

Company Registration No. 08610504 (England and Wales)

HARDEN PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2016

HARDEN PRIMARY SCHOOL

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HARDEN PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Mrs M Bean (Resigned 9 December 2015)
Mrs S Bottomley (Acting Chair)
Mrs K Campbell (Resigned 6 September 2016)
Mrs S Dunwell (Appointed 4 March 2016)
Revd S R Evans (Resigned 15 July 2016)
Mrs N Frear
Mr A Hurst
Mrs K Hutchinson (Head Teacher)
Mrs M Mangham (Resigned 9 December 2015)
Mrs C E Powis (Chair of Governors to 9 December 2015) (Resigned 9 December 2015)
Mrs L Sugden
Mrs J E Wakefield
Mr S Walker

Members

Revd S R Evans
Mr J Hammond
Mr A Hurst
Mrs A J McGonigle
Mr A Hurst

Senior management team

- Head Teacher Mrs K Hutchinson
- Acting Deputy Head Teacher Mr P Weston
- Acting Assistant Head Teacher Miss C Hall (Appointed 01 September 2016)
- Business Manager Mrs N Frear
- Assistant Head Teacher Miss L Sugden
- Deputy Head Teacher Mrs A Smith (Resigned 22 January 2016)

Clerk to the Governors

Mrs B Carney

Company registration number

08610504 (England and Wales)

Registered office

Long Lane
Harden
Bingley
BD16 1LJ

Independent auditor

Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Bankers

Lloyds Bank Plc
45 Hustlergate
Bradford
West Yorkshire
BD1 1NT

HARDEN PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Yorkshire Bank
107 Main Street
Bingley
West Yorkshire
BD16 2HX

Solicitors

Schofield Sweeney LLP
Church Bank House
Church Bank
Bradford
West Yorkshire
BD1 4DY

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in Harden.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Governors are the trustees of Harden Primary School and are also the directors of the charitable company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

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.

Governors' indemnities

In accordance with normal commercial practice the school has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance provides cover up to £5,000,000 for Executive Liability, £500,000 for Employment Practices Liability and £5,000,000 for Organisation Liability.

Method of recruitment and appointment or election of Governors

The articles permit the appointment of five Governors by Members, a minimum of two elected parent Governors, and the Members may appoint staff Governors who, including the Head Teacher do not exceed one third of the total Governors. The governing body may also co-opt Governors and the Head Teacher is deemed to be an ex-officio Governor.

Policies and procedures adopted for the induction and training of Governors

The School has a Governor Handbook which encourages all Governors to attend training courses as often as possible. The School has a Service Level Agreement with the Local Authority for Governor Training courses.

Organisational structure

The Governing Body is responsible for the setting of general policies relating to the School Development Plan, approving the school's annual budget, monitoring the school's financial position and the making of major decisions about the direction of the school, capital expenditure and the recruitment and appointing senior staff at the school.

The Senior Leadership Team is made up of the Head Teacher, the Deputy Head Teacher, two Assistant Head Teachers and the School Business Manager. These managers control the school at an executive level implementing the policies laid down by the Governors and reporting back to them. The Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for teaching posts always contains at least one Governor.

Arrangements for setting pay and remuneration of key management personnel

Pay ranges for the Head Teacher, Deputy Head and Assistant Head Teachers will be determined in accordance with the criteria specified in the 2015/16 STPCD and ensuring fair pay relatives, where the Governing Body believe these to be appropriate.

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

To move up the main pay range, teachers and Head Teachers will need to show that they have been judged as having a successful performance appraisal. This will include competency in the Teachers' Standards and good progress towards set objectives. The Governing body may exercise its' discretion and award enhanced pay progression for exceptional performance. The Governing Body may also decide not to award pay progression where the performance appraisal is considered unsuccessful. Any concerns raised about performance must have been shared with the teacher/Headteacher as part of the appraisal cycle and not been sufficiently addressed in order for this determination to be made. However, if the reasons for this are beyond the control of the member of staff, or there have been extenuating circumstances, the governing body has the discretion to award an increment if they wish.

Pay recommendations need to be made by 31 December for Headteachers and by 31 October for other teachers.

Related parties and other connected charities and organisations

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

Details of any such transactions within the year are detailed at note 21 to the accounts.

Objectives and activities

Objects and aims

We provide education for pupils of different abilities between the ages 4 and 11. This year we have developed a new ethos, values and aims statement to reflect what we strive for at Harden Primary.

Ethos

Believing in your abilities.....

Every child is important to us and we work hard to ensure that all children have a positive attitude towards learning. Through assemblies and a caring and encouraging climate we ensure that the children can achieve their potential and believe that they can reach for the stars!

Achieving your goals.....

All the children are a valued member of our school and we encourage them to have goals and aspirations to work towards. Through good quality teaching, support and challenge we ensure that all children, by believing in their abilities, achieve their full potential.

