Registered number: 08441780

LYNDHURST JUNIOR SCHOOL (ACADEMY)

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2014

LYNDHURST JUNIOR SCHOOL (ACADEMY)
(A company limited by guarantee)

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LYNDHURST JUNIOR SCHOOL (ACADEMY)

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS FOR THE PERIOD ENDED 31 AUGUST 2014

Governors

M. Beel
A. Davis
S. Dowdell
D. Knight
J. Lovett Turner
M. Macey
S. Martin
D. Northwood
R. Swan
I. Swan
J. Wilson (appointed 19 May 2014)
A. Beveridge (resigned 24 January 2014)

Members

S. Dowdell
R. Swan
I. Swan
D. Northwood
S. Martin
M. Macey
D. Knight
J. Lovett Turner

All appointed 12 March 2013 unless stated

Company registered number

08441780

Principal and registered office

Crofton Road
Portsmouth
Hampshire
PO2 0NT

Senior management team

M. Beel, Principal
K. Robinson, Vice Principal
P. Organ, Assistant Principal
R. Suffolk, Finance Manager

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS FOR THE PERIOD ENDED 31 AUGUST 2014

Administrative details (continued)

Independent auditors

Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Bankers

Lloyds Bank plc
38 London Road
Portsmouth
Hampshire
PO2 0LR

Solicitors

Coffin Mew LLP
1000 Lakeside
North Harbour
Portsmouth
Hampshire
PO6 3EN

GOVERNORS' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2014

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Lyndhurst Junior School (Academy) (the Academy) for the period ended 31 August 2014. The Governors confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The trust operates an academy for pupils aged 7-11 serving a catchment in the area of Portsmouth. Lyndhurst Junior School (Academy) has a pupil capacity of 500 and had a roll of 489 in the school census in October 2013.

Structure, governance and management

a. MEMBERS' LIABILITY

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

b. CONSTITUTION

The Academy 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. The governors of the Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Lyndhurst Junior School.

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

c. GOVERNORS' INDEMNITIES

The school has taken out a combined insurance policy that includes buildings and contents insurance, employer's liability insurance and professional indemnity insurance cover for the academy (including governors, trustees and teaching and administrative staff) for liability arising from negligent acts, errors and omissions committed in good faith, notified during the insurance period. Cover is provided up to an aggregate limit of £1,000,000 in the insurance year. The cost of this total insurance package was £25,400 with Poundgates Insurance.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The governors have set up procedures that will enable regular reviews of the mix of skills that should be available to the board. New governors will then be sought with these skills, either as additional governors or replacements when existing governors stand down. It is anticipated that the great majority of new governors will be drawn from the local community being either parents or guardians of pupils at the school or others that have shown an interest in the future well-being of the school and its pupils. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within Lyndhurst Junior School (Academy).

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

Individual governors attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date. A series of briefings for the board and the senior management team of the school as a whole is being designed that is based on areas of potential interest and/or concern.

f. ORGANISATIONAL STRUCTURE

The governors have responsibility for setting and monitoring the overall strategic direction of the academy trust, approving decisions reserved to governors and appointing key members of staff. The governors meet as a board three times each year. All decisions reserved to the governors are taken by the board as a whole.

The academy board of governors is made up of several members including parent governors, staff governors, community governors and co-opted governors. The full governing body meet once a term to approve decisions, policies, school development and financial status. The governors have delegated some of the statutory functions to the sub committees: Finance, Premises and Personnel Committee, Curriculum and Standards Committee, Admissions Committee, Pupil Discipline Committee, Staff Discipline Committee and Audit Committee.

Additionally, ad hoc groups of directors, governors and senior management are established to consider specific issues and make recommendations to the board.

The Audit committee act as the Responsible Officer and as such has an oversight role in relation to the systems and processes of control and risk management that operate throughout Lyndhurst Junior School (Academy).

The Principal is the Accounting Officer and works closely with both the other governors and the senior staff of Lyndhurst Junior School (Academy).

