

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015

Members	Mr N Mottershead, Chair of Governors (Vice Chair from 12 October 2015) ¹ Mr C Costigan, Trust Member & Vice Chair (Chair of Governors from 12 October 2015) ¹ Mr J Ireton, Trust Member & Vice Chair (appointed 13 October 2014) ^{1,2} Mr M Knott, Trust Member (resigned as Trust Member only 13 October 2014) ^{1,2}
Trustees	Mr N Christou, Headteacher & Accounting Officer ¹ Ms F Armstrong Mrs D Cuthbert Mr S Harrison Mrs J Merryweather Mr R Mobbs ¹ Mrs C Roncarati Mrs J Tambourides Mr D Wilkinson ^{1,2} Ms N Weatherley Ms J Wolf Ms H Smith ¹ Miss S McDonald Mrs L Barlow Dr A Hind Mr T Daimandis (appointed 24 April 2015)

¹ Members of the Resources (Finance and Premises) Committee

² Members of the Audit Committee

Company registered number 07552702

(Registered in England and Wales)

Principal and registered office Chestnut Grove
East Barnet
Hertfordshire
EN4 8PU

Company secretary Mrs S Waters

Senior management team Mr N Christou, Headteacher and Accounting Officer
Mr R Wilson, Deputy Headteacher
Mr D Hallam, Associate Deputy Headteacher
Mrs F Hurst, Associate Deputy Headteacher
Mr G Roberts, Associate Deputy Headteacher
Mr S White, Associate Deputy Headteacher
Mrs S Waters, Bursar & Company Secretary

Independent auditors MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Euro House
1394 High Road
London
N20 9YZ

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Bankers	Natwest Bank Plc High Road Whetstone London N20 9HJ
Solicitors	Winckworth Sherwood Minerva House 5 Montague Close London

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors, who are also directors for the purposes of company law, have pleasure in presenting their annual report together with the financial statements and auditor's reports of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for students aged 11 to 19 serving a catchment area in East Barnet. It has a student capacity of 1350 and had a roll of 1342 in the school census on 15 January 2015.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of reference and administrative details on page 1 of the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company was incorporated on 4 March 2011. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

Certain Governors act as the Trustees for the charitable activities of East Barnet School and all Governors are the directors of the charitable company for the purposes of company law. The charitable company is known as East Barnet School.

The accounting period is the year from 1 September to 31 August.

Details of the Governors who served throughout the period 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

The Academy has purchased insurance for the benefit of the Governors to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. Details of the costs and the limit of the indemnity can be found in note 12 to the accounts.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The numbers and types of governors are set out in the Articles of Association and overseen by the Trustees. The Governing Body is responsible for appointing all governors except for parent governors and staff governors. All governors serve for a four year term of office, but can stand for re-selection if they so wish. The Headteacher is automatically a member of the Governing Body.

Parent governors are elected by parents of students registered at the Academy, with a secret ballot. Staff

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Governors are similarly elected by the staff.

Where necessary, other governors are appointed after a review of community and business groups, dependent on the governor specification requirement of the governing body at the time of the vacancy. Recommendations are then made to the full governing body and the candidate presented to the governors for consideration.

MEMBERS OF THE ACADEMY TRUST

Article 12 of the Articles of Association states that the members of the Academy Trust shall comprise:

- a) The signatories to the Memorandum on incorporation of the company (who were the post holders as Chair of Governors, Vice Chair and Chair of Personnel Committee)
- b) One person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose
- c) The Chair of the Governors, the Vice-Chair of the Governors and the Chair named highest in the list of the Finance Committee, the Personnel Committee, the Premises Committee, the Student Welfare Committee
- d) Members may agree unanimously in writing to appoint or remove such additional Members as they think fit

Further, the Articles of Association state that:

12A. With the exception of the Member appointed article 12(b) (if any), no person may be appointed as a Member unless that person is also a Governor.

17. Every person nominated to be a Member of the Academy Trust shall either sign a written consent to become a Member or sign the register of Members on becoming a Member

Members of the Academy Trust are confirmed annually at the first Autumn Term meeting of the Full Governing Body when the Chair and Vice Chair(s) are elected. The Chairs of the Committees are elected during the Summer Term.

The Committees were renamed with effect from September 2011 as follows:

- Resources Committee for Finance and Premises matters
- People Committee for Personnel and Student Welfare matters
- Learning Committee for Curriculum matters.

For the period from the incorporation of the company on 4 March 2011, the Trust Members were the three signatories to the Memorandum, namely Mr N Mottershead, Mr J Hewlings and Mr D Fairley who were the initial Directors and the initial Trust Members of the company.

The Trust Members from October 2011 were Chair Mr N Mottershead and Vice Chairs Mr J Hewlings and Mr C Costigan, superseding Mr D Fairley.

The Trust Members from October 2012 were Chair Mr N Mottershead, Vice Chair Mr C Costigan, Vice Chair Mr J Hewlings stood down and Mr M Knott became the third Trust Member as Chair of the Resources (Finance) Committee.

