>
<b>Total expenditure</b>	<u>5,715,958</u>	<u>570,266</u>	<u>1,109,426</u>	<u>7,395,650</u>	<u>7,262,856</u>
<b>Net income/(expenditure) for the year includes:</b>				<b>2015</b>	<b>2014</b>
				<b>£</b>	<b>£</b>
Operating leases					
- Plant and machinery				3,664	4,753
Fees payable to auditor					
- Audit				7,000	6,500
- Other services				1,600	1,150
				<u>11,264</u>	<u>12,403</u>

**THE JOSEPH WHITAKER SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

**6 Charitable activities**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2015 £</b>	<b>Total 2014 £</b>
<b>Direct costs</b>				
Teaching and educational support staff costs	-	4,051,039	4,051,039	3,997,535
Educational supplies and services	-	134,111	134,111	133,588
Examination fees	-	118,137	118,137	120,717
Staff development	-	23,056	23,056	20,036
Other direct costs	-	191,445	191,445	111,136
	-	4,517,788	4,517,788	4,383,012
<b>Allocated support costs</b>				
Support staff costs	-	1,420,460	1,420,460	1,396,075
Depreciation and amortisation	-	393,226	393,226	393,467
Technology costs	-	54,011	54,011	45,960
Maintenance of premises and equipment	-	177,040	177,040	201,887
Energy costs	-	168,418	168,418	158,049
Rent and rates	-	15,434	15,434	47,543
Insurance	-	95,615	95,615	92,199
Security and transport	-	5,698	5,698	4,792
Interest and finance costs	-	45,000	45,000	72,000
Other support costs	-	93,111	93,111	85,174
	-	2,468,013	2,468,013	2,497,146
<b>Total costs</b>	-	6,985,801	6,985,801	6,880,158

**7 Governance costs**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2015 £</b>	<b>Total 2014 £</b>
Legal and professional fees	-	25,864	25,864	25,704
Auditor's remuneration	-	7,000	7,000	6,500
- Audit of financial statements	-	7,000	7,000	6,500
	-	32,864	32,864	32,204

# THE JOSEPH WHITAKER SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 8 Staff costs

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,513,240	4,487,192
Social security costs	315,668	323,047
Other pension costs	763,803	730,501
	<u>5,592,711</u>	<u>5,540,740</u>
Supply teacher costs	100,191	66,186
Staff development and other staff costs	23,056	20,036
	<u>123,247</u>	<u>86,222</u>
Total staff costs	<u><u>5,715,958</u></u>	<u><u>5,626,962</u></u>

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

	<b>2015</b>	<b>2014</b>
	<b>Number</b>	<b>Number</b>
Teachers	86	85
Administration and support	69	57
	<u>155</u>	<u>142</u>

The number of employees whose annual remuneration was £60,000 or more was:

	<b>2015</b>	<b>2014</b>
	<b>Number</b>	<b>Number</b>
£90,000 - £100,000	<u>1</u>	<u>1</u>

Included in wages and salaries are non-statutory severance payments totalling £5,365 (2014: £nil).

# THE JOSEPH WHITAKER SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 9 Trustees' remuneration and expenses

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments from the academy trust in respect of their role as trustees.

The value of trustees' remuneration was as follows:

R Martlew Headteacher (to 31 August 2015) £110,000 - £115,000 (2014: £105,000-£110,000)  
S Linnell Personnel Manager £25,000 - £30,000 (2014: £25,000-£30,000)  
D Cook Teacher £45,000 - £50,000 (2014: £45,000-£50,000)  
A Naslas Teacher £25,000 - £30,000 (2014: £40,000-£45,000)  
H L Maiden Teacher £5,000 - £10,000 (2014: Not a trustee)  
D O'Connor Teacher £5,000 - £10,000 (2014: Not a trustee)

H L Maiden and D O'Connor were appointed as trustees during the year ended 31st August 2015. A Naslas resigned as a trustee during the year ended 31st August 2015. The remuneration disclosed above relates to the period when they were trustees and does not reflect a full years remuneration.

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

#### Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £4,504 (2014: £4,504).

