

**Report of the Trustees and**  
**Financial Statements For The Year Ended 31 August 2015**  
**for**  
**Jerry Clay Academy**

Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

**Jerry Clay Academy**

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**For The Year Ended 31 August 2015**

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**Jerry Clay Academy**

**Reference and Administrative Details**  
**For The Year Ended 31 August 2015**

<b>MEMBERS</b>	S Akers M Hart A Bennett A Carter
<b>TRUSTEES</b>	A Bennett (Chair) A Carter (appointed 10.12.2014) T Palin (appointed 12.2.2015) C Hewitt C Smith J Bennett J Dexter J Denning J Rigby K Orrell K Parkin (resigned 31.12.2014) L Bland M Hart N Wardell (resigned 8.7.2015) R Bates S Akers T Swinburne
<b>COMPANY SECRETARY</b>	Y Wells
<b>SENIOR MANAGEMENT TEAM</b>	T Swinburne (Headteacher) C Smith (Deputy Headteacher) Y Wells (Business Manager) K Parkin (Assistant Headteacher) (resigned 31.12.2014)
<b>REGISTERED OFFICE</b>	Jerry Clay Lane Wrenthorpe Wakefield West Yorkshire WF2 0NP
<b>REGISTERED COMPANY NUMBER</b>	07688230 (England and Wales)
<b>AUDITORS</b>	Allotts Business Services Ltd, Statutory Auditor Chartered Accountants The Old Grammar School 13 Moorgate Road Rotherham South Yorkshire S60 2EN
<b>SOLICITORS</b>	Browne Jacobson LLP 44 Castle Gate Nottingham NG1 7BJ

Jerry Clay Academy

Reference and Administrative Details  
For The Year Ended 31 August 2015

**BANKERS**

Royal Bank of Scotland  
747 Attercliffe Road  
Sheffield  
S9 3RF

**Jerry Clay Academy**  
**Report of the Trustees**  
**For The Year Ended 31 August 2015**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The principal activities of Jerry Clay Academy are the operation of a primary school for the benefit of the children on roll and the provision of recreation facilities for the community of Wrenthorpe as defined by the Objects within the Articles of Association. The October 2014 census figure for pupil numbers was 206.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

Jerry Clay Academy was incorporated on 30 June 2011 and opened as an academy on 1 August 2011. The Academy Trust is a charitable company limited by guarantee. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Jerry Clay Academy are also the directors of the Charitable Company for the purposes of company law. The Articles of Association require the members of the Trust to appoint at least three trustees to be responsible for the affairs of the Trust and the management of the Trust. The Charitable Company is known as Jerry Clay Academy. Details of the Trustees who served throughout the year except as noted 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 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.

### **Trustees' Indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance cover provides cover up to £5,000,000 on any one claim.

### **Method of Recruitment and appointment or election of new trustees**

When a vacancy for a Parent Trustee arises, all parents and carers who are eligible to stand are invited to express an interest and complete a short statement, which in the event that there are more candidates than vacancies will be sent to all parents and carers with a voting slip. After the close of a ballot, votes will be counted and vacancies filled on a 'first past the post' basis.

Community Trustees and Co-opted Trustees are nominated by the Board of Trustees having regard to the balance of skills and interests on the Board of Trustees at that time, and the availability of suitable persons in the wider community of Wrenthorpe and are approached to canvas their interest in assisting the Academy. These appointments are subject to a majority vote by the Board of Trustees. The remaining seats on the Board of Trustees are filled by staff by virtue of their position within the staff structure.

The Academy Board of Trustees operates a Financial Management Policy which reserves some decisions for the full Board of Trustees, delegates some to the Head teacher in consultation with the Chair of Trustees and others to Academy staff members including the Business Manager.

All members of the Board of Trustees sit on either the Finance and Resource Committee or the Curriculum and Standards Committee. In addition, committees are drawn together as needed to oversee the Head Teacher's Performance Management, and would be convened for matters relating to employee appeals or complaints by parents as required.

The Board of Trustees and two main Committees meet at least once each term and where possible every half term.

### **Policies and Procedures Adopted for the Induction and training of new trustees**

All Trustees receive a briefing from the Head teacher and Chair of Trustees and are eligible to attend training provided by WMDC, into which the Academy contracts. New governors receive a New Governor Induction Pack.

Where specific training is required or strongly recommended, as for recruitment of staff or for safeguarding purposes, the Board of Trustees agrees which members should receive training as appropriate to their role and arranges for attendance at the next available course.