The Trust Members from October 2013 were Chair Mr N Mottershead, Vice Chair Mr C Costigan and Mr M Knott continued as the third Trust Member as Chair of the Resources (Finance) Committee.

The Trust Members from October 2014 were determined at the Full Governing body Meeting on 13 October

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

2014. Mr N Mottershead was elected as Chair and two Vice Chairs were elected, Mr C Costigan and Mr J Ireton, who supersedes Mr M Knott.

The Trust Members from October 2015 were determined at the Full Governing body Meeting on 12 October 2015. Mr N Mottershead stood down as Chair and Mr C Costigan was elected as Chair. Two Vice Chairs were elected, Mr N Mottershead and Mr J Ireton. No other Trust Members have been appointed in the period to date.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

An Induction Policy has been implemented with procedures for training and induction of new Governors. Induction tends to be done informally and the exact nature of help and support to an individual will depend on their existing experience. Formal training sessions run by the London Borough of Barnet were available for all governors and governors are also provided with access to Modern Governor for online training modules and courses. Other in-house training sessions are delivered by Governors or the Headteacher. All governors are given access (either online via Fronter or as printed copies) to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. They are provided with documents and guides which provide information about the school and governance in general. All new governors are given a tour of the Academy and the chance to meet with staff and students. A more experienced member of the governing body acts as a mentor as required and becomes the first point of contact for help and guidance. Following her appointment in April 2015, the Clerk to the Governors undertook training from the National College of Teaching & Learning/Babcock.

ORGANISATIONAL STRUCTURE

The leadership and management at East Barnet School have been judged as outstanding by OFSTED inspectors over the past ten years, including most recently in 2012 after conversion to Academy status. This includes all levels of the leadership structure: Governors, Head teacher, senior and middle leaders, where inspectors found:

'The rich and purposeful curriculum provides many opportunities for memorable, high quality learning. Review and evaluation ensure that it meets the needs of learners exceptionally well. An extensive extra-curricular programme provides outstanding opportunities for students' spiritual, moral, cultural and social development. This includes a large number of opportunities for trips, visits from guest speakers and lecture programmes and entry to national and international competitions.'

The Governors approve all policies and review the performance of the school at all levels through reports from the Headteacher and other senior leaders, visits to the school, examination results, financial records, and also receive reports from external assessors, such as OFSTED inspectors, Investors in People, the Responsible Officer and auditors of the school accounts. Governors also take part in the production of and approve the School Development Plan, as well as monitor its implementation.

The Headteacher and Senior Leadership Team (which includes the Deputy Head teacher, four Associate Deputy Head teachers and the Bursar) are responsible for promoting the school vision and ethos, implementing the School Development Plan, monitoring the quality of teaching and learning to ensure that it remains at a high standard, ensuring that behaviour around the school and in lessons is positive, taking any action necessary to ensure that students achieve at their best in public examinations. The Director of Lower School oversees school admissions and works very closely with local primary schools to ensure a smooth transition into secondary school life for all students joining EBS. Other senior and middle leaders are responsible for the quality of provision in specific areas of the school. These include Heads of Year, Heads of Faculty and Heads of Department.

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TRUSTEES' REPORT (continued)
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CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Ms F Armstrong is an employee of Barnet Council and, in that capacity, is a Member of the Management Committees of Barnet Education Arts Trust and the Barnet Education Business Partnership (charity). Mrs Armstrong is also a member of the Management Committees of the Barnet Law Service, the Colindale Communities Trust (charity) and is a Member of the Senior Management Team for Barnet Council Family Services.

Mr N Christou's wife is a teacher at the school and his children are trustees of The Butterfly AVM Charity.

Mrs D Cuthbert is a Director of DJC Educational Consultancy Ltd.

Mr S Harrison is an Education Consultant (sole trader) and Chair of Trustees for the Association for Citizenship Teaching (charity).

Mr J Ireton is Chair of Directors, Ridgeway Alleyways Association.

Mr M Knott is Shareholder and Director of OOH Communications Limited.

Miss S McDonald is Chief Executive of Tender Education & Arts, a domestic violence prevention education charity.

Mr R Mobbs is a non-executive director of Trading Times for Social Enterprise Age Related Recruitment.

Mr N Mottershead's wife is Headteacher at Churchill School, a professional association and a feeder school.

Mrs C Roncarati has related party interest as her father's garage, RPM Engineering, services the school's minibuses. Her brothers are former students of this school and are also directors of RPM.

Mrs J Tambourides is a Governor/Director of Ashmole Academy, a member of the Management Committee of Friends in Need and a Trustee of Mind in Barnet. Mrs Tambourides and her husband were both councillors with the London Borough of Barnet until May 2014. Her husband is a Governor at Osidge and Monkfrith Schools.

Mr D Wilkinson is a Shareholder and Director of Weaver-AFS Ltd, Inova-Power Limited, ALAB Limited, Weaver-AFS Dormant Ltd and Secure Identity Limited, Shareholder of Careeropia Ltd and Trustee of Walker Cricket Grounds Trust (charity).