#### 10 Intangible fixed assets

	<b>Licences</b>
	<b>£</b>
<b>Cost</b>	
At 1 September 2014	11,072
Transfers	(11,072)
	<hr/>
At 31 August 2015	-
	<hr/>
<b>Net book value</b>	
At 31 August 2015	-
	<hr/> <hr/>
At 31 August 2014	11,072
	<hr/> <hr/>

**THE JOSEPH WHITAKER SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

**11 Tangible fixed assets**

	<b>Freehold land and buildings</b>	<b>Assets in the course of construction</b>	<b>Computer equipment</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 September 2014	18,890,688	148,356	244,780	320,732	19,604,556
Additions	-	211,217	31,763	13,749	256,729
Disposals	-	-	(102,387)	-	(102,387)
Transfers	359,573	(359,573)	11,072	-	11,072
At 31 August 2015	19,250,261	-	185,228	334,481	19,769,970
<b>Depreciation</b>					
At 1 September 2014	431,589	-	179,605	53,650	664,844
On disposals	-	-	(102,387)	-	(102,387)
Charge for the year	308,762	-	51,431	33,033	393,226
At 31 August 2015	740,351	-	128,649	86,683	955,683
<b>Net book value</b>					
At 31 August 2015	18,509,910	-	56,579	247,798	18,814,287
At 31 August 2014	18,459,099	148,356	65,175	267,082	18,939,712

Assets under construction, amounting to £359,573, related to the re-cladding of the school buildings and the building of two new classrooms. This work was completed during the year ended 31 August 2015 and has therefore been transferred to Freehold Land and Buildings.

The land and buildings are held on a freehold basis by The Joseph Whitaker School. The freehold was transferred to the school when it converted to foundation status in 2006.

On 12 April 2013 the Freehold Land and Buildings were subject to a professional valuation by Fisher Hargreaves Proctor, a national property service company, and were re-valued at the depreciated replacement cost of £18,795,000.

Included within Freehold Land and Buildings is land of £3,630,000 which has not been depreciated.

**12 Stocks**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Stock	12,045	14,338



**THE JOSEPH WHITAKER SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

<b>13 Debtors</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade debtors	15,259	12,048
VAT recoverable	35,258	57,018
Prepayments and accrued income	76,288	29,005
	<u>126,805</u>	<u>98,071</u>
	<u><u>126,805</u></u>	<u><u>98,071</u></u>
<b>14 Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	79,542	68,460
Taxes and social security costs	95,841	94,318
Other creditors	117,539	112,621
Accruals	54,672	60,679
Deferred income	84,991	161,807
	<u>432,585</u>	<u>497,885</u>
	<u><u>432,585</u></u>	<u><u>497,885</u></u>
<b>15 Creditors: amounts falling due after more than one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Other creditors	67,460	95,409
	<u>67,460</u>	<u>95,409</u>
	<u><u>67,460</u></u>	<u><u>95,409</u></u>
<b>16 Deferred income</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Creditors due within one year	84,991	161,807
	<u>84,991</u>	<u>161,807</u>
	<u><u>84,991</u></u>	<u><u>161,807</u></u>
Total deferred income at 1 September 2014	161,807	28,122
Amounts credited to the statement of financial activities	(161,807)	(28,122)
Amounts deferred in the year	84,991	161,807
	<u>84,991</u>	<u>161,807</u>
<b>Total deferred income at 31 August 2015</b>	<u><u>84,991</u></u>	<u><u>161,807</u></u>

THE JOSEPH WHITAKER SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Funds

	Balance at 1 September 2014	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2015
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant	309,403	6,018,218	(5,892,189)	(26,003)	409,429
Other DfE / EFA grants	-	304,301	(304,301)	-	-
Other government grants	-	252,504	(252,504)	-	-
Other restricted funds	-	35,445	(35,445)	-	-
	<u>309,403</u>	<u>6,610,468</u>	<u>(6,484,439)</u>	<u>(26,003)</u>	<u>409,429</u>
Funds excluding pensions	309,403	6,610,468	(6,484,439)	(26,003)	409,429
Pension reserve	(2,236,000)	-	(141,000)	25,000	(2,352,000)
	<u>(1,926,597)</u>	<u>6,610,468</u>	<u>(6,625,439)</u>	<u>(1,003)</u>	<u>(1,942,571)</u>
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	18,950,784	230,726	(393,226)	26,003	18,814,287
	<u>18,950,784</u>	<u>230,726</u>	<u>(393,226)</u>	<u>26,003</u>	<u>18,814,287</u>
<b>Total restricted funds</b>	<u>17,024,187</u>	<u>6,841,194</u>	<u>(7,018,665)</u>	<u>25,000</u>	<u>16,871,716</u>
<b>Unrestricted funds</b>					
General funds	571,605	378,525	(376,985)	-	573,145
	<u>571,605</u>	<u>378,525</u>	<u>(376,985)</u>	<u>-</u>	<u>573,145</u>
<b>Total funds</b>	<u>17,595,792</u>	<u>7,219,719</u>	<u>(7,395,650)</u>	<u>25,000</u>	<u>17,444,861</u>