Succeeding beyond expectations.....

Learning is a journey which we believe should be exciting and engaging with no end in sight. We provide a safe and caring environment essential for children to develop the necessary confidence to take risks and challenge themselves to achieve their goals and succeed beyond expectations.

Aims

To become an outstanding school by:

Providing a happy, caring and positive environment which is safe and secure for all those learning and working in our school.

Creating an efficient, stimulating and challenging atmosphere in which to teach and learn.

Promoting the highest standards of work and behaviour.

Valuing all pupils equally to develop their confidence and self-esteem, and to encourage a sense of belonging within school and the wider community.

Providing a broad, balanced and relevant curriculum that inspires the pupils to think critically and become independent learners.

Promote and maintain good working relationships between all those involved in our school - staff, pupils, Governors, parents and the community.

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Public benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance

End of all Key stages and phonic assessments are above the national averages. Our attainment scores at the end of Key Stage 2 show that the majority of children leave Harden Primary at or above the National Expectations. Due to the new assessments for end of Key Stage 1 and Key Stage 2 we are unable to make comparisons to previous years' data. The data below reflects the new assessments.

The end of Foundation stage good level of development has increased by 1% from 2015. The end of year 1 phonics screening has increased by 6.3% and the end of year 2 phonics is in line with last year's result.

End of Foundation Stage

	2014	2015	2016	2015 National
GLD - good level of development	77%	83%	84%	66.3%

Phonics Screening

Year 1	2014	2015	2016	2015 National
% of children	74.2%	83%	89.3%	77%

Year 2	2014	2015	2016	2015 National
% of children	0%	96.6%	96.6%	90%

End of Key stage 1

Subject	Working at Expected Level or above	National 2016
Reading	86.6%	81%
Writing	83.3%	70%
Maths	86.6%	80%

End of Key stage 2

Subject	School result	National 2016
Reading	81%	66%
Writing	77%	74%
Grammar, punctuation and spelling	81%	72%
Maths	74%	70%

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Average scaled scores in Key stage 2

Reading	103
GPS	103
Maths	104

Sporting

Sport continued to have a strong presence during this academic year and the school has offered a wide range of curricular sporting activities. KS2 have benefitted from the support of a Sports Coach during lunchtime to help develop teamwork and skills in football, netball and cricket. Friday afternoons have been given over to martial arts, with KS2 having taken part in one 6-week course and KS1 having taken part in two 6-week courses. All children have benefited from specialist Physical Education teachers during PE lessons.

In addition to the curriculum, extra-curriculum activities have played a prominent part in school life. After school activity clubs offer a varied range of sporting opportunities and available to all key stages. We have enjoyed a number of successes in competitions in the local region.

The school continues to work closely with local secondary schools, Bradford Council and a range of sporting partners throughout the Bradford area. These links have provided the school opportunities to participate in competitions with other local schools.

Music

Our choir participated in the nation wide Young Voices 2016 event and continue to sing for the Pensioners Christmas Lunch and at the Queen's 90th Birthday Celebration Lunch.

Year 4 have had the opportunity to take part in lessons from a specialist music teacher in learning to play a brass instrument.

Curriculum

The new curriculum has continued to be implemented in all classes and long-term and medium-term continues to be revised to ensure provision is skills led and focuses upon promoting basic skills of numeracy and literacy.

Total Pupils on roll in the period ended 31st August 2016. This is split between the year groups as follows:

Year	Total
Year 1	28
Year 2	30
Year 3	30
Year 4	29
Year 5	30
Year 6	26
Reception	31
Totals	204

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

How school has been improved through academic year 2015-2016

Improving teaching and learning through:

- Quality coaching and mentoring for all staff to ensure expectations of all groups of children are high
- Holding teaching staff to account for children's outcomes and progress
- Weekly monitoring activities, pertinent feedback to staff, followed by continual monitoring
- Continuing to insist on good quality marking and feedback to ensure it has an impact upon children's progress.
- Quality CPD for all staff
- Developing a good teaching learning sequence for both numeracy and literacy

Improving quality of leadership and management through:

- Support from external SLTs from local primary schools
- Support from SSMG
- Ensuring Assistant Head Teachers clear of expectations of monitoring and reporting to the Head Teacher and Governors
- Ensuring sufficient release time is allocated to Assistant Head Teachers to carry out role effectively

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

A large proportion of the Academy's income is obtained from the EFA and the local authority in the form of recurrent grants, the use of which is strictly restricted to a particular purpose. The grants received from the EFA and local authority during the period ended 31 August 2016 and the associated expenditure is shown as restricted funds in the statement of financial activities. The remaining income is in relation to fund raising activities and contributions from parents towards school clubs and trips. This is income and the associated expenditure is shown as unrestricted funds in the statement of financial activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2016, the total expenditure (excluding fixed asset funds) of £1,068,161 was covered by the recurrent grant funding and associated income streams. The excess of expenditure over income for the period (excluding restricted fixed asset funds and pension deficit) was £63,306.