During the year, student instrumental tuition totalling £17,201 (2014: £23,508) was provided from Barnet Education Arts Trust and BEAT hired the school premises for their Saturday morning Music School.

Business events comprising Year 8 Enterprise Day and Interview Skills Programme totalling £7,500 (2014: £6,425) were provided from Barnet Education Business Partnership.

Fundraising events by students in Murray House raised £214.93 (2014: £220.40) for the Butterfly AVM charity, amount due at the year end was £nil (2014: £nil).

Purchases from RPM Engineering for servicing the two minibuses totalled £674.75 (2014: £825), amount due at year end £nil.

Tender Education & Arts delivered a Year 9 Boys Workshop to promote healthy relationships and positive gender role models totalling £250.

Trading Times was used for recruitment purposes, totalling £35.

OBJECTIVES AND ACTIVITIES

PRINCIPAL ACTIVITIES

East Barnet School converted to Academy status on 1 April 2011 at which point the entity's operations commenced. The Academy Trust's principal activities are to provide secondary education, with a broad and balanced curriculum, emphasising our specialist areas of Technology and Leadership.

OBJECTS AND AIMS

The principal object and activity of the charitable company is specifically restricted to the operation of East Barnet School to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum, to provide education for pupils of different abilities between the ages of 11 and 19 with an emphasis on Technology and Leadership.

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The characteristics of the Academy set down in Section 1(6) of the Academies Act 2010, are that:

- (a) the school has a curriculum satisfying the requirements of section 78 of EA 2002 (balanced and broadly based curriculum)
- (b) the school provides secondary education and its curriculum for the secondary education has an emphasis on Technology and Leadership, specified in the Agreement;
- (c) the school provides education for pupils of different abilities;
- (d) the school provides education for pupils who are wholly or mainly drawn from the area in which the school is situated.

Other conditions and requirements in respect of the Academy are that:

- (a) the school will be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community;
- (b) there will be assessments of pupils performance as they apply to maintained schools and the opportunity to study for external qualifications in accordance with clause 29 (d);
- (c) the admissions policy and arrangements for the school will be in accordance with admissions law, and the DfE Codes of Practice, as they apply to maintained schools;
- (d) teachers' levels of pay and conditions of service for all employees will be the responsibility of the Academy Trust save that when entering into a contract of employment with any person the Academy Trust shall be bound by and act in accordance with such guidance as the Secretary of State may publish in relation to the maximum salary that may be paid to employees of Academies;
- (e) there will be an emphasis on the needs of the individual pupils including pupils with special education needs (SEN), both those with and without statements of SEN;
- (f) there will be no charge in respect of admission to the school and the school will only charge pupils where the law allows maintained schools to charge;
- (g) the Academy Trust shall as soon as reasonably practicable establish an appropriate mechanism for the receipt and management of donations and shall use reasonable endeavours to procure donations through that mechanism for the purpose of the objects specified in the Articles.

Governance

- (a) The Academy will be governed by a governing body ("the Governing Body") who are the Directors of the company constituted under the Memorandum and Articles of the Academy Trust.
- (b) The Governing Body shall have regard to (but for the avoidance of doubt shall not be bound by) any guidance as to the governance of academies that the Secretary of State may publish.

OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's core vision is encompassed in its mission statement together with the aims of the Academy during the year ended 31 August 2015 are shown below:

OUR MISSION STATEMENT

East Barnet School aspires to:

Encourage the "I want to learn" culture amongst all its students, so that they may fulfil their individual potential in education and develop into responsible adults who make a positive contribution to society.

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TRUSTEES' REPORT (continued)
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We Aim to:

- Generate an enthusiasm for learning so students willingly seek to gain knowledge and understanding about the world around them.
- Provide guidance, information and resources necessary to help students learn.
- Teach the skills necessary for effective and efficient learning.
- Create a positive learning environment.
- Develop a sense of pride amongst the students, so that they achieve the highest possible standards of work in all subjects.
- Foster the personal qualities, skills and self-confidence necessary for students to achieve success in their chosen career and personal life.
- Nurture in all students a sense of respect for themselves, other individuals, their own and other communities, and their environment.

Specific initiatives which focus on individual students to address any underachievement and/or maximise achievement include:

- Year 7 Catch up intervention in English and Maths
- Intervention for KS4 students not achieving expected levels of progress in English and Maths
- Gifted and talented students are provided with a full range of opportunities to ensure they maximise their potential
- Pupil Premium – the academy tracks the progress of all students robustly and applies intervention strategies to ensure underperformance is minimised
- Mentoring involving external business and community professionals
- Peer mentoring programme
- One to One Mentoring with Form Tutor
- One to One Tuition using Pupil Premium funding
- Breakfast Club using Pupil Premium funding
- Purchase equipment and additional resources for individual students
- Educational visits
- Provision of modified curriculum, such as Construction and Motor Engineering, to prepare students for the world of work and improve their behaviour.