**Jerry Clay Academy**

**Report of the Trustees**  
**For The Year Ended 31 August 2015**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

A new Headteacher took up post in September 2014. The management structure in place at the beginning of the year consisted of a Headteacher, a Deputy Headteacher (also performing the role of Key Stage Leader for the Early Years Foundation Stage (EYFS) and Key Stage One whilst a class teacher), a Key Stage Two Leader (also a class teacher) and a Business Manager. These four posts constituted the Academy's Senior Leadership Team. During the year the Key Stage Two Leader left employment at the academy. The role was advertised as an internal promotion and the new position appointed for September 2015.

The aim of the management structure was to devolve responsibility to ensure appropriate focus on teaching and learning, while ensuring that the administration of the school was effectively conducted. The Leadership Team of the Academy is responsible for delivering the strategic direction provided by the Board of Trustees. Operational management from day to day is overseen by the Head teacher and her Leadership Team.

**Related parties and other connected Charities and Organisations**

There are no connected organisations or related parties. The Academy participates informally where appropriate in local networks operating within the pyramid and Local Education Authority area. A memorandum of understanding has been agreed between eight primary schools in the area.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**OBJECTIVES AND ACTIVITIES**

**Objects and aims**

The Academy Trust's objective is to advance for the public benefit education by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and to promote for the benefit of individuals living in Wrenthorpe and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

**Jerry Clay Academy**  
**Report of the Trustees**  
**For The Year Ended 31 August 2015**

**OBJECTIVES AND ACTIVITIES**

**Objectives, Strategies and Activities**

The School Development Plan identified the following objectives for 2014 - 2015:

**Improve the quality of teaching to outstanding by ensuring that the Academy's priorities, as follows, are met:**

- 1 Attainment and progress - further improve progress in core subjects across KS1 and KS2, particularly with an emphasis on challenge from EYFS to Year 6;
- 2 Quality of teaching - ensure staff are confident in teaching the new curriculum and that the majority of teaching is outstanding;
- 3 Behaviour and safety - develop an "I can" culture across the school where pupils believe that they can aspire to be "the best that they can be" so that behaviour and attitudes for learning becomes outstanding;
- 4 Leadership and management - further development of middle leadership roles and responsibilities and the role of Governors to challenge the work of the school, share good practice across the school;
- 5 EYFS - develop the EYFS learning environment and child initiated time to ensure the children are challenged in their play.

Progress was made on these priority points by successfully implementing the Read Write Inc. programme, improved tracking systems, staff (teaching and non-teaching) confidence with the new curriculum changes, targeted interventions with the introduction of a specific teaching assistant taking on this role. Validation of assessment through moderation with the local pyramid. Development of the "Jerry Clay Way".

**Increase the rate of progress of children in the Reception class:**

- a. Redevelopment of the learning environment.

Clear investment was made to re-equip the EYFS learning area, to great success, led by the new EYFS teacher, support staff and Headteacher.

**Improve leadership and management at all levels by:**

- a. Tightening tracking and behaviour policy throughout the school with specific intervention for targeted pupils.

Progress was made through a series of learning walks, embedding the new behaviour policy the "Jerry Clay Way". Roles for Governors were much more clearly defined, with each Governor linked to a specific priority point (attending courses where necessary) .

**Improving internal support services including:**

- a. communication with staff, parents and governors;
- b. office structure and roles.

Significant progress was made during the year by much improved communication with parents, strengthened through the introduction of regular newsletters, use of parental participation coffee morning and continued use of SMS text service and information about trips and events. The roles of the Administrative Team were made clearer.

**Public benefit**

The Trust has considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by the Trust is the provision of a high quality of education to its pupils. The attainment of pupils at Key Stage 2 exceeds local and in many instances national averages. Progress measures show tangible public benefit in the academic journey made by pupils at the Academy. The high level of attendance confirms that the Academy has gained the confidence of the community it was established to serve.

Beyond this, the Academy aims to offer an education for the whole individual providing excellent opportunities for personal as well as academic success. In this the Academy seeks to provide for the cultural, physical, spiritual as well as academic development of pupils.

The Academy's extra-curricular activities, educational trips and visits and partnership projects contribute to a school which is happy and in which pupils thrive. Pupil involvement in the running of the school through a pupil council supports personal development and future citizenship well.

The Academy premises are available for use as a resource by the local community and have hosted a holiday care scheme open to pupils from the Academy and other local schools. Academy pupils, staff and Trustees participate in village activities including fun days and tree planting. Staff and Trustees participate fully in local partnerships including providing support to local schools achieving lower attainment.

**Jerry Clay Academy**  
**Report of the Trustees**  
**For The Year Ended 31 August 2015**

**STRATEGIC REPORT**

**Achievement and performance**

**Charitable activities**

2014/15 was the Academy's fourth year of operation. The Academy's plans are focussed on taking the school from "Good" to "Outstanding" and have succeeded in moving forward pupil attainment at KS1 and EYFS, pupil attitudes and behaviour.