Reserves policy

The Governors review reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, this is to match income with commitment and the nature of reserves. The Governors take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £18,526 all of which are free reserves.

Investment policy and powers

The Academy has an investment policy that is reviewed annually, this gives the Head Teacher the authority to invest in appropriate investments should the need arise. Currently the school has no investments.

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Principal risks and uncertainties

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

The main risk to the Academy is that the school is funded according to pupils on roll, a drop in students could affect the financial stability of the school. Other than this there is no other potential risk that could affect the financial stability of the school. In addition the school has a detailed Business Continuity Plan which covers all financial aspects that may affect the school. Within the plan there is a backup procedure for minimising any impact on the school.

Financial and risk management objectives and policies

Harden Primary School's income is obtained from the EFA in line with the funding agreement of the Academy. As such, the Academy's exposure to financial risks is limited to cash flow and liquidity risks.

Harden Primary School has a pension deficit of £414,000 relating to the LGPS defined benefit scheme.

Plans for future periods

Future Plans for school improvement 2016-2017

- Continue to work with all staff to mentor and coach on using good quality texts for literacy, including reading comprehension skills.
- Continue to raise expectations when teaching writing and ensure the text chosen are of high enough quality.
- Continue to monitor workbooks to ensure children continue to write at length on a regular basis and have the opportunity to practice and refine grammatical skills.
- Continue to monitor marking and feedback in workbooks and ensure it is having the correct impact across all year groups.
- To work with all staff to ensure Maths teaching is heavily focused upon practicing reasoning skills
- Continue to monitor and evaluate teaching and learning through a robust monitoring cycle and act on findings immediately.
- Continue to develop and support all leaders to be the best they can and offer good quality CPD.

HARDEN PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Auditor

In so far as the Governors are aware:

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

A resolution proposing that Simpson Wood Limited be reappointed as auditor of the charitable company will be put to the Members.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 05 December 2016 and signed on its behalf by:

Mrs S Bottomley
Chair of Governors

HARDEN PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Head Teacher, 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 Harden Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 7 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
Mrs M Bean (Resigned 9 December 2015)	2	2
Mrs S Bottomley (Acting Chair)	4	7
Mrs K Campbell (Resigned 6 September 2016)	3	7
Mrs S Dunwell (Appointed 4 March 2016)	3	3
Revd S R Evans (Resigned 15 July 2016)	7	7
Mrs N Frear	6	7
Mr A Hurst	6	7
Mrs K Hutchinson (Head Teacher)	7	7
Mrs M Mangham (Resigned 9 December 2015)	1	2
Mrs C E Powis (Chair of Governors to 9 December 2015) (Resigned 9 December 2015)	2	2
Mrs L Sugden	6	7
Mrs J E Wakefield	6	7
Mr S Walker	5	7

2015/16 has seen a number of changes on the Governing body's leadership with resignations from two Chair of Governors and one Vice-Chair. The Board of Governors is robust enough to have withstood these changes and have appointed within the existing membership to fulfil these roles.

The Board of Governors carried out a review of the governance and skills audit in 2015/16. An external body was appointed to assist with this process. The review clearly identified governor skills and expertise and helped with recruitment of a new governor with a particular skill set. This will act as a basis with future recruitment of governors as vacancies arise.

The Board of Governors has identified that a further review should be undertaken in Autumn 2017, unless circumstances dictate that a review is required earlier.

HARDEN PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

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

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

Challenge

The Governors of the school ensure sufficient challenge to improve school performance through:

- An effective School Development Plan, which sets challenging targets centred on improvement not maintenance. Built into this plan is clear action planning and set dates for monitoring and review.
- Use of Ofsted SEF as an ongoing check on the schools position.
- Individual pupil tracking (IPT) through regular assessments all NC subjects and areas of learning.
- Use of a range systems to ensure security in data.
- Challenging individual and Class/Year group targets set and monitored. These based on the previously mentioned assessments.
- Annual budget is tracked closely and analysed at the end of each month by Senior Management and by the Personnel & Finance Sub-Committee on a regular basis.

Examples this year:

The new curriculum long term plans have been revised to ensure that they are skills led and medium term and short term planning expectations were rolled out across the school. A new way of assessing pupils has been developed in light of the new government initiative of 'assessing without levels'. Key performance indicators have been set to ensure expectations are high across all year groups.

A new development plan format has been implemented and now is sharp and highly focused.

The school's Resource Assistant has continued to review all suppliers and as a result has changed a number of suppliers which has resulted in better value, a higher quality of service at a more competitive price. This is an on-going exercise.