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

Under the 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 2015.

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

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

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

# THE JOSEPH WHITAKER SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£	£	£	£
<b>Fund balances at 31 August 2015 are represented by:</b>				
Tangible fixed assets	-	-	18,814,287	18,814,287
Current assets	573,145	909,474	-	1,482,619
Creditors falling due within one year	-	(432,585)	-	(432,585)
Creditors falling due after one year	-	(67,460)	-	(67,460)
Defined benefit pension liability	-	(2,352,000)	-	(2,352,000)
	<u>573,145</u>	<u>(1,942,571)</u>	<u>18,814,287</u>	<u>17,444,861</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 Nottinghamshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £88,960 (2014: £84,125) were payable to the schemes at 31 August 2015 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

## THE JOSEPH WHITAKER SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 19 Pensions and similar obligations

(Continued)

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

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

The key elements of the valuation and subsequent consultation are:

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

##### Teachers' Pension Scheme changes

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

The pension costs paid to the TPS in the period amounted to £455,398 (2014: £445,672).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, 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 13.2 per cent for employers and between 5.5 per cent and 12.5 per cent for employees. The estimated value of employer contributions for the forthcoming year is £217000.

**THE JOSEPH WHITAKER SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

**19 Pensions and similar obligations**

**(Continued)**

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>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Employer's contributions	212,000	192,000
Employees' contributions	71,000	63,000
	<u>          </u>	<u>          </u>
Total contributions	<u>283,000</u>	<u>255,000</u>

**Principal actuarial assumptions**

	<b>2015</b>	<b>2014</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	4.5	4.5
Rate of increase for pensions in payment	2.7	2.7
Discount rate for scheme liabilities	4.0	3.9
RPI increase (%)	3.6	3.5
CPI increase (%)	2.7	2.7
	<u>          </u>	<u>          </u>

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

	<b>2015</b>	<b>2014</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	22	22
- Females	25	25
Retiring in 20 years		
- Males	24	24
- Females	28	27
	<u>          </u>	<u>          </u>

**THE JOSEPH WHITAKER SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

**19 Pensions and similar obligations**

**(Continued)**

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

	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2014</b>
	<b>Expected</b>	<b>Fair value</b>	<b>Expected</b>	<b>Fair value</b>
	<b>return</b>		<b>return</b>	
	<b>%</b>	<b>£</b>	<b>%</b>	<b>£</b>
Equities	5.8	1,773,000	6.5	1,576,000
Bonds	5.8	173,000	3.6	150,000
Cash	5.8	86,000	2.9	92,000
Gilts	5.8	67,000	3.0	125,000
Property	5.8	313,000	5.5	246,000
Other assets	5.8	81,000	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total market value of assets		2,493,000		2,189,000
Present value of scheme liabilities - funded		(4,845,000)		(4,425,000)
		<u>          </u>		<u>          </u>
Net pension asset / (liability)		(2,352,000)		(2,236,000)
		<u>          </u>		<u>          </u>

For accounting years beginning on or after 1 January 2015, the expected rate of return and the interest cost will be replaced with a single net interest cost, which effectively set the expected return equal to the discount rate.

Therefore the Academy is not required to disclose an expected return assumption for the year to 31 August 2016. For the year to 31 August 2015, the expected return was 5.8% per annum, which has been used to determine the profit and loss charge for the year ended 31 August 2015.