The Academy admits 30 pupils annually into the Reception year and although there is a relatively small amount of turnover during the school year almost all vacant places are filled by those on the waiting list.

In 2014/15 the percentage of children achieving a 'good level of development' was 83% in comparison to the national average of 60%. There was a significant improvement in the 3 year trend by an increase of 21% from the previous year. In the Y1 phonics test, 90% achieved the expected level compared to 74% nationally; 94% (due to 1 child joining in May who was well below the standard) children who re-took the test in Y2 achieved the standard. The Phonics screening shows a significant improvement on previous year's results. The Academy have been awarded a Read Write Inc. Training accreditation due to the accelerated progress made within this area in 1 year.

In 2014/15 97% of pupils in Key Stage 1 achieved Level 2C+ in Reading, 97% of pupils achieved Level 2C+ in Writing and 93% of pupils achieved Level 2C+ in Mathematics. Our 2B results were particularly pleasing with Reading at 90% (NA 81%), Writing 86% (NA 70%) and Maths 90% (NA 80%).

In 2014/15 86% of pupils in Key Stage 2 achieved Level 4C+ in Reading compared to 88% nationally, 89% of pupils achieved two levels of progress in Reading compared to 91% nationally, 96% of pupils achieved two levels of progress in Writing compared to 93% nationally, 79% achieved L4+ in Spelling, Punctuation and Grammar compared to 76% nationally and 93% of pupils achieved two levels of progress in Mathematics compared to 89% nationally.

Attendance at sessions continues to exceed national averages and last year we achieved 97% which is well above the national average; any persistent absence is addressed with support from Attendance Officers. Persistent absences reduced by 50% last year to 1.7%.

**Going concern**

Over 95% of the Academy's funding is provided by the Education Funding Agency. Academies funding is being reformed. The Trustees have assumed that there will not be a large reduction. Therefore 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.

**Key financial performance indicators**

The main financial performance indicator in reporting to the Board of Trustees has been monthly revenue against monthly expenditure for key budget headings / items (for example salaries, building costs, maintenance).

**Financial review**

**Reserves policy**

The Trust believes that sufficient reserves should be held. The reserves are held for future years where staff costs are expected to increase, due to staff progression on the pay scale, and the level of income not being guaranteed by the EFA.

**Investment policy**

The Trustees have resolved to invest any funds available in a short term, low risk, bank deposit account.

**Principal risks and uncertainties**

The Trustees have identified the large deficit on the Local Government Pension Fund as a potential risk. However on 18 July 2013, the government agreed to guarantee the payment of outstanding liabilities in the event of the academy closing.

**Risk Management**

The Trustees confirm that the major risks to which the Trust is exposed have been reviewed in the academy risk register; key risks feed into the academy development plan.

The major risks relate to:

- i) The academy being a stand-alone academy at a time when academy trusts are being encouraged to form formal partnerships
- ii) The lack of nursery provision is identified as a major competition risk
- iii) Future years' DfE funding not being sufficient to cover expenditure, with in-year deficit position forecast

**Jerry Clay Academy**

**Report of the Trustees**  
**For The Year Ended 31 August 2015**

**STRATEGIC REPORT**

**Principal risks and uncertainties**

The risks above are being addressed as follows:

- i) An informal partnership (Outwood Together) has been formed with eight other local primary schools / academies. The schools, which include church schools, stand-alone academies, maintained schools and a special needs school, have signed a memorandum of agreement to work together, particularly in the area of staff training & development. The Jerry Clay Academy Headteacher is the Chair of the group.
- ii) A business case for setting up 3+ nursery provision will be prepared in 15/16
- iii) The 3 year plan will assess how any future shortfall in funding will be addressed. The brought forward surplus, together with income generation, should avoid the academy being in an overall deficit position for the foreseeable future.

The risk management plan remains under regular review by the Finance and Resources Committee, at least annually, and actions flowing from the review form part of the agenda for subsequent meetings. The risk management plan will be reported annually to the Board of Trustees.

**Financial and risk management objectives and policies**

The Trustees confirm that the major risks to which the Trust is exposed have been reviewed and work is ongoing to ensure all key assessed risks are properly mitigated and anticipated.

The Trustees have implemented a number of systems to assess and minimise risks, described elsewhere in this report. Insurance is in place via the DfE Risk Pooling Arrangement.