HARDEN PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Comparison

The Governors of the school undertake comparisons to benchmark performance through:

- An annual analysis of the SAT Results, LA Data Book, FFT and RAISE. The school compares itself with other schools using data gained from these sources.
- Use of other indicators on academic progress such TA's, to compare progress made in Classes and Year groups and against National Averages / Expectations.
- A Whole School Review conducted annually, allowing the results to feed into each year's School Development Plan, and comparisons to be made year on year.
- Use of the Head Teacher and other leadership networks to compare costs and standards of service contracts, in order to make an informed judgement when looking at this year's school budget.
- Prices for bulk orders (e.g. photocopying paper, capitation, ICT consumables) compared by the people responsible for the budget area before purchases are made.
- We use EFA guidance for all tenders over £5,000, but review annually all suppliers

Examples this year:

In October 2015, the school was revisited by Ofsted, HMI. The inspection was to judge whether the school leaders are taking effective action to improve the school to become good at the next full inspection. The school was judged to be taking effective action and making good progress.

An evaluation of raise online has been undertaken and information has been fed into the School Development Plan to drive further improvements.

Consultation

The Governors of the school ensure consultation with all the stakeholders of the school through:

- Use of whole school review surveys to consult with staff, children, parents and Governors on their opinions and expectations.
- Regular parents' evenings to report children's progress back to parents/carers.
- Weekly staff meetings to work on whole school issues as a team and to keep staff informed.
- Half Termly Support Staff meetings which feed into staff meetings and provide a platform to address issues.
- Weekly meetings of an elected School Council to review issues. Class Councils feed into this forum. These Council meetings meet with the Head and Deputy each half term.
- Use of locality, academy and friendship networks to consider issues pertinent to all.
- Regular meetings of the school's PTFA to consult on how they can support the school financially and socially.
- Regular meetings of the school's Governing body and the various Sub-Committees to discuss the monitoring and review of the school's performance and progress.
- Head attends briefing meetings and formal & informal heads' meetings.
- Feedback from parental and child questionnaires on an annual basis.
- Feedback from the website, noticeboard and weekly newsletter is encouraged.
- Use of targeted courses and workshops

Examples this year:

The Governors have undertaken a whole school parental survey at the end of the school year and the statistical analysis of this will be known in Autumn 2016.

Increase in Governor attendance at parent events and assemblies.

HARDEN PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Competition

The Governors of the school ensure the principles of competition through:

- Having a purchasing policy at Harden Primary School that is based on fairness, accountability and value for money.
- A system for informal tendering (for projects of £5,000 or less) which ensures best value by allowing the Head Teacher, under monitoring by the Personnel & Finance sub-committee, to choose a contract / service / supplier whose bid can be compared with a small number (usually 3 in total) of other bids.
- Annual review of contracts and service level agreements to ensure best value.
- We recognise that, more and more, our school is in competition for the children in our local area. We strive to ensure maximum take up and retention of pupils through providing a quality education in stimulating, safe and secure environments. Whenever possible we promote the school in a positive way.
- We now offer extra facilities such as a before and after school club and many extra curricular activities.

Example this year:

The effects of the school's rebranding and marketing throughout 2015/16 have had a positive impact in the additional number of children allocated to the school at the end of the school year, for admission in September 2016.

The school has allocated funds to replace the old minibus with a new, leased minibus which portrays a positive image of the school when attending competitions and driving within the local area.

The school has invested in IT equipment for the benefit of the pupils and the replacement of the fencing in the KS2 playground helps to promote a positive image of the school.

A working plan has been developed in conjunction with our IT provider to upgrade our IT infrastructure, with the work to be carried out during Summer 2016 ready for the start of the 2016/17 academic year.

Work started on a bid in 2015/16 for roofing repairs and to improve security around the school.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Harden Primary School for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

HARDEN PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors;
- regular reviews by the finance and 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 Governors can confirm that additional audit checks have been performed by Simpson Wood on schedule and that no remedial actions were identified during 2015/16 however any future remedial action identified by them will be put in place with immediate effect.

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

On a termly basis, the auditor reports to the Board of Governors through the finance and general purposes committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Governors.

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 external auditor;
- 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 general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Governors on 5 December 2016 and signed on its behalf by:

Mrs S Bottomley
Chair of Governors

HARDEN PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2016*

As Accounting Officer of Harden Primary School I have considered my responsibility to notify the academy trust Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust's Board of Governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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

Mrs K Hutchinson
Accounting Officer

05 December 2016

HARDEN PRIMARY SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

In preparing these accounts, the Governors are required to:

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

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

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the Board of Governors on 5 December 2016 and signed on its behalf by:

Mrs S Bottomley
Chair of Governors

HARDEN PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF HARDEN PRIMARY SCHOOL

We have audited the accounts of Harden Primary School for the year ended 31 August 2016 set out on pages 22 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 17, the Governors, who are also the directors of Harden Primary School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 Governors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