The Academy's main strategy is encompassed in its School Development Plan. To this end the activities provided include:

- Recruitment of high quality teachers and support staff
- Offering a broad, balanced and engaging curriculum
- Providing appropriate resources and facilities for students to learn at their best
- Ensuring that the school ethos is conducive for learning and positive behaviour
- Offering extra-curricular activities to promote the 'I want to learn' philosophy
- Providing careers guidance and support to help students prepare for life beyond school.

PUBLIC BENEFIT

The Governors have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The Academy Trust promotes education for the benefit of the local community of East Barnet and offers educational and recreational facilities to a variety of local community groups outside of School hours for the benefit of the general public. Community based projects are also undertaken throughout the year by staff and students which further enhances the public benefit.

The School Houses support the following charities: Chama House – Jack Cecup School in Zambia; Keller House – Great Ormond Street Hospital; Murray House – The Butterfly AVM (Arteriovenous Malformations) Charity; Tutu House – CMT UK (Charcot-Marie-Tooth Disease). The Houses hold charitable events throughout

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the year for their nominated charity and there are various activities to support other charities, including Alzheimer's Society, BBC Children in Need, British Heart Foundation, North London Hospice, Red Nose Day (Comic Relief), Sport Relief, the Royal British Legion Poppy Appeal and the Transverse Myelitis Society.

£5,821 (2014: £5,193) was collected as charitable donations during the year and has been passed to the relevant charities as at 31 August 2015.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The school has almost achieved its maximum school roll of 1350 (1346 at the beginning of the new school year 2014/15 and 1342 in the census of January 2015). The total number of applications received for the 210 places in Year 7 starting September 2015 was significantly higher than last year at 923, more than four times the available places. There were 264 applications for Year 12 including 171 internal and 93 external applicants. These numbers indicate that the school's popularity is increasing and therefore has a very positive and improving image within the local community.

The school's GCSE results were good, with 62% (2014: 63%) of students achieving 5+ A*-C grades, including English and Maths. The 'A' Level results were excellent and almost all 'A' Level students seeking a place at university achieved the results required to secure admission. Student attendance remains very high at around 96%.

The new main performance indicator from 2016, 'Progress 8', has been published for last year's results to give an indication of how our figures will look. Our school came out with a figure of +0.28 (2014: +0.28), which is significantly positive. Similarly, performance tables for A-Levels achieved shows our value added figure amongst the best in London at +0.2 (2014: +0.26) which is extremely high; 0.07 would have been significantly positive.

David Laws, Minister of State for Schools in the Department for Education, wrote to the Headteacher in February 2015 commending us for our work with disadvantaged students in recent years which shows our expertise makes a difference with this too-often underperforming group. The results clearly demonstrate that the future success of our students is very important and shows a determination to give our most disadvantaged children a better start in life. Other school should benefit from our commitment.

In September 2015, in a new national report, OFSTED named the school for Good Practice which shows how school leaders at East Barnet School have used self-evaluation to improve the quality of the curriculum for the most able students. The Headteacher states "an unrelenting focus on improving teaching based on the school's philosophy of 'learning without walls' is paramount to students improving performance." The report states that senior leaders are not complacent and challenge themselves, their staff and their students to pursue a journey of excellence.

KEY FINANCIAL PERFORMANCE INDICATORS

The Academy Trust uses a number of financial key performance indicators to monitor financial success of the Academy Trust and progress/improvement against the targets set.

Financial Key Performance Indicator: (Total income excludes fixed assets and pension liabilities)	Year ended:	
	August 2015	August 2014
Student numbers	1,342	1,340
Total income per Student	£6,711	£6,810

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GAG income per Student	£5,556	£5,673
Staffing costs as a percentage of total income	81%	76%
Staffing costs as a percentage of GAG income	98%	90%
Staffing costs per Student	£5,430	£5,156
Learning resources per Student	£509	£523
Premises & Other costs per Student	£830	£830
Percentage of GAG carried forward	3%	4%
Operating Surplus as percentage of total income	6%	8%

Non-Financial Key Performance Indicator: *above National Average	Year ended:	
	August 2015	August 2014
GCSE 5+ A*-C passes, including English and Maths (New: Progress 8 = 0.27)*	62%	63%
3+ Levels of progress English (New: Progress 8 = 88%) *	77%	81%
3+ Levels of progress Maths (New: Progress 8 = 67%) *	70%	68%
Student Attendance rates	96%	96%
Staff retention – Teaching Staff	93%	96%
Of whom Teachers taking Retirement	2.6%	0%
Staff retention – Support Staff	90%	96.7%
Of whom Support Staff taking Retirement	3.5%	0%

GOING CONCERN

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

FINANCIAL REVIEW

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

The Academy also received grants for fixed assets from the EFA and other funding bodies. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2015, total expenditure of £9,900,998 (2014: £9,591,068) was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure in relation to GAG for the period was £0 (2014: £320,882), following transfers to restricted fixed asset funds.