The day-to-day management of Lyndhurst Junior School (Academy) rests with the Principal who has overall responsibility for the school. The Principal is responsible for establishing a leadership team including the Finance Manager and the Vice-Principal.

g. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Lyndhurst Junior School (Academy) is part of the Nelson Cluster of schools working together in partnership to improve educational outcomes across the schools in the local area of North End, Portsmouth. This is an informal arrangement through the Local Authority having the benefit of sharing expertise between 12 schools focussing on school improvement initiatives funded through bids from the Local Authority. The school does not hold the budget for the Nelson Cluster.

GOVERNORS' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

Objectives and Activities

a. OBJECTS AND AIMS

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefits and in particular to its supplementary public benefit guidance on advancing education.

The academy trust's objectives are to advance education in the local area for the public benefit, in particular but without prejudice to the generality of the foregoing by establishing, maintaining and carrying on, managing and developing the Academy; offering a broad curriculum.

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

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

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main strategy is encompassed in the mission statement "Learning Journey to Success" and is carried out through:
- Establishing a learning environment designed to inspire pupils in their quest for knowledge and skills through a range of learning strategies and activities;
- Establishing a structure to maintain and improve on the high standards achieved.

c. ADDITIONAL EDUCATIONAL NEEDS

Lyndhurst Junior School (Academy) is committed to providing an inclusive curriculum and appropriate high quality education to all of our pupils, whatever their needs and abilities, in line with the Every Child Matters agenda. In addition, the Academy is required to ensure that both the Special Educational Needs and Disability Act, relevant Codes of Practice and Guidance 2001, The Statutory Framework for Inclusion and the Disability Rights Code of Practice for schools 2002 are implemented effectively.

Pupils have Special Educational Needs if they have a learning difficulty which calls for Additional Educational Provision to be made to them. The Academy has a policy for identification of and provision for pupils with Special Educational Needs and a Local Offer to explain this to parents.

d. EQUAL OPPORTUNITIES POLICY

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

e. DISABLED PERSONS

The Academy Disability Equality Scheme removes discriminatory barriers for disabled people at the Academy. The scheme builds on what we have done already to promote equality for disabled people, including adopting an Accessibility Plan which aims to:

- Increase the extent to which disabled pupils can participate in the Academy curriculum;
- Improve the physical environment in each Academy to increase opportunities for disabled students and staff;
- Ensure that disabled pupils are provided with information in formats that are accessible for them.

f. PUBLIC BENEFIT

Lyndhurst Junior School (Academy) governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The academy's facilities are used regularly by local sports clubs for the benefit of the public.

Strategic report

Achievements and performance

a. REVIEW OF ACTIVITIES

The core purpose of Lyndhurst Junior School (Academy) is to ensure that all pupils attain their potential. The Governors monitor academic standards closely and have established an effective means to hold the school to account for pupil achievement and performance including attendance which was 96% for the academic year 2013-14.

b. KEY PERFORMANCE INDICATORS

The KS2 results below summarise performance for Year 6 pupils at the end of the academic year 2013/2014:

		Percentage at each level						
		B	3	4	5	6	N	A
Grammar Punctuation & Spelling								
All	School	8	31	25	35	0	0	0
Boys	School	8	40	13	38	0	0	0
Girls	School	8	23	38	32	0	0	0
Reading								
All	School	4	3	49	43	0	0	0
Boys	School	4	4	51	40	0	0	0
Girls	School	4	2	47	47	0	0	0
Mathematics								
All	School	0	24	47	23	6	0	0
Boys	School	0	21	47	23	8	0	0
Girls	School	0	26	47	23	4	0	0

c. KEY FINANCIAL PERFORMANCE INDICATORS

	2013/2014
Number of pupils October 2013 census	489
GAG as a % of total income	86.8%
Staff salaries as % of GAG	83.6%
Energy/water cost as % of GAG	1.2%
Insurance costs as % of GAG	1.7%

d. GOING CONCERN

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy 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 Accounting Policies.