HARDEN PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF HARDEN PRIMARY SCHOOL (CONTINUED)

Matters on which we are required to report by exception

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

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

Daniel McAllister FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wood Limited

Chartered Accountants

Statutory Auditor

Bank Chambers
Market Street
Huddersfield
HD1 2EW

Dated: 5 December 2016

HARDEN PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HARDEN PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 November 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Harden Primary School during the period 1 September 2015 to 31 August 2016 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 Harden Primary School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Harden Primary School 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 Harden Primary School and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Harden Primary School's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Harden Primary School's funding agreement with the Secretary of State for Education dated 29 August 2013 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
- When performing sample testing of expenditure, consider whether the activity is permissible within the Academy Trust's framework of authorities.

HARDEN PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HARDEN PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Daniel McAllister FCA
Reporting Accountant
Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Dated:

HARDEN PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	12,788	-	16,340	29,128	18,191
Charitable activities:						
- Funding for educational operations	3	-	968,347	-	968,347	996,591
Other trading activities	4	23,623	-	-	23,623	18,066
Investments	5	97	-	-	97	121
Total income and endowments		<u>36,508</u>	<u>968,347</u>	<u>16,340</u>	<u>1,021,195</u>	<u>1,032,969</u>
Expenditure on:						
Raising funds	6	23,037	-	-	23,037	25,342
Charitable activities:						
- Educational operations	7	-	1,045,124	31,608	1,076,732	999,966
Total expenditure	6	<u>23,037</u>	<u>1,045,124</u>	<u>31,608</u>	<u>1,099,769</u>	<u>1,025,308</u>
Net income/(expenditure)		13,471	(76,777)	(15,268)	(78,574)	7,661
Transfers between funds		(16,100)	16,100	-	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	(265,000)	-	(265,000)	10,000
Net movement in funds		<u>(2,629)</u>	<u>(325,677)</u>	<u>(15,268)</u>	<u>(343,574)</u>	<u>17,661</u>
Reconciliation of funds						
Total funds brought forward		26,466	(88,323)	1,407,781	1,345,924	1,328,263
Total funds carried forward		<u>23,837</u>	<u>(414,000)</u>	<u>1,392,513</u>	<u>1,002,350</u>	<u>1,345,924</u>

HARDEN PRIMARY SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2015
		£	£	£	£
Income and endowments from:					
Donations and capital grants	2	11,828	-	6,363	18,191
Charitable activities:					
- Funding for educational operations	3	-	996,591	-	996,591
Other trading activities	4	18,066	-	-	18,066
Investments	5	121	-	-	121
Total income and endowments		<u>30,015</u>	<u>996,591</u>	<u>6,363</u>	<u>1,032,969</u>
Expenditure on:					
Raising funds	6	25,342	-	-	25,342
Charitable activities:					
- Educational operations	7	-	970,979	28,987	999,966
Total expenditure	6	<u>25,342</u>	<u>970,979</u>	<u>28,987</u>	<u>1,025,308</u>
Net income/(expenditure)		4,673	25,612	(22,624)	7,661
Transfers between funds		-	2,233	(2,233)	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	18	-	10,000	-	10,000
Net movement in funds		<u>4,673</u>	<u>37,845</u>	<u>(24,857)</u>	<u>17,661</u>
Reconciliation of funds					
Total funds brought forward		<u>21,793</u>	<u>(132,531)</u>	<u>1,439,001</u>	<u>1,328,263</u>
Total funds carried forward		<u>26,466</u>	<u>(94,686)</u>	<u>1,414,144</u>	<u>1,345,924</u>

HARDEN PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2016

		2016		2015	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		1,391,759		1,407,781
Current assets					
Debtors	13	28,530		19,080	
Cash at bank and in hand		32,377		89,682	
		<u>60,907</u>		<u>108,762</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(36,316)		(41,619)	
Net current assets			24,591		67,143
Net assets excluding pension liability			1,416,350		1,474,924
Defined benefit pension liability	18		(414,000)		(129,000)
Net assets			<u>1,002,350</u>		<u>1,345,924</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			1,392,513		1,414,144
- General funds			-		34,314
- Pension reserve			(414,000)		(129,000)
Total restricted funds			<u>978,513</u>		<u>1,319,458</u>
Unrestricted income funds	16		23,837		26,466
Total funds			<u>1,002,350</u>		<u>1,345,924</u>

The accounts were approved by order of the Board of Governors and authorised for issue on 05 December 2016.