The Trustees examine the financial health every term, reviewing performance against budget and overall expenditure. At the period end, the Academy has no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

**Plans for future periods**

Governors plan to undertake reviews of the new Early and After School provision (set-up September 2015), the increase of outdoor learning, especially for EYFS, the development of leaders at all levels and the improvement in attainment of writing standards across the school and reading standards in KS2.

The Governors have identified nursery provision as a key priority and will be assessing the viability of setting up age 3+ provision in the near future.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

**AUDITORS**

Allotts Business Services Ltd, Statutory Auditor, having expressed their willingness to continue in office, will be deemed re-appointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006, unless the charitable company receives notice under Section 488(1) of the Companies Act 2006.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9 December 2015 and signed on the board's behalf by:

.....  
Trustee

## Jerry Clay Academy

### Governance Statement For The Year Ended 31 August 2015

#### **Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Jerry Clay 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 board of the 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 Jerry Clay Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### **Governance**

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
T Swinburne (Headteacher)	6	6
A Bennett	6	6
L Bland	5	6
S Akers	5	6
C Smith	6	6
A Carter	3	4
M Hart	6	6
K Parkin	2	2
C Hewitt	4	6
K Orrell	6	6
N Wardell	3	6
R Bates	4	6
J Denning	5	6
J Rigby	4	6
J Bennett	6	6
J Dexter	6	6
T Palin	3	3

The **Finance and Resource** Committee is a sub-committee of the main governing body. Its purpose is to manage the Academy's resources and finances efficiently and effectively. Attendance at meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
T Swinburne (Head teacher)	6	6
A Carter (Chair from Mar' 15)	3	4
A Bennett (Chair until Mar' 15)	6	6
S Akers	3	6
R Bates	4	6
J Bennett	6	6
J Denning	3	3
J Dexter	3	3

#### **Review of Value for Money**

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

**Jerry Clay Academy**  
**Governance Statement**  
**For The Year Ended 31 August 2015**

**Review of Value for Money**

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

- Complete review of Service Level Agreements during the year resulting in:
  - cancellation of Planned Maintenance SLA
  - lower cost Staff Absence Insurance policy with enhanced T&Cs
  - reduction of ICT Support SLA to half a day
  - ending long term insurance policy & replacing with Risk Protection Arrangement
- Introduced online payment system for parent payments to improve office efficiency
- Moved HR services back to local authority as assessment of prior providers concluded that although the services were lower cost the service didn't provide value for money
- Increased take-up of governor training courses via training link governor improved the value obtained from the Governor Service SLA
- Changed sports coaching provider to improve value in teaching
- Negotiated savings on purchase of BlueWave Swift Management System
- Prepared a business case to assess most appropriate way of delivering Early & After school care, resulting in implementation of internal on-site provision from September '15. This will generate future income.

**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 charitable company 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 Jerry Clay Academy 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 charitable company 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 on-going process for identifying, evaluating and managing the charitable company'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 financial statements. This process is regularly reviewed by the board of trustees.

**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 Finance and General Purposes 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 Board of Trustees have appointed Allotts Business Services Ltd, the external auditor, to perform additional checks.

Allotts Business Services Ltd's role included giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of procurement and purchasing
- testing of income

There were no material control issues identified in each report.

**Jerry Clay Academy**

**Governance Statement**  
**For The Year Ended 31 August 2015**

**Review of Effectiveness**

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

- the work of the internal audit function;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 9 December 2015 and signed on its behalf by:

.....  
- Trustee

.....  
T Swinburne - Accounting Officer

**Jerry Clay Academy**

**Statement on Regularity, Propriety and Compliance**  
**For The Year Ended 31 August 2015**

As accounting officer of Jerry Clay Academy I have considered my responsibility to notify the charitable company 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 charitable company 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 charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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.

.....  
T Swinburne - Accounting Officer

Date: 9 December 2015

**Jerry Clay Academy**

**Statement of Trustees Responsibilities**  
**For The Year Ended 31 August 2015**

The trustees (who act as governors of Jerry Clay Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of trustees on 9 December 2015 and signed on its behalf by:

.....  
Trustee

**Report of the Independent Auditors to the Members of  
Jerry Clay Academy**

We have audited the financial statements of Jerry Clay Academy for the year ended 31 August 2015 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 Accounts Direction 2014 to 2015 issued by the Education Funding Agency (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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's 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 Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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

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

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

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

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

Jacqueline Saunders BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

Date: .....

**Independent Reporting Accountant's Assurance Report on Regularity to  
Jerry Clay Academy and the Education Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Jerry Clay Academy 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 Jerry Clay Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Jerry Clay Academy 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 Jerry Clay Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Jerry Clay Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Jerry Clay Academy's funding agreement with the Secretary of State for Education 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the academy
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the academy's system of controls
- Examination of relevant documents
- Review of the activities carried out by the academy
- Review of the delegated authorities set out in the Academies Financial Handbook

**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.

Allotts Business Services Ltd  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

Date: .....