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The majority of the Academy's restricted income is obtained from the Department for Education (DfE) via the Education Funding Agency (EFA) in the form of revenue and capital grants whose use is restricted to particular purposes.

The main funding is the General Annual Grant (GAG) of £2,514,414 for 17 months ending 31st August 2014. Other income from pupil premium, after school club, school meals, lettings, donations and other for 17 months ending 31st August 2014 is £381,483.

The main expenditure was salaries and associated costs of £2,103,250.

A surplus balance was transferred to the academy on conversion which together with this year's surplus balance means the academy has a healthy overall surplus balance.

The academy adopted the Academies Financial Handbook 2013 and used this to inform its own finance policy.

b. RESERVES POLICY

The Governing body identifies a low level of risk to the academy's income and therefore aims to hold reserves equivalent to one month's salaries.

c. INVESTMENT POLICY

The governors investment powers are set down in the academy trust's Memorandum and Articles of Association, which permit the investment of monies of the academy trust's that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.
The governors' current policy is to try to invest surplus funds in short-term cash deposits to achieve the best possible rate of return in the current economic climate but also to enable easy access to funds as and when required.

d. PRINCIPAL RISKS AND UNCERTAINTIES

The full governing body has responsibility for overseeing risk management within the academy as a whole. An open and receptive approach to solving risk problems is adopted by the governors and the Principal and the leadership team support, advise and implement policies approved by the governing body.

The school makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks, whilst the leadership team are responsible for encouraging good risk management practice within the school.

Key risk indicators will be identified and closely monitored on a regular basis, through the annual review of the risk register, whilst the risk management policy is reviewed and updated each year.

Failures in governance and/or management
The risk is the potential failure to effectively manage the Trust's finances, internal controls and compliance with regulation and legislation. The governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

Pupil Numbers
The academy trust has considerable reliance on continued government funding through the EFA for income which is generated by pupil numbers. A fall in pupil numbers is considered unlikely however the academy's current reserves and high cash balances means there is a cushion should there be a reduction in income.

Cash flow
The academy receives its primary funding in monthly instalments from the EFA. Any funds not immediately required for working capital are held on short term deposit therefore the academy's cash flow risk is minimal.

Safeguarding
The governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, and health and safety and discipline.

Staffing
The success of the Trust is reliant on the quality of its staff and the governors monitor and review policies and procedures to ensure continued development and training of staff.

Fraud and Mismanagement of Funds
The audit committee carry out the role of the Responsible Officer and apply checks to financial systems and records.

Plans for future periods

a. FUTURE DEVELOPMENTS

Future Strategy
The Academy wishes to maintain and improve educational standards whilst ensuring premises are fit for purpose. Plans are in progress which include an extension to improve library and staff facilities. £180,000.00 has been allocated for this.

Future Activities and Events
The shorter term objectives for the school have been reviewed by the governors and are set out in the school development plan.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Lyndhurst Junior School (Academy) does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodian for any third party.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that the Governors are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that the Governors have taken all the steps that ought to have been taken as Governors in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Hopper Williams and Bell Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report, incorporating the Strategic report, was approved by order of the Governing Body, as the company directors, on 25 November 2014 and signed on the board's behalf by:

.....
M. Macey
Chair of Trustees

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility for ensuring that Lyndhurst Junior School (Academy) 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 Governing Body has delegated the day-to-day responsibility to the Principal, 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 Lyndhurst Junior School (Academy) and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The Governing Body has formally met 6 times during the period. Attendance during the period at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
M. Beel	6	6
A. Davis	5	6
S. Dowdell	3	6
D. Knight	5	6
J. Lovett Turner	5	6
M. Macey	6	6
S. Martin	6	6
D. Northwood	5	6
R. Swan	4	6
I. Swan	4	6
J. Wilson	1	1
A. Beveridge	3	5

Governance reviews:

Dame Sylvia Morris worked with governors in May 2014. Governors were advised to ensure they have a robust system to quality assure expenditure on pupil premium, PE, and that performance management/appraisal systems are rigorous, ensuring value for money. Governors need to ensure strategic overview and that they are rigorously and diligently holding the Academy to account for raising standards. Progress will be monitored in follow up visits Academic Year 2014-2015 onwards.