At 31 August 2015 the net book value of fixed assets was £35,123,740 (2014: £35,781,714) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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TRUSTEES' REPORT (continued)
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RESERVES POLICY

The Resources Committee of the Governing Body reviews the reserve levels of the Academy annually and recommends these to the Full Governing Body for agreement. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors have determined that the appropriate level of free reserves should be equivalent to one month's salary expenditure, approximately £580,000. The reason for this is to provide sufficient working capital to cover delay between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

In addition to the above, and from the current trading position, the Academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £322,358 (2014: £239,206). The current level of restricted reserves is £249,661 (2014: £508,769). The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors.

There is a pension deficit balance of £1,614,000 as at 31 August 2015 (2014: £1,453,000) on the Local Government Pension Scheme for Support Staff where, unlike the Teachers' Scheme, separate assets are held to fund future liabilities as discussed in Note 23. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

The triennial Actuarial Valuation requires the Academy Trust to pay an Individual Adjustment under Regulation 36 for the period 1 April 2014 to 31 March 2017 that results in paying the Future Service Rate plus the additional monetary amount as agreed between the Administering Authority and the employer. The employer contributions due are 13.5% of salary and the minimum levels of contributions are £92,000 from April 2015 and £94,000 from April 2016. The Common Rate of Contribution payable equates to a total of 24% of pensionable payroll. The pool contribution rate is based on a deficit recovery period of 15 years. 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.

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INVESTMENT POLICY

The Governing Body has approved a treasury management statement as part of the Financial Procedures Manual, which documents the Academy Trust's investment policy.

The Trust's investment policy is to invest surplus cash reserves on deposit with High Street banks with a high credit rating where the capital invested is guaranteed. Investment returns are reviewed during the year to ensure that returns are maximised whilst safeguarding the funds invested. Bank interest received this year amounted to £6,151 (2014: £9,892) which was lower than the previous year due to a reduction in the interest rate offered by the bank.

The Governors are the holders of a 3% London County Consolidated Stock which provides £23.55 interest per year. This fund dates back to 1945 and is named the Vialou Endowment and its object is to provide for the benefit of our students.

PRINCIPAL RISKS AND UNCERTAINTIES

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

Through the Academy's risk management procedures, the Governors believe that it has considered its principal risks and uncertainties facing the Academy Trust and planned mitigating action wherever possible.

The principal risks facing the Academy are:

- Reputational risk – the Academy prides itself on the OFSTED grading from its 2007 inspection as a School which rated it as Outstanding, followed by the 2012 inspection as an Academy which rated it as Good with Outstanding Features and in September 2015 the Good Practice Example for Most Able Students. The Academy recognises the importance of maintaining these standards to reduce the risk of a reduction in student numbers either through competition or a damaged reputation/falling standards
- Performance risk – mitigated by ensuring best possible examination success for all students. The Academy undertakes regular internal quality assurance reviews and self-assessments to maintain high standards of teaching and learning.
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by careful planning, monitoring and review of the Academy's budget, including attendance at government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible Academy funding methodology. Governors have also identified the LGPS pension deficit as a potential risk which is managed according to the requirements of the Actuary.
- Risks associated with personnel – mitigated by appropriate organisational structure with several tiers of review and confirmed in July 2014 by achieving an Investors in People Gold Award for the second, successive period.

The Academy Trust does not have significant trade debtors as invoiced income is a minor ancillary activity.

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TRUSTEES' REPORT (continued)
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Lettings income is usually paid in advance mitigating any credit risk.

Cash flow is monitored daily by the Academy Trust and budgets presented to the Governing Body consider cash flow and liquidity in detail. The Academy has built up cash reserves which enable it to plan for future capital projects and/or to mitigate the reducing funding situation.

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

PLANS FOR FUTURE PERIODS

The school's mission and aims will remain the same for the foreseeable future. It will strive for even higher standards of performance in all areas relating to its core business. Total school numbers will increase to capacity as the school remains extremely popular (923 applications received for 210 places from September 2015). The outstanding facilities offered by the school were improved further during 2013-14, including more classroom spaces, better facilities and resources in Science, Technology and Physical Education.

The planning process for the new School Development Plan 2014-17 commenced in November 2013, when the Senior Leadership Team met and consulted with all staff members, Governors and members of the East Barnet School Parent Teacher Association in order to prioritise plans and developments for the next three years. The SDP is continually monitored and reviewed over the three years. As part of these developments, the ICT network capabilities and provisions were developed during 2014-15 with improvements to the WiFi and backup systems.

Prudent financial management over the previous four years, together with some reduction in staffing and other expenditure, has ensured that continuing reductions in funding allocations are absorbed for the year 2015-16. Planning for further likely funding cuts in 2016-17 is underway and the school is engaging with the DfE/EFA to identify potential areas for savings.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Prior to becoming an academy, the predecessor school operated a separate bank account for specific social activities of pupils and staff - East Barnet School Private Fund. Funds from the East Barnet School Private Fund previously held as small cash balances held on behalf of pupils and staff for events, were incorporated into the Academy's bank account under the control of the Academy on conversion. As such, the financial position and results are consolidated into the Academy Trust's financial statements. The accounts were closed in April/May 2011 to avoid unnecessary accounting complications.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Trustees are aware:

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

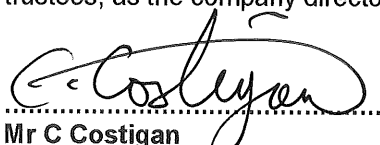
EAST BARNET SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

AUDITORS

MHA MacIntyre Hudson are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

This report, incorporating the Strategic Report, was approved by order of the members of the board of trustees, as the company directors, on 05/12/2015 and signed on the board's behalf by:



.....
Mr C Costigan
Trust Member and Chair of Governors

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility for ensuring that East Barnet 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 Governing Body 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 East Barnet School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mr N Mottershead, Chair of Governors & Trust Member	3	4
Mr C Costigan, Vice Chair & Trust Member	4	4
Mr J Ireton, Vice Chair & Trust Member	3	4
Mr N Christou, Headteacher & Accounting Officer	4	4
Mr M Knott, Trust Member (resigned as Trust Member only 13 October 2014)	4	4
Ms F Armstrong	3	4
Mrs D Cuthbert	4	4
Mr S Harrison	2	4
Mrs J Merryweather	4	4
Mr R Mobbs	4	4
Mrs C Roncarati	3	4
Mrs J Tambourides	3	4
Mr D Wilkinson	3	4
Ms N Weatherley	4	4
Ms J Wolf	4	4
Ms H Smith	3	4
Miss S McDonald	4	4
Mrs L Barlow	3	4
Dr A Hind	3	4
Mr T Daimandis	1	1

The members of the Governing Body have close links with the school, either as parents, grand-parents, members of staff, or parents/ex-parents of students, many with a teaching/education background including a retired senior H.M.I. which strengthens our governance role in the area of raising educational standards and attainment. Other members have managerial, business, financial and accounting expertise which is particularly important for the school's Academy status.

During the previous year, a review of the Skills Audit identified Human Resources or legal expertise as desirable for the Parent Governor vacancy. A new Parent Governor was elected whose strengths complement both the People Committee and those of the Governing Body.

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Resources (Finance & Premises) Committee is a sub-committee of the main Governing Body, comprising governors of East Barnet School plus the Bursar, Premises Manager and other relevant members of the school Senior Leadership Team as non-voting members.

Its purpose is to develop a long-term building and accommodation strategy for the school, in conjunction with the School Development Plan; to assist the school management on specific building issues; to maintain and develop the accommodation of the school in line with the School Development Plan and to ensure its efficient use within the budget; and to monitor observance and implementation of the Financial Responsibilities of the Governing Body.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr N Mottershead Chair of Governors	6	6
Mr N Christou, Headteacher & Accounting Officer	6	6
Mr J Ireton Vice Chair of Governors	6	6
Mr M Knott Chair of Resources Committee	4	6
Mr R Mobbs	6	6
Ms H Smith	3	6
Mr D Wilkinson Chair of Audit Committee	5	6
Mrs S Waters Company Secretary/Bursar	6	6

Mr M Knott, a Community Governor and parent of former students of the school, has been Chair of the Resources Committee from October 2011 until October 2015.

Mr Wilkinson was Chair of the Audit Committee from September 2013 to October 2015 and from October 2015 will chair the Resources Committee.

The Audit Committee is also a sub-committee of the main Governing Body and its purpose is to consider matters relating to internal control and auditors; to advise the governing body on the adequacy and effectiveness of the Academy Trust's systems of internal control and its arrangements for risk management, control and financial governance processes, and securing economy, efficiency and effectiveness (value for money); to recommend the annual financial statements to the governing body for approval; to review the committee's membership and effectiveness on an annual basis to ensure that it has appropriate skills and relevant experience to fulfil its role and duties.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Ireton, Trust Member	1	1
Mr D Wilkinson	1	1
Mr M Knott	1	1

Mr D Wilkinson, Community Governor and qualified accountant, is also a parent of students in the school. Mr Wilkinson was Chair of the Audit Committee from September 2013 to October 2015 and from October 2015 will chair the Resources Committee.

Mr J Ireton, Vice Chair and Parent Governor, became Chair of the Audit Committee in October 2015.

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the 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:

Collaboration

The trust has engaged with other educational providers and experts to share delivery and good practice, and to drive up standards for its own students and those in other schools for the least cost.

- Sports Leaders, School Games Organiser in partnership with Barnet secondary and primary schools
- Provision of National Leader of Education support for other schools by the Headteacher.
- Leadership partnership with local primary schools
- Provision of curriculum support in Technology to several schools
- Taking part in national competitions in Robotics, Public Speaking, Drama and Sport
- The local Barnet academies and schools meet regularly and collaborate to compare goods and services from various suppliers, creating a local consortium to enable stronger buying power to drive down prices whilst obtaining the most favourable goods and services.

New Initiatives

For several years we successfully operated the Graduate Teacher Programme for teacher training leading to the award of qualified teacher status (QTS). This programme was superseded from September 2013 by the School Direct Programme with two teachers achieving QTS in July 2014 on this programme, both of whom are continuing as teachers at the school. From September 2014 the School Direct Programme continued with one trainee on the second year; three new trainees, one salaried and two unsalaried, achieved QTS, all of whom are continuing as teachers at the school.