**Jerry Clay Academy**

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For The Year Ended 31 August 2015**

		Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	2015 Total funds £'000	2014 Total funds £'000
	Notes					
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds</b>						
Activities for generating funds	2	13	13	-	26	27
Investment income	3	1	-	-	1	1
<b>Incoming resources from charitable activities</b>						
Academy's educational operations	4	-	942	235	1,177	1,006
<b>Total incoming resources</b>		14	955	235	1,204	1,034
<b>RESOURCES EXPENDED</b>						
<b>Charitable activities</b>						
Academy's educational operations	6	10	875	86	971	942
<b>Governance costs</b>	7	-	13	-	13	13
<b>Total resources expended</b>	5	10	888	86	984	955
<b>NET INCOMING RESOURCES</b>		4	67	149	220	79
<b>Gross transfers between funds</b>	17	-	(20)	20	-	-
<b>Net incoming resources before other recognised gains and losses</b>		4	47	169	220	79
<b>Other recognised gains/losses</b>						
Actuarial gains/losses on defined benefit schemes		-	5	-	5	18
<b>Net movement in funds</b>		4	52	169	225	97
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		91	(96)	1,842	1,837	1,740
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>95</u>	<u>(44)</u>	<u>2,011</u>	<u>2,062</u>	<u>1,837</u>

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities.

A statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The notes form part of these financial statements

**Jerry Clay Academy (Registered number: 07688230)**

**Balance Sheet**  
**At 31 August 2015**

	Notes	2015 £'000	2014 £'000
<b>FIXED ASSETS</b>			
Tangible assets	11	1,962	1,811
<b>CURRENT ASSETS</b>			
Debtors	12	52	92
Cash at bank		<u>341</u>	<u>223</u>
		393	315
<b>CREDITORS</b>			
Amounts falling due within one year	13	(93)	(89)
		<u>300</u>	<u>226</u>
<b>NET CURRENT ASSETS</b>			
		2,262	2,037
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>PENSION LIABILITY</b>	18	(200)	(200)
		<u>2,062</u>	<u>1,837</u>
<b>NET ASSETS</b>			
<b>FUNDS</b>	17		
Unrestricted funds:			
General fund		95	91
Restricted funds:			
Fixed Asset fund		2,011	1,842
General fund		156	104
Pension reserve		<u>(200)</u>	<u>(200)</u>
		<u>1,967</u>	<u>1,746</u>
<b>TOTAL FUNDS</b>		<u>2,062</u>	<u>1,837</u>

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

.....  
Trustee

**Jerry Clay Academy**

**Cash Flow Statement**  
**For The Year Ended 31 August 2015**

		2015 £'000	2014 £'000
<b>Net cash inflow from operating activities</b>	Notes 1	121	84
<b>Returns on investments and servicing of finance</b>	2	1	1
<b>Capital expenditure and financial investment</b>	2	(2)	6
		<u>120</u>	<u>91</u>
<b>Financing</b>	2	(2)	(2)
		<u>118</u>	<u>89</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
Increase in cash in the period		<u>118</u>	<u>89</u>
Change in net debt resulting from cash flows		<u>118</u>	<u>89</u>
<b>Movement in net funds in the period</b>		118	89
<b>Net funds at 1 September</b>		<u>223</u>	<u>134</u>
<b>Net funds at 31 August</b>		<u>341</u>	<u>223</u>

The notes form part of these financial statements

Jerry Clay Academy

Notes to the Cash Flow Statement  
For The Year Ended 31 August 2015

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

	2015 £'000	2014 £'000
Net incoming resources	220	79
Depreciation charges	86	85
Capital grants from DfE/EFA	(235)	(120)
Interest received	(1)	(1)
Decrease in debtors	40	73
Increase/(decrease) in creditors	6	(45)
Difference between pension charge and cash contributions	<u>5</u>	<u>13</u>
<b>Net cash inflow from operating activities</b>	<b><u>121</u></b>	<b><u>84</u></b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2015 £'000	2014 £'000
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>1</u>	<u>1</u>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b><u>1</u></b>	<b><u>1</u></b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(237)	(114)
Capital grants from DfE/EFA	<u>235</u>	<u>120</u>
<b>Net cash (outflow)/inflow for capital expenditure and financial investment</b>	<b><u>(2)</u></b>	<b><u>6</u></b>
<b>Financing</b>		
Loan repayments in year	<u>(2)</u>	<u>(2)</u>
<b>Net cash outflow from financing</b>	<b><u>(2)</u></b>	<b><u>(2)</u></b>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.14 £'000	Cash flow £'000	At 31.8.15 £'000
Net cash:			
Cash at bank	223	118	341
	<u>        </u>	<u>        </u>	<u>        </u>
Total	<b><u>223</u></b>	<b><u>118</u></b>	<b><u>341</u></b>