The Finance Committee is a sub-committee of the main Governing Body. The Finance Committee operates under their agreed Terms of Reference following the annual cycle of budget planning and monitoring..

Attendance at meetings in the period was as follows:

Governor	Meetings attended	Out of a possible
S. Martin	3	3
S. Dowdell	2	3
M. Beel	3	3
M. Macey	3	3
I. Swan	1	3
J. Lovett Turner	2	3
D. Knight	1	3
D. Northwood	2	3
R. Swan	1	3

The Audit Committee is also a sub-committee of the main Governing Body. Its purpose is to have an oversight role in relation to the systems and processes of control and risk management that operate throughout Lyndhurst Junior School (Academy).

Attendance at meetings in the period was as follows:

Governor	Meetings attended	Out of a possible
R. Swan	1	1
S. Martin	1	1
J. Lovett Turner	1	1

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lyndhurst Junior School (Academy) for the period 12 March 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the period 12 March 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed members of the audit committee to act as Responsible Officer (RO).

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

The RO has delivered their schedule of work as planned and the work carried out has not uncovered any material control issues.

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the Governing Body on 25 November 2014 and signed on its behalf, by:

.....
M. Macey
Chair of Trustees

M. A. Beel
.....
M. Beel
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Lyndhurst Junior School (Academy) I have considered my responsibility to notify the Academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

M. A. Beel
.....
M. Beel
Accounting Officer

Date: 25 November 2014

GOVERNORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2014

The Governors (who act as governors of Lyndhurst Junior School (Academy) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 25 November 2014 and signed on its behalf by:

.....

M. Macey
Chair of Trustees

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF LYNDHURST JUNIOR SCHOOL (ACADEMY)

We have audited the financial statements of Lyndhurst Junior School (Academy) for the period ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Governors' report, incorporating the Strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF LYNDHURST JUNIOR SCHOOL (ACADEMY)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Hopper Williams & Bell Limited

Richard Hurst FCA (Senior statutory auditor)
for and on behalf of
Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR
Date: 4 December 2019

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LYNDHURST JUNIOR SCHOOL (ACADEMY) AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lyndhurst Junior School (Academy) during the period 12 March 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lyndhurst Junior School (Academy) and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lyndhurst Junior School (Academy) and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lyndhurst Junior School (Academy) and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF LYNDHURST JUNIOR SCHOOL (ACADEMY)'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Lyndhurst Junior School (Academy)'s funding agreement with the Secretary of State for Education dated 27 March 2013, and the Academies Financial Handbook extant from 1 September 2012, 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 12 March 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LYNDHURST JUNIOR SCHOOL (ACADEMY) AND THE EDUCATION FUNDING AGENCY (continued)

SUMMARY OF WORK UNDERTAKEN

We carried out the following:
- planning of assurance procedures including identifying key risks;
- substantive testing including analytical review;
- concluding on procedures carried out.

Substantive testing included the following procedures:
- confirming that activities conform to the Academy's framework of authorities;
- considering the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- evaluating the general control environment of the Academy;
- testing a sample of transactions to consider whether the transaction is permissible within the Academy's framework of authorities;
- confirming whether any extra-contractual payments have been made and whether appropriate authority was obtained;
- reviewing documentation for evidence of borrowing and confirming if approval was obtained from the EFA;
- confirming whether EFA approval was obtained for any disposals of assets;
- reviewing the internal control procedures relating to credit cards;
- reviewing for any indication of purchases for personal use by staff or officers;
- reviewing the list of suppliers to consider whether supplies are from related parties;
- considering whether income generating activities are permissible within the Academy's charitable objects;
- reviewing whether lettings to related parties are made at favourable rates.