Mrs S Bottomley
Chair of Governors

Company Number 08610504

HARDEN PRIMARY SCHOOL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	2015 £
Net cash inflow/(outflow) from operating activities	19	(58,156)	1,322
Net cash inflow/(outflow) from returns on investments and servicing of finance		<u>97</u>	<u>121</u>
Capital expenditure and financial investments			
Capital grants received	16,340		6,363
Payments to acquire tangible fixed assets	(15,586)		-
Net cash flow from capital activities		<u>754</u>	<u>6,363</u>
Increase/(decrease) in cash		<u><u>(57,305)</u></u>	<u><u>7,806</u></u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Harden Primary School meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of Harden Primary School prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

1.4 Expenditure

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

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

Where applicable resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

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

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

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

Disposal of assets

Up to £500 - authorised by Head Teacher

Over £500 - authorised by Executive Committee

Asset disposal forms will be signed and retained by the Finance Officer.

Depreciation

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

Land and buildings	2% straight line
Computer equipment	20% straight line
Fixtures, fittings & equipment	15% 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.

No depreciation is provided in respect of freehold land.

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

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

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

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.8 Taxation

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

1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.10 Fund accounting

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

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

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

1.11 Critical accounting estimates and areas of judgement

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

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

No critical areas of judgement have been identified which would have a significant impact on the valuation of assets and liabilities within the accounts.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Capital grants	-	10,000	10,000	-
Educational visits	12,788	-	12,788	11,828
	<u>12,788</u>	<u>10,000</u>	<u>22,788</u>	<u>11,828</u>

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE / EFA grants				
General annual grant (GAG)	-	834,866	834,866	876,150
Other DfE / EFA grants	-	79,081	79,081	77,419
	<u>-</u>	<u>913,947</u>	<u>913,947</u>	<u>953,569</u>
Other government grants				
Local authority grants	-	54,400	54,400	43,022
	<u>-</u>	<u>54,400</u>	<u>54,400</u>	<u>43,022</u>
Total funding	<u>-</u>	<u>968,347</u>	<u>968,347</u>	<u>996,591</u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Activity club income	17,663	-	17,663	15,530
Other income	5,960	-	5,960	2,536
	<u>23,623</u>	<u>-</u>	<u>23,623</u>	<u>18,066</u>

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	97	-	97	121
	<u>97</u>	<u>-</u>	<u>97</u>	<u>121</u>

6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
- Direct costs	697,332	-	66,451	763,783	690,740
- Allocated support costs	90,599	56,040	166,310	312,949	309,226
	<u>787,931</u>	<u>56,040</u>	<u>232,761</u>	<u>1,076,732</u>	<u>999,966</u>
Other expenditure					
Raising funds	-	-	23,037	23,037	25,342
	<u>-</u>	<u>-</u>	<u>23,037</u>	<u>23,037</u>	<u>25,342</u>
Total expenditure	<u>787,931</u>	<u>56,040</u>	<u>255,798</u>	<u>1,099,769</u>	<u>1,025,308</u>

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees payable to auditor for:		
- Audit	4,300	4,131
- Payroll services	2,708	6,002
- Assurance	852	300
Operating lease rentals	6,691	2,339
Depreciation of tangible fixed assets	31,608	28,987
	<u>46,159</u>	<u>41,759</u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

	Total 2016 £	Total 2015 £
Direct costs		
Teaching and educational support staff costs	687,517	603,376
Technology costs	13,081	24,981
Educational supplies and services	39,734	44,030
Staff development	9,815	8,880
Educational consultancy	9,612	5,814
Other direct costs	4,024	3,659
	<u>763,783</u>	<u>690,740</u>
Allocated support costs		
Support staff costs	90,599	88,754
Depreciation	31,608	28,987
Technology costs	8,849	11,540
Recruitment and support	1,857	1,547
Maintenance of premises and equipment	24,432	24,484
Cleaning	19,713	20,736
Energy costs	16,863	20,532
Rent and rates	7,811	6,591
Insurance	16,124	17,557
Security and transport	5,506	3,522
Catering	54,192	54,665
Interest and finance costs	4,000	(3,000)
Other support costs	22,253	23,819
	<u>303,807</u>	<u>299,734</u>
Total costs	<u>1,067,590</u>	<u>990,474</u>

8 Governance costs

	Total 2016 £	Total 2015 £
Legal and professional fees	801	2,248
Auditor's remuneration		
- Audit of financial statements	4,300	4,131
- Other audit costs	852	300
Other governance costs	3,189	2,813
	<u>9,142</u>	<u>9,492</u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

9 Staff costs

	2016 £	2015 £
Wages and salaries	650,477	545,849
Social security costs	-	30,140
Operating costs of defined benefit pension schemes	96,994	87,341
	<hr/>	<hr/>
Staff costs	747,471	663,330
Supply staff costs	30,645	28,800
Staff development and other staff costs	9,815	8,880
	<hr/>	<hr/>
Total staff expenditure	787,931	701,010
	<hr/> <hr/>	<hr/> <hr/>

Staff numbers

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

	2016 Number	2015 Number
Teachers	7	6
Administration and educational support	22	23
Management (includes senior teachers)	5	5
	<hr/>	<hr/>
	29	29
	<hr/> <hr/>	<hr/> <hr/>

The average number of persons employed by the academy trust during the year expressed as full time equivalents was as follows:

Teachers	7	6
Administration and educational support	12	18
Management (includes senior teachers)	5	4
	<hr/>	<hr/>
	24	28
	<hr/> <hr/>	<hr/> <hr/>

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £ [xxx,xxx].