THE JOSEPH WHITAKER SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

(Continued)

Operating costs and income recognised in the statement of financial activities

	2015 £	2014 £
<b>Financial expenditure/(income)</b>		
Expected return on pension scheme assets	(135,000)	(109,000)
Interest on pension liabilities	180,000	181,000
	<u>45,000</u>	<u>72,000</u>
<b>Other expenditure/(income)</b>		
Current service cost	308,000	284,000
Past service cost	-	-
	<u>308,000</u>	<u>284,000</u>
<b>Total operating charge/(income)</b>	<u>353,000</u>	<u>356,000</u>

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	94,000	(91,000)
Experience (gains)/losses on liabilities	-	(81,000)
(Gains)/losses arising from changes in assumptions	(119,000)	368,000
	<u>(25,000)</u>	<u>196,000</u>
Cumulative (gains)/losses to date	<u>723,000</u>	<u>748,000</u>

**THE JOSEPH WHITAKER SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

**19 Pensions and similar obligations**

**(Continued)**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligations	(4,425,000)	(3,698,000)
Current service cost	(308,000)	(284,000)
Interest cost	(180,000)	(181,000)
Contributions by employees	(71,000)	(63,000)
Actuarial gains/(losses)	119,000	(236,000)
Benefits paid	20,000	37,000
	<u>(4,845,000)</u>	<u>(4,425,000)</u>

**Movements in the fair value of the academy trust's share of scheme assets:**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	2,189,000	1,822,000
Expected return on assets	135,000	109,000
Actuarial gains/(losses)	(94,000)	40,000
Contributions by employers	212,000	192,000
Contributions by employees	71,000	63,000
Benefits paid	(20,000)	(37,000)
	<u>2,493,000</u>	<u>2,189,000</u>



THE JOSEPH WHITAKER SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations (Continued)

History of experience gains and losses:

	2015 £	2014 £	2013 £	2012 £
Present value of defined benefit obligations	(4,845,000)	(4,425,000)	(3,698,000)	(3,042,000)
Fair value of share of scheme assets	2,493,000	2,189,000	1,822,000	1,366,000
Surplus / (deficit)	<u>(2,352,000)</u>	<u>(2,236,000)</u>	<u>(1,876,000)</u>	<u>(1,676,000)</u>
Experience adjustment on scheme liabilities	-	132,000	-	-
Experience adjustment on scheme assets	<u>(94,000)</u>	<u>40,000</u>	<u>134,000</u>	<u>20,000</u>

20 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net income	(175,931)	(86,769)
Capital grants and similar income	(230,726)	(172,978)
Investment income	(1,541)	(1,675)
FRS17 pension costs less contributions payable	96,000	92,000
FRS17 pension finance cost	45,000	72,000
Depreciation of tangible fixed assets	393,226	393,467
(Increase)/decrease in stocks	2,293	5,951
(Increase)/decrease in debtors	(28,734)	34,257
Increase/(decrease) in creditors	<u>(93,249)</u>	<u>150,330</u>
Net cash inflow/(outflow) from operating activities	<u>6,338</u>	<u>486,583</u>

21 Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Increase/(decrease) in cash	(18,124)	371,898
Net funds at 1 September 2014	<u>1,361,893</u>	<u>989,995</u>
Net funds at 31 August 2015	<u>1,343,769</u>	<u>1,361,893</u>

**THE JOSEPH WHITAKER SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

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**22 Analysis of net funds**

	<b>At 1 September 2014</b>	<b>Cash flows</b>	<b>Non-cash changes</b>	<b>At 31 August 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,361,893	(18,124)	-	1,343,769
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**23 Commitments under operating leases**

At 31 August 2015 the academy trust had annual commitments under non-cancellable operating leases as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Expiry date:		
- Within one year	3,473	-
- Between two and five years	5,547	3,624
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>                    </u>

**24 Capital commitments**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
At 31 August 2015 the company had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	-	125,144
	<u>                    </u>	<u>                    </u>

## THE JOSEPH WHITAKER SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2015

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#### **25 Related parties**

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

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

DFK&B Ltd - a company in which H Darnbrough (a senior leadership member) has an interest.

There were no transactions in the year ended 31 August 2015 (2014: £1,350).

Nottinghamshire Fire & Rescue - a company in which Cllr C Barnfather (the Chair) is a director. Cllr C Barnfather receives no remuneration in his position as director.

The academy purchased fire safety checks and services totalling £1,233 (2014: £1,390) during the year.

#### **26 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.