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

Hopper Williams & Bell Limited

Richard Hurst FCA

Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Date: 4 December 2014

LYNDHURST JUNIOR SCHOOL (ACADEMY)

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds for the 17 months ended 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Assets transferred on conversion	2	101,746	(185,000)	1,987,651	1,904,397
Other voluntary income	2	-	13,468	-	13,468
Activities for generating funds	3	90,288	-	-	90,288
Investment income	4	760	-	-	760
Incoming resources from charitable activities	5	-	2,758,303	33,078	2,791,381
TOTAL INCOMING RESOURCES		192,794	2,586,771	2,020,729	4,800,294
RESOURCES EXPENDED					
Charitable activities	7	-	2,696,036	108,203	2,804,239
Governance costs	6	-	13,801	-	13,801
TOTAL RESOURCES EXPENDED	8	-	2,709,837	108,203	2,818,040
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		192,794	(123,066)	1,912,526	1,982,254
Transfers between Funds	16	-	(31,100)	31,100	-
NET INCOME FOR THE PERIOD		192,794	(154,166)	1,943,626	1,982,254
Actuarial gains and losses on defined benefit pension schemes		-	(69,000)	-	(69,000)
NET MOVEMENT IN FUNDS FOR THE PERIOD		192,794	(223,166)	1,943,626	1,913,254
Total funds at 12 March 2013		-	-	-	-
TOTAL FUNDS AT 31 AUGUST 2014		192,794	(223,166)	1,943,626	1,913,254

All of the Academy's activities derive from acquisitions in the current financial period.

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 22 to 43 form part of these financial statements.

LYNDHURST JUNIOR SCHOOL (ACADEMY)
(A company limited by guarantee)
REGISTERED NUMBER: 08441780

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £
FIXED ASSETS			
Tangible assets	13		**1,960,078**
CURRENT ASSETS			
Debtors	14	**67,828**	
Cash at bank and in hand		**312,159**	
		379,987	
CREDITORS: amounts falling due within one year	15	**(155,811)**	
NET CURRENT ASSETS			**224,176**
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,184,254**
Defined benefit pension scheme liability	23		**(271,000)**
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			**1,913,254**
FUNDS OF THE ACADEMY			
Restricted funds:			
Restricted funds	16	**47,834**	
Restricted fixed asset funds	16	**1,943,626**	
Restricted funds excluding pension liability		**1,991,460**	
Pension reserve		**(271,000)**	
Total restricted funds			**1,720,460**
Unrestricted funds	16		**192,794**
TOTAL FUNDS			**1,913,254**

The financial statements were approved by the Governors, and authorised for issue, on 25 November 2014 and are signed on their behalf, by:

.....
M. Macey
Chair of Trustees

The notes on pages 22 to 43 form part of these financial statements.

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	17 months ended 31 August 2014 £
Net cash flow from operating activities	18	**240,753**
Returns on investments and servicing of finance	19	**760**
Capital expenditure and financial investment	19	**(31,100)**
Cash transferred on conversion to an academy trust	21	**101,746**
INCREASE IN CASH IN THE PERIOD		**312,159**

All of the cash flows are derived from acquisitions in the current financial period.

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2014

	17 months ended 31 August 2014 £
Increase in cash in the period	**312,159**
MOVEMENT IN NET FUNDS IN THE PERIOD	**312,159**
NET FUNDS AT 31 AUGUST 2014	**312,159**

The notes on pages 22 to 43 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 provided to the Academy 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 it is measurable.

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy 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's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 Resources expended

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.

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years - straight line
Motor vehicles	-	5 years - straight line
Fixtures and fittings	-	5 years - straight line
Computer equipment	-	3 years - straight line

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 Taxation

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

1. ACCOUNTING POLICIES (continued)

1.9 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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.

1.10 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Lyndhurst Junior School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Lyndhurst Junior School (Academy). The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 21.