The new Troops2Teachers programme started September 2014 with one new trainee on a two year course. From September 2015, the school has become a Lead Delivery School for the T2T programme overseeing the mentoring and training of new Troops2Teachers trainees at other schools.

Our In-Residence Programme with an Author, Actor, Artist and Designer in Residence continued and inspirational speakers, including a former 6th Form student, were invited into school to deliver lectures. Danny Cohen, Director of the BBC, visited the school and was interviewed by 6th Form students on a variety of topics. Biologist and award winning Climate Change Researcher, Professor James Crabbe, spoke to students about the effects of Global Warming on Coral Reefs.

Better purchasing

Contracts, goods and services are regularly appraised and renegotiated to ensure value for money applying the principles of Best Value: compare, compete, challenge, consult, and taking advantage of consortia, when appropriate, to obtain economies of scale. Budget holders manage their own budgets, assisted by the Finance team to ensure best value.

Contracts awarded through competitive tendering in 2014-15 were:

- Building cleaning through the Eastern Shire Purchasing Organisation (ESPO) framework
- VEEAM Server back-up system through the Crown Commercial Service's eSourcing portal.
- Following extensive research into various WiFi systems, competitive tendering was operated with the Meru WiFi Partner installation companies.

GOVERNANCE STATEMENT (continued)

A best value exercise for supply of paper established that our current supplier provides good quality paper with an excellent next day delivery service and, when approached by the school, agreed to a lower price to meet competition from an alternative supplier, whose paper was cheaper but of inferior quality.

Maximising income generation

The hire of the facilities generates income for the school, with regular lettings by Greek and Music Schools, Performing Arts Academy and Woodcraft Folk with occasional hire for weddings and other events. The Sports Hall, Dance Studio and Astroturf are regularly used by various sports groups.

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. There is a Whistle-blowing Policy in place and 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 East Barnet School for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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. There is a Whistle-blowing Policy in place and 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 East Barnet School for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

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 Governing Body;
- regular reviews by the Resources (Finance & Premises) Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mercer & Hole, Chartered Accountants, as Responsible Officer (RO) role by undertaking testing on a termly basis.

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems, including:

- testing of payroll systems
- testing of purchase systems
- testing of income systems
- testing of accounting systems/control account/bank reconciliations

On a termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The Governing Body confirms that the RO function has been fully delivered in line with the EFA's requirements. No material control issues have been identified.

REVIEW OF EFFECTIVENESS

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

- the work of the Responsible Officer;
- the work of the external auditors;
- 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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 05/12/2015 and signed on its behalf, by:



Mr C Costigan
Trust Member and Chair of Governors


Mr N Christou
Accounting Officer

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of East Barnet School I have considered my responsibility to notify the academy trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy 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 2014.

I confirm that I and the academy trust Governing Body 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 2014.

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



.....
Mr N Christou
Accounting Officer

Date: 05/12/2015

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

Company law requires the 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 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 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 members of the Governing Body and signed on its behalf by:


.....
Mr C Costigan
Trust Member and Chair of Governors

Date: 05/12/2015

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST BARNET SCHOOL

We have audited the financial statements of East Barnet School 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 Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

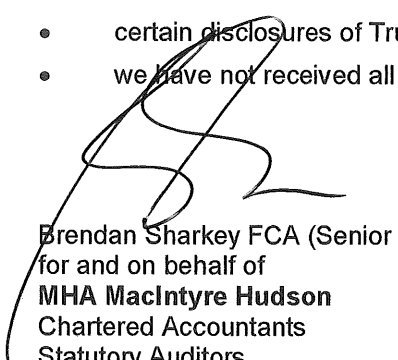
EAST BARNET SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST BARNET SCHOOL

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.



Brendan Sharkey FCA (Senior Statutory Auditor)

for and on behalf of

MHA Macintyre Hudson

Chartered Accountants

Statutory Auditors

Euro House

1394 High Road

London

N20 9YZ

Date:

14th December 2015

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO EAST BARNET SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 September 2015 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 East Barnet School during the year 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 East Barnet School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to East Barnet 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 East Barnet School and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF EAST BARNET SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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 EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy
- testing of a sample of payroll payments to staff

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO EAST BARNET SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)

- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

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 year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Euro House
1394 High Road
London
N20 9YZ

Date: 14th December 2015

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	18,301	31,449	-	49,750	13,707
Activities for generating funds	3	373,956	83,694	-	457,650	522,241
Investment income	4	6,151	-	-	6,151	9,892
Incoming resources from charitable activities	5	-	8,465,355	27,162	8,492,517	8,580,095
TOTAL INCOMING RESOURCES		398,408	8,580,498	27,162	9,006,068	9,125,935
RESOURCES EXPENDED						
Charitable activities	7	315,256	8,746,236	816,857	9,878,349	9,576,100
Governance costs	8	-	22,649	-	22,649	14,968
TOTAL RESOURCES EXPENDED	6	315,256	8,768,885	816,857	9,900,998	9,591,068
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		83,152	(188,387)	(789,695)	(894,930)	(465,133)

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between funds	17	-	(131,721)	131,721	-	-
NET EXPENDITURE FOR THE YEAR		83,152	(320,108)	(657,974)	(894,930)	(465,133)
Actuarial gains/(losses) on defined benefit pension schemes		-	(100,000)	-	(100,000)	(7,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		83,152	(420,108)	(657,974)	(994,930)	(472,133)
Total funds at 1 September 2014		239,206	(944,231)	35,781,714	35,076,689	35,548,822
TOTAL FUNDS AT 31 AUGUST 2015		322,358	(1,364,339)	35,123,740	34,081,759	35,076,689

All activities relate to continuing operations.