## Jerry Clay Academy

### Notes to the Financial Statements For The Year Ended 31 August 2015

#### 1. ACCOUNTING POLICIES

##### **Basis of preparation**

The financial statements 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 EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

##### **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 financial statements.

##### **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.

##### **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.

##### **Donated goods, facilities and services**

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

##### **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.

All resources expended are inclusive of irrecoverable VAT.

##### **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.

## Jerry Clay Academy

### Notes to the Financial Statements - continued For The Year Ended 31 August 2015

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

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.

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

Inherited buildings	over 29 years, being the remainder of the life of the buildings
Buildings	over 50 years
Long leasehold land	over 125 years, being the length of the lease
Fixtures, fittings and equipment	15% straight line
ICT equipment	33% straight line

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.

##### **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 part 11, chapter 3 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.

##### **Fund accounting**

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 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 with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**1. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

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

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

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

**2. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Staff cover insurance	-	1	1	4
Trips	-	9	9	11
Other events and activities	7	-	7	-
Sundry income	<u>6</u>	<u>3</u>	<u>9</u>	<u>12</u>
	<u>13</u>	<u>13</u>	<u>26</u>	<u>27</u>

**3. INVESTMENT INCOME**

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Interest	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

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

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
<b>DfE/EFA revenue grant</b>				
General Annual Grant(GAG)	-	856	856	853
Other DfE/EFA grants	<u>-</u>	<u>76</u>	<u>76</u>	<u>16</u>
	-	932	932	869
<b>DfE/EFA capital grant</b>				
Capital grants	-	235	235	120
<b>Other government grant</b>				
Local authority grants	<u>-</u>	<u>10</u>	<u>10</u>	<u>17</u>
	<u>-</u>	<u>1,177</u>	<u>1,177</u>	<u>1,006</u>

**5. RESOURCES EXPENDED**

	Staff costs £'000	Non-pay expenditure		2015 Total £'000	2014 Total £'000
		Premises £'000	Other costs £'000		
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	526	68	100	694	696
Allocated support costs	<u>124</u>	<u>71</u>	<u>82</u>	<u>277</u>	<u>246</u>
	650	139	182	971	942
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>	<u>13</u>
	<u>650</u>	<u>139</u>	<u>195</u>	<u>984</u>	<u>955</u>

Net resources are stated after charging/(crediting):

	2015 £'000	2014 £'000
Auditors' remuneration	7	7
Auditors' remuneration for non-audit work	1	-
Depreciation - owned assets	86	86
Operating leases - Others	<u>-</u>	<u>5</u>

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

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
<b>Direct costs</b>				
Teaching and educational support staff	-	526	526	546
Depreciation	-	86	86	85
Technology costs	-	17	17	17
Educational supplies	-	29	29	25
Staff development	-	8	8	8
Trips	-	12	12	11
Other direct costs	<u>10</u>	<u>6</u>	<u>16</u>	<u>4</u>
	10	684	694	696

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

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

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
<b>Allocated support costs</b>				
Support staff costs	-	124	124	117
Recruitment and support	-	2	2	2
Maintenance of premises and equipment	-	29	29	31
Cleaning	-	9	9	10
Rent and rates	-	5	5	5
Energy costs	-	15	15	11
Insurance	-	20	20	21
Security and transport	-	1	1	1
Catering	-	46	46	21
Other support costs	-	26	26	27
	-	277	277	246
	<u>10</u>	<u>961</u>	<u>971</u>	<u>942</u>

**7. GOVERNANCE COSTS**

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Auditors' remuneration	-	7	7	7
Auditors' remuneration for non-audit work	-	1	1	-
Legal and professional fees	-	5	5	6
	-	13	13	13

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**8. TRUSTEES' REMUNERATION AND BENEFITS**

One or more trustees have been paid remuneration or have received benefits from employment with the academy trust. The Headteacher and 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, other than expenses, from the academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

T Swinburne (Headteacher and trustee) - from 01.09.2014

Remuneration £55,000 - £60,000

Employer's pension contributions £5,000 - £10,000

C Smith (staff trustee)

Remuneration £45,000 - £50,000 (2014: £40,000 - £45,000)

Employer's pension contributions £5,000 - £10,000 (2014: £5,000 - £10,000)

K Parkin (staff trustee) - to 31.12.14

Remuneration £10,000 - £15,000 (2014: £40,000 - £45,000)

Employer's pension contributions £0 - £5,000 (2014: £5,000 - £10,000)

A Palin (staff trustee) - from 12.02.2015

Remuneration £15,000 - £20,000

Employer's pension contributions £0 - £5,000

M Hart (staff trustee)

Remuneration £10,000 - £15,000 (2014: £10,000 - £15,000)

Employer's pension contributions £0 - £5,000 (2014: £0 - £5,000)

**Trustees' expenses**

During the year ended 31 August 2015 no expenses (2014: £nil) were paid to trustees who worked for the school.