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds for the 17 months ended 2014 £
Assets transferred on conversion	101,746	1,802,651	1,904,397
Donations	-	13,468	13,468
Voluntary income	101,746	1,816,119	1,917,865

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds for the 17 months ended 2014 £
Lettings income	13,126	-	13,126
Kids' club income	77,162	-	77,162
	90,288	-	90,288

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds for the 17 months ended 2014 £
Bank interest	760	-	760

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds for the 17 months ended 2014 £
DfE/EFA revenue grants			
General Annual Grant (GAG)	-	2,514,414	2,514,414
DfE/EFA capital grants	-	33,078	33,078
DfE/EFA other grants	-	153,850	153,850
	-	2,701,342	2,701,342
Other government grants			
Local authority grants	-	16,798	16,798
	-	16,798	16,798
Other funding			
Other income	-	12,314	12,314
Catering income	-	41,532	41,532
Tuition fee income	-	10,884	10,884
Trip income	-	8,511	8,511
	-	73,241	73,241
	-	2,791,381	2,791,381

6. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds for the 17 months ended 2014 £
Legal and professional fees	-	3,733	3,733
Auditors' remuneration - audit	-	6,635	6,635
Auditors' remuneration - non-audit	-	3,433	3,433
	-	13,801	13,801

7. CHARITABLE ACTIVITIES

	Total funds for the 17 months ended 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS	
Wages and salaries	1,427,583
National insurance	99,285
Pension cost	190,296
Technology costs	63,078
Educational supplies	70,341
Staff development	18,082
Educational consultancy	3,814
Security & transport	3,933
Trip expenditure	8,269
Other costs	32,613
	1,917,294
SUPPORT COSTS - EDUCATIONAL OPERATIONS	
Wages and salaries	322,144
National insurance	11,497
Pension cost	52,445
Depreciation	58,673
Technology costs	22,390
Recruitment & support	4,197
Maintenance of premises & equipment	202,699
Cleaning	8,849
Rent & rates	12,788
Energy costs	22,767
Insurance	43,544
Security & transport	497
Catering	49,395
Office costs	8,331
Other costs	66,729
	886,945
	2,804,239

8. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total
		Premises	Other costs	
	2014	2014	2014	2014
	£	£	£	£
Direct costs	1,717,164	-	200,130	1,917,294
Support costs	386,086	327,140	173,719	886,945
Charitable activities	2,103,250	327,140	373,849	2,804,239
Governance	-	-	13,801	13,801
	2,103,250	327,140	387,650	2,818,040

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	17 months ended 31 August 2014
	£
Depreciation of tangible fixed assets:	
- owned by the charity	58,673
Auditors' remuneration	6,635
Auditors' remuneration - non-audit	3,433

10. STAFF

a. Staff costs

Staff costs were as follows:

	17 months ended 31 August 2014 £
Wages and salaries	1,749,727
Social security costs	110,782
Other pension costs (Note 23)	242,741
	2,103,250

b. Staff numbers

The average number of persons employed by the Academy during the period expressed as full time equivalents was as follows:

	17 months ended 31 August 2014 No.
Teachers	16
Admin / Support	23
Management	3
	42

c. Higher paid staff

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

	2014 No.
In the band £60,001 - £70,000	1
In the band £70,001 - £80,000	1
	2

The above information is presented on an annualised basis.

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2014, pension contributions for these staff amounted to £38,037

11. GOVERNORS' REMUNERATION AND EXPENSES

The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The value of Governors' remuneration fell within the following bands:

	2014 £'000
A total of four staff governors	145-150
Employer's pension contributions in respect of the above	15-20

This information is presented on an annualised basis.

During the period, no Governors received any reimbursement of expenses.

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2014 was £690. The cost of this insurance is included in the total insurance cost.

13. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
Additions	1,946,000	6,000	16,001	50,750	2,018,751
At 31 August 2014	1,946,000	6,000	16,001	50,750	2,018,751
Depreciation					
Charge for the period	36,493	1,700	4,609	15,871	58,673
At 31 August 2014	36,493	1,700	4,609	15,871	58,673
Net book value					
At 31 August 2014	1,909,507	4,300	11,392	34,879	1,960,078

Included in land and buildings is freehold land at valuation of £658,000 which is not depreciated.