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

10 Governors' remuneration and expenses

The Head Teacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors. During the year, travel and subsistence payments totalling £Nil (2014: £Nil) were reimbursed to Governors.

The value of Governors' remuneration including pension contributions was as follows:

N Frear (staff)

Remuneration	£20,000 - £25,000 (2015: £Nil-£5,000*)
Pension costs	£Nil - £5,000 (2015: £Nil - £5,000*)

K Hutchinson (Head Teacher)

Remuneration	£50,000 - £55,000 (2015: £50,000 - £55,000)
Pension costs	£5,000 - £10,000 (2015: ££5,000 - £10,000)

L Sugden (staff)

Remuneration	£40,000 - £45,000 (2015: £30,000 - £35,000)
Pension costs	££5,000 - £10,000 (2015: £Nil - £5,000)

*This does not reflect a full years salary as N Frear was only a Governor for part of the prior year.

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

11 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £3,366 (2015 - £3,366).

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2015	1,455,000	10,537	-	1,465,537
Additions	-	5,660	9,926	15,586
	<u>1,455,000</u>	<u>16,197</u>	<u>9,926</u>	<u>1,481,123</u>
At 31 August 2016	1,455,000	16,197	9,926	1,481,123
	<u>1,455,000</u>	<u>16,197</u>	<u>9,926</u>	<u>1,481,123</u>
Depreciation				
At 1 September 2015	53,760	3,996	-	57,756
Charge for the year	26,880	3,239	1,489	31,608
	<u>80,640</u>	<u>7,235</u>	<u>1,489</u>	<u>89,364</u>
At 31 August 2016	80,640	7,235	1,489	89,364
	<u>80,640</u>	<u>7,235</u>	<u>1,489</u>	<u>89,364</u>
Net book value				
At 31 August 2016	1,374,360	8,962	8,437	1,391,759
	<u>1,374,360</u>	<u>8,962</u>	<u>8,437</u>	<u>1,391,759</u>
At 31 August 2015	1,401,240	6,541	-	1,407,781
	<u>1,401,240</u>	<u>6,541</u>	<u>-</u>	<u>1,407,781</u>

13 Debtors

	2016 £	2015 £
VAT recoverable	6,254	6,098
Other debtors	-	550
Prepayments and accrued income	22,276	12,432
	<u>28,530</u>	<u>19,080</u>
	<u>28,530</u>	<u>19,080</u>

14 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	10,470	15,092
Accruals and deferred income	25,846	26,527
	<u>36,316</u>	<u>41,619</u>
	<u>36,316</u>	<u>41,619</u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

15	Deferred income	2016	2015
		£	£
	Deferred income is included within:		
	Creditors due within one year	18,227	18,100
		<u> </u>	<u> </u>
	Deferred income at 1 September 2015	18,100	19,961
	Released from previous years	(18,100)	(19,961)
	Amounts deferred in the year	18,227	18,100
		<u> </u>	<u> </u>
	Deferred income at 31 August 2016	18,227	18,100
		<u> </u>	<u> </u>

Deferred income relates to Universal Infant Free School Meals funding received from the EFA for the year ending 31 August 2017.

16	Funds					
		Balance at 1	Incoming	Resources	Gains, losses	Balance at 31
		September	resources	expended	& transfers	August 2016
		2015				
		£	£	£	£	£
	Restricted general funds					
	General Annual Grant	40,677	834,866	(891,643)	16,100	-
	Other DfE / EFA grants	-	79,081	(79,081)	-	-
	Other government grants	-	54,400	(54,400)	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Funds excluding pensions	40,677	968,347	(1,025,124)	16,100	-
	Pension reserve	(129,000)	-	(20,000)	(265,000)	(414,000)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		(88,323)	968,347	(1,045,124)	(248,900)	(414,000)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Restricted fixed asset funds					
	DfE / EFA capital grants	-	6,340	(1,960)	-	4,380
	Inherited funds	1,407,781	-	(28,159)	-	1,379,622
	Private sector capital sponsorship	-	10,000	(1,489)	-	8,511
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		1,407,781	16,340	(31,608)	-	1,392,513
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Total restricted funds	1,319,458	984,687	(1,076,732)	(248,900)	978,513
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Unrestricted funds					
	General funds	26,466	36,508	(23,037)	(16,100)	23,837
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Total funds	1,345,924	1,021,195	(1,099,769)	(265,000)	1,002,350
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Funds

(Continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy. 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 2016.