**Other transactions**

Other related party transactions involving the trustees are set out in the Related Party Disclosures note.

**9. STAFF COSTS**

	2015 £'000	2014 £'000
Wages and salaries	530	510
Social security costs	28	31
Other pension costs	<u>81</u>	<u>91</u>
	639	632
Supply teacher costs	<u>11</u>	<u>31</u>
	<u>650</u>	<u>663</u>

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

	2015	2014
Teachers including classroom support	14	13
Administration and support	4	4
Leadership and management	<u>3</u>	<u>4</u>
	<u>21</u>	<u>21</u>

No employees received emoluments in excess of £60,000.

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**10. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2015 was deducted through the RPA agreement (2014: £1,496). The cost of this insurance is included in the total insurance cost.

**11. TANGIBLE FIXED ASSETS**

	Assets under construction £'000	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Totals £'000
<b>COST</b>					
At 1 September 2014	80	1,827	66	70	2,043
Additions	-	207	30	-	237
Reclassification	<u>(80)</u>	<u>80</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2015	<u>-</u>	<u>2,114</u>	<u>96</u>	<u>70</u>	<u>2,280</u>
<b>DEPRECIATION</b>					
At 1 September 2014	-	159	25	48	232
Charge for year	<u>-</u>	<u>58</u>	<u>14</u>	<u>14</u>	<u>86</u>
At 31 August 2015	<u>-</u>	<u>217</u>	<u>39</u>	<u>62</u>	<u>318</u>
<b>NET BOOK VALUE</b>					
At 31 August 2015	<u>-</u>	<u>1,897</u>	<u>57</u>	<u>8</u>	<u>1,962</u>
At 31 August 2014	<u>80</u>	<u>1,668</u>	<u>41</u>	<u>22</u>	<u>1,811</u>

The trust's transactions relating to land and buildings included:

- the acquisition of the freehold on Jerry Clay Lane which was donated to the trust at a value of £1,613,198

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £'000	2014 £'000
Other debtors	16	48
Prepayments and accrued income	<u>36</u>	<u>44</u>
	<u>52</u>	<u>92</u>

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£'000	£'000
Trade creditors	25	47
Accruals and deferred income	<u>68</u>	<u>42</u>
	<u>93</u>	<u>89</u>
	2015	2014
	£'000	£'000
<b>Deferred income</b>		
Deferred Income at 1 September 2014	22	4
Resources deferred in the year	37	22
Amounts released from previous years	<u>(22)</u>	<u>(4)</u>
Deferred Income at 31 August 2015	<u>37</u>	<u>22</u>

At the balance sheet date the academy trust was holding funds received in advance for school trips taking place after 31 August 2015, income relating to free school meals received in advance and income received by the strategic alliance in relation to work done in the 2015/16 year.

**14. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2015	2014
	£'000	£'000
Expiring:		
Between one and five years	<u>3</u>	<u>4</u>

**15. MEMBERS' LIABILITY**

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

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund	Restricted funds	Fixed asset fund	2015 Total funds	2014 Total funds
	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	1,962	1,962	1,811
Current assets	95	249	49	393	315
Current liabilities	-	(93)	-	(93)	(89)
Pension liability	<u>-</u>	<u>(200)</u>	<u>-</u>	<u>(200)</u>	<u>(200)</u>
	<u>95</u>	<u>(44)</u>	<u>2,011</u>	<u>2,062</u>	<u>1,837</u>