14. DEBTORS

	2014 £
Trade debtors	1,344
Other debtors	34,715
Prepayments and accrued income	31,769
	67,828

15. CREDITORS:
Amounts falling due within one year

	2014 £
Trade creditors	77,022
Other taxation and social security	24,430
Other creditors	21,829
Accruals and deferred income	32,530
	155,811

	£
Deferred income	
Resources deferred during the year	6,729

At the balance sheet date the academy was holding funds received in advance for lettings and tuition booked for the autumn term 2014, and grants in relation to 2014/15.

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	-	192,794	-	-	-	192,794
Restricted funds						
General annual grant	-	2,514,414	(2,483,314)	(31,100)	-	-
Other DfE/EFA grants	-	153,850	(153,850)	-	-	-
Local authority grants	-	16,798	(16,798)	-	-	-
Other educational services	-	86,709	(38,875)	-	-	47,834
Other Restricted funds	-	(185,000)	(17,000)	-	(69,000)	(271,000)
	-	2,586,771	(2,709,837)	(31,100)	(69,000)	(223,166)
Restricted fixed asset funds						
Fixed asset fund	-	1,987,651	(58,673)	31,100	-	1,960,078
DfE/EFA capital grants - DFC	-	9,501	-	(2,376)	-	7,125
DfE/EFA capital grants - replacement lighting	-	13,011	(27,530)	1,508	-	(13,011)
DfE/EFA capital grants - replacement windows	-	10,566	(22,000)	868	-	(10,566)
	-	2,020,729	(108,203)	31,100	-	1,943,626
Total restricted funds	-	4,607,500	(2,818,040)	-	(69,000)	1,720,460
Total of funds	-	4,800,294	(2,818,040)	-	(69,000)	1,913,254

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

General annual grant
This includes all funding received from the EFA to carry out the objectives of the academy. It includes the school budget share, minimum funding guarantee, education services grant, insurance, rates, and pre-16 high need funding.

16. STATEMENT OF FUNDS (continued)

Other DfE/EFA grants
This is funding received from the EFA for specific purposes, for example pupil premium funding.

Local authority grants
This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Pension reserve
This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the academy on conversion.

Other educational activities
This includes all other educational income/expenditure.

Fixed asset fund
The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/EFA capital grants
This is money received from the DfE/EFA specifically for expenditure on tangible fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	-	192,794	-	-	-	192,794
Restricted funds	-	2,586,771	(2,709,837)	(31,100)	(69,000)	(223,166)
Restricted fixed asset funds	-	2,020,729	(108,203)	31,100	-	1,943,626
	-	4,800,294	(2,818,040)	-	(69,000)	1,913,254

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds for the 17 months ended 2014 £
Tangible fixed assets	-	-	1,960,078	1,960,078
Current assets	192,794	180,068	7,125	379,987
Creditors due within one year	-	(132,234)	(23,577)	(155,811)
Provisions for liabilities and charges	-	(271,000)	-	(271,000)
	192,794	(223,166)	1,943,626	1,913,254

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	17 months ended 31 August 2014 £
Net incoming resources before revaluations	1,982,254
Returns on investments and servicing of finance	(760)
Depreciation of tangible fixed assets	58,673
Increase in debtors	(67,828)
Increase in creditors	155,811
Tangible fixed assets transfer	(1,987,651)
Pension liability transfer	185,000
Cash transferred on conversion	(101,746)
FRS 17 adjustments	17,000
Net cash inflow from operations	240,753

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2014

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	17 months ended 31 August 2014 £
Returns on investments and servicing of finance	
Interest received	760

	17 months ended 31 August 2014 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(31,100)

20. ANALYSIS OF CHANGES IN NET FUNDS

	12 March 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	-	312,159	-	312,159
Net funds	-	312,159	-	312,159

21. CONVERSION TO AN ACADEMY TRUST

On 12 March 2013 Lyndhurst Junior School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Lyndhurst Junior School (Academy) from Portsmouth City Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds for the 17 months ended £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	1,946,000	1,946,000
- Other tangible fixed assets	-	-	41,651	41,651
Budget surplus/(deficit) on LA funds	101,746	-	-	101,746
LGPS pension surplus/(deficit)	-	(185,000)	-	(185,000)
Net assets/(liabilities)	101,746	(185,000)	1,987,651	1,904,397

The above net assets include £101,746 that were transferred as cash.