Other Government Grants relates to SEN funding received from the Local Authority.

Restricted fixed assets were funded by government grants, private grants and transfers of assets from the predecessor school.

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£	£	£	£
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	1,392,513	1,391,759
Current assets	60,153	-	-	60,907
Creditors falling due within one year	(36,316)	-	-	(36,316)
Defined benefit pension liability	-	(414,000)	-	(414,000)
	<u>23,837</u>	<u>(414,000)</u>	<u>1,392,513</u>	<u>1,002,350</u>

18 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be 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 £53,224 (2015: £43,376).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % for employees. The estimated value of employer contributions for the forthcoming year is £30,000.

As the scheme is currently in deficit, the academy is required to pay additional contributions above the normal funding levels. The length of the agreement is likely to last 2 - 3 years but is currently uncertain. The additional contributions paid in the year amounted to Nil (2015 - £Nil).

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.

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations	(Continued)	
Total contributions made	2016	2015
	£	£
Employer's contributions	30,000	29,000
Employees' contributions	13,000	12,000
	<hr/>	<hr/>
Total contributions	43,000	41,000
	<hr/> <hr/>	<hr/> <hr/>
Principal actuarial assumptions	2016	2015
	%	%
Rate of increases in salaries	3.4	3.5
Rate of increase for pensions in payment	1.9	2.0
Discount rate	2	3.8
Inflation assumption (CPI)	1.9	2.0
Rate of revaluation of pension accounts	1.9	2.0
Rate of increase to deferred pensions	1.9	2.0
	<hr/> <hr/>	<hr/> <hr/>
<p>The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:</p>		
	2016	2015
	Years	Years
Retiring today		
- Males	22.7	22.6
- Females	25.6	25.5
Retiring in 20 years		
- Males	24.9	24.8
- Females	28	27.8
	<hr/> <hr/>	<hr/> <hr/>
The academy trust's share of the assets in the scheme	2016	2015
	Fair value	Fair value
	£	£
Equities	382,259	296,769
Government bonds	57,008	40,664
Corporate bonds	21,378	17,986
Cash	7,126	5,865
Property	24,432	17,595
Other assets	16,797	12,121
	<hr/>	<hr/>
Total market value of assets	509,000	391,000
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets - gain/(loss)	77,000	(5,000)
	<hr/> <hr/>	<hr/> <hr/>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations	(Continued)	
Amounts recognised in the statement of financial activities	2016	2015
	£	£
Current service cost (net of employee contributions)	46,000	43,000
Net interest cost	4,000	(3,000)
	<u> </u>	<u> </u>
Changes in the present value of defined benefit obligations		2016
		£
Obligations at 1 September 2015		520,000
Current service cost		46,000
Interest cost		20,000
Employee contributions		13,000
Actuarial loss		326,000
Benefits paid		(2,000)
		<u> </u>
At 31 August 2016		<u>923,000</u>
Changes in the fair value of the academy trust's share of scheme assets		2016
		£
Assets at 1 September 2015		391,000
Interest income		16,000
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain		61,000
Employer contributions		30,000
Employee contributions		13,000
Benefits paid		(2,000)
		<u> </u>
At 31 August 2016		<u>509,000</u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Reconciliation of net income/(expenditure) to net cash flows from operating activities	2016	2015
	£	£
Net income/(expenditure) for the reporting period	(78,574)	7,661
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(16,340)	(6,363)
Investment income	(97)	(121)
Defined benefit pension costs less contributions payable	16,000	14,000
Defined benefit pension net finance cost/(income)	4,000	(3,000)
Depreciation of tangible fixed assets	31,608	28,987
(Increase)/decrease in debtors	(9,450)	5,611
Increase/(decrease) in creditors	(5,303)	(45,453)
Net cash used in operating activities	<u>(58,156)</u>	<u>1,322</u>

20 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016	2015
	£	£
Amounts due within one year	17,162	1,733
Amounts due in two and five years	42,180	1,976
	<u>59,342</u>	<u>3,709</u>

HARDEN PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

21 Related party transactions

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

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

Iain Hutchinson, husband of the Head Teacher, owns a joinery business in the name of Iain Hutchinson Joinery. £550 (2015 - £1,035) was paid to the business during the year in respect of joinery services carried out at the academy.

Gina Thompson, sister of Governor Mrs N Frear, provided Nursery Nurse supply services to the school totalling £110 during the year (2015 - Nil).

Jeff Sugden, father of Governor Mrs L Sugden, provided new classroom carpets during the year at a total cost of £270 (2015 - £220).

The school received legal advice and company secretarial services from Schofield Sweeney Solicitors during the year amounting to £1,003 (£2015 - £2,140). One of the school Governors Mr A Hurst is a partner of the firm.

22 Members' liability

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