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**17. MOVEMENT IN FUNDS**

	Balance at 1/9/14 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31/8/15 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	100	856	(784)	(16)	156
Other DfE/EFA grants	-	76	(76)	-	-
Other grants	4	10	(10)	(4)	-
Other income	-	13	(13)	-	-
Pension reserve	(200)	-	(5)	5	(200)
	<u>(96)</u>	<u>955</u>	<u>(888)</u>	<u>(15)</u>	<u>(44)</u>
<b>Restricted fixed asset funds</b>					
Inherited assets	1471	-	(50)	-	1421
DfE/EFA capital grants and capital expenditure from GAG	<u>371</u>	<u>235</u>	<u>(36)</u>	<u>20</u>	<u>590</u>
	<u>1842</u>	<u>235</u>	<u>(86)</u>	<u>20</u>	<u>2011</u>
<b>Total restricted funds</b>	<u>1746</u>	<u>1190</u>	<u>(974)</u>	<u>5</u>	<u>1967</u>
<b>Unrestricted funds</b>	<u>91</u>	<u>14</u>	<u>(10)</u>	<u>-</u>	<u>95</u>
<b>TOTAL FUNDS</b>	<u>1837</u>	<u>1204</u>	<u>(984)</u>	<u>5</u>	<u>2062</u>

GAG may only be spent in compliance with the academy's funding agreement.

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.

Other grants include the following:

SEN funding - This is funding for children identified as special education needs for various reasons and this funding allows them access to teachers and teaching assistants for a certain number of hours per week to help with this need.

Other EFA grants includes the following:

- Pupil premium
- PE & Sports Funding

**18. PENSION 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 West Yorkshire Pensions Authority. 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 of the LGPS 31 March 2013.

No contributions were outstanding at the current or previous year-end.

Notes to the Financial Statements - continued  
For The Year Ended 31 August 2015

**18. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

**Teachers' pension scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. 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 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 earning growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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 £42,000 (2014: £43,000).

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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £47,000 (2014: £46,000), of which employer's contributions totalled £35,000 (2014: £34,000) and employees' contributions totalled £12,000 (2014: £12,000). The agreed contribution rates for future years are 12.4 per cent for employers and between 5.5 and 12.5 per cent 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.

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**18. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Present value of funded obligations	(908)	(851)
Fair value of plan assets	<u>708</u>	<u>651</u>
Deficit	<u>(200)</u>	<u>(200)</u>

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

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Current service cost	51	50
Interest cost	32	34
Expected return on assets	<u>(43)</u>	<u>(37)</u>
	<u>40</u>	<u>47</u>
Actual return on plan assets	<u>9</u>	<u>77</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities.

The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS17 is a £47,000 loss (2014: £52,000 loss).

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
At 1 September	(851)	(735)
Current service cost	(51)	(50)
Employee contributions	(12)	(12)
Interest cost	(32)	(34)
Actuarial (gain) / loss	39	(22)
Benefits paid	<u>(1)</u>	<u>2</u>
	<u>(908)</u>	<u>(851)</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
At 1 September	651	530
Employer contributions	35	34
Employee contributions	12	12
Expected return on assets	43	37
Actuarial gain / (loss)	(34)	40
Benefits paid	<u>1</u>	<u>(2)</u>
	<u>708</u>	<u>651</u>

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**18. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

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

	Defined benefit pension plans	
	2015	2014
Equities	75.9%	75.1%
Property	4.5%	3.3%
Equities	10.4%	10.3%
Other Bonds	4.6%	5.2%
Cash	1.5%	3.9%
Other	3.1%	2.2%

A building block approach is used to determine the rate of return on fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each class of asset is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the fund at the accounting date.

The adoption of FRS102 in the next accounting period removes the requirement to recognise an expected rate of return on assets item in the profit and loss charge. This item will be replaced with a net financing charge which is based on the discount rate assumption. As the expected return on assets is based on the assumption at the start of the accounting period, assumptions for the expected return on assets are not required at 31 August 2015.

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

	2015	2014
Rate of increase in salaries	3.5%	3.6%
Rate of increase for pensions in payment	2%	2.1%
Discount rate for scheme liabilities	3.8%	3.7%

Commutation of pension for lump sum on retirement

At the last full valuation of the employers liabilities:

Each member assumed to exchange 50% of the maximum amounts permitted of their pre 1 April 2010 pension entitlement for additional lump sum.

Each member assumed to exchange 75% of the maximum amounts permitted of their post 1 April 2010 pension entitlement for additional lump sum

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males	22.6	22.5
Females	25.5	25.4
Retiring in 20 years		
Males	24.8	24.7
Females	27.8	27.7

Amounts for the current and previous two periods are as follows:

	2015 £'000	2014 £'000	2013 £'000
<b>Defined benefit pension plans</b>			
Present value of defined benefit obligations	(908)	(851)	(735)
Fair value of share of scheme assets	708	651	530
Deficit	(200)	(200)	(205)
Experience adjustments on scheme liabilities	-	(41)	-
Experience adjustments on scheme assets	(34)	40	33

The estimated value of employer contributions for the year ended 31 August 2016 is £36,000.

**Jerry Clay Academy**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2015**

**19. RELATED PARTY DISCLOSURES**

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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.