22. CONTINGENT LIABILITIES

There is an ongoing employment tribunal case, the outcome of which is uncertain.

23. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Portsmouth City Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £21,750 were payable to the scheme at 31 August 2014 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 Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

23. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme Changes

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

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

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2014 was £95,000, of which employer's contributions totalled £72,000 and employees' contributions totalled £23,000. The agreed contribution rates for future years are 13.1% for employers and between 5.5% to 7.5%% for employees.

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

As described in note 21 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

23. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	7.50	277,000
Property	6.80	36,000
Government bonds	2.90	111,000
Corporate bonds	3.30	6,000
Cash	1.10	17,000
Other	7.50	14,000
Total market value of assets		461,000
Present value of scheme liabilities		(732,000)
(Deficit)/surplus in the scheme		(271,000)

The amounts recognised in the Balance sheet are as follows:

	17 months ended 31 August 2014 £
Present value of funded obligations	(732,000)
Fair value of scheme assets	461,000
Net liability	(271,000)

The amounts recognised in the Statement of financial activities are as follows:

	17 months ended 31 August 2014 £
Current service cost	85,000
Interest cost	37,000
Expected return on assets	(33,000)
Total	89,000
Actual return on scheme assets	37,000

23. PENSION COMMITMENTS (continued)

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

	17 months ended 31 August 2014 £
Opening defined benefit obligation	515,000
Contributions by scheme participants	23,000
Actuarial Losses	73,000
Current service costs	85,000
Interest cost	37,000
Benefits paid	(1,000)
Closing defined benefit obligation	732,000

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

	17 months ended 31 August 2014 £
Opening fair value of scheme assets	330,000
Actuarial gains and (losses)	4,000
Expected return on assets	33,000
Contributions by employer	72,000
Contributions by employees	23,000
Benefits paid	(1,000)
	461,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £-69,000.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014
Equities	60.10 %
Property	7.70 %
Government bonds	24.00 %
Corporate Bonds	1.40 %
Cash	3.70 %
Other	3.10 %

23. PENSION COMMITMENTS (continued)

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

	2014
Discount rate for scheme liabilities	3.70 %
Rate of increase in salaries	3.60 %
Rate of increase for pensions in payment / inflation	2.10 %
Inflation assumption (CPI)	2.10 %
Commutation of pensions to lump sums	70.00 %

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

	2014
Retiring today	
Males	24.4
Females	26.2
Retiring in 20 years	
Males	26.5
Females	28.5

Amounts for the current period are as follows:

Defined benefit pension schemes

	2014 £
Defined benefit obligation	(732,000)
Scheme assets	461,000
Deficit	(271,000)
Experience adjustments on scheme liabilities	(73,000)
Experience adjustments on scheme assets	4,000

24. OPERATING LEASE COMMITMENTS

At 31 August 2014 the Academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014 £	Other 2014 £
Expiry date:		
Within 1 year	-	8,490
Between 2 and 5 years	-	16,040

25. RELATED PARTY TRANSACTIONS

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

The following related party transactions arose during the period:

	17 months ended 31 August 2014 £
M Macey (Trustee) - employed as site manager to cover sick leave	3,528
Kings Training Solutions (a business controlled by M Macey) - first aid course	400
I Swan (Trustee) - employed as tutor and supply teacher	15,380
A Beveridge (Trustee to 24 January 2014) - husband employed as part of site staff	985