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

The notes on pages 30 to 51 form part of these financial statements.

EAST BARNET SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07552702

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	13		35,123,740		35,781,713
CURRENT ASSETS					
Stocks	14	11,714		12,604	
Debtors	15	269,544		340,993	
Cash at bank and in hand		656,586		871,012	
			<u>937,844</u>	<u>1,224,609</u>	
CREDITORS: amounts falling due within one year	16	(365,825)		(476,633)	
NET CURRENT ASSETS			<u>572,019</u>		<u>747,976</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined benefit pension scheme liability	23		<u>(1,614,000)</u>		<u>36,529,689</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>34,081,759</u></u>		<u><u>35,076,689</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	249,661		508,769	
Restricted fixed asset funds	17	35,123,740		35,781,714	
			<u>35,373,401</u>	<u>36,290,483</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,614,000)		(1,453,000)	
			<u>33,759,401</u>	<u>34,837,483</u>	
Total restricted funds					
Unrestricted funds	17		<u>322,358</u>		<u>239,206</u>
TOTAL FUNDS			<u><u>34,081,759</u></u>		<u><u>35,076,689</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 05/12/2015 and are signed on their behalf, by:



 Mr C Costigan
 Chair of Governors



 Mr D Wilkinson
 Chair of Finance

The notes on pages 30 to 51 form part of these financial statements.

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	19	(61,693)	342,674
Returns on investments and servicing of finance	20	6,151	9,892
Capital expenditure and financial investment	20	(158,884)	(292,718)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(214,426)	59,848

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(214,426)	59,848
MOVEMENT IN NET FUNDS IN THE YEAR	(214,426)	59,848
Net funds at 1 September 2014	871,012	811,164
NET FUNDS AT 31 AUGUST 2015	656,586	871,012

The notes on pages 30 to 51 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Going concern

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

1.3 Incoming resources

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Certain unrestricted income streams of the comparative year have been re-analysed to better reflect the nature of the unrestricted income. There is no impact on the overall income of the prior year or on reserves.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

Certain unrestricted and restricted expenses of the comparative year have been re-analysed to better reflect the nature of the expenses. There is no impact on the overall expenditure of the prior year or on reserves.

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 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 are carried forward in the balance sheet.

Assets transferred at inception have been included at the fair value.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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

Leasehold property	-	2% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis
Fixtures and fittings	-	15% per annum on a straight line basis
Equipment	-	25% per annum on a straight line basis
Computer equipment	-	25% per annum on a straight line basis
Leasehold property - land	-	Not depreciated

1.6 Operating leases

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

1.7 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.

1.8 Stocks

Stock is valued at the lower of cost and net realisable value.

1.9 Pensions

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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), 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 note 23, 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.

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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 the 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 vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 Fund accounting

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

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

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

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	18,301	5,826	24,127	13,707
Grants	-	25,623	25,623	-
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	18,301	31,449	49,750	13,707
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. FUNDRAISING INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Rental income	87,428	-	87,428	64,852
Catering income	243,315	-	243,315	245,811
Other income	43,213	83,694	126,907	211,578
	<u>373,956</u>	<u>83,694</u>	<u>457,650</u>	<u>522,241</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	6,151	-	6,151	9,892

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	7,456,646	7,456,646	7,602,015
Pupil Premium	-	309,765	309,765	241,040
Devolved capital formula grant	-	27,162	27,162	26,347
Other DfE/EFA grants	-	32,498	32,498	94,306
	-	7,826,071	7,826,071	7,963,708
Other government grants				
SEN allocation	-	391,487	391,487	361,137
Other government grants	-	20,193	20,193	-
	-	411,680	411,680	361,137
Other funding				
Trip income	-	254,766	254,766	255,250
	-	254,766	254,766	255,250
	-	8,492,517	8,492,517	8,580,095

6. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Direct costs	6,500,155	-	879,855	7,380,010	7,922,544
Support costs	787,082	986,749	724,508	2,498,339	1,653,556
Charitable activities	7,287,237	986,749	1,604,363	9,878,349	9,576,100
Governance	-	-	22,649	22,649	14,334
	7,287,237	986,749	1,627,012	9,900,998	9,590,434

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	5,217,192	5,081,144
National insurance	398,760	398,080
Pension cost	740,112	695,278
Technology costs	76,915	76,715
Educational consultancy	67,640	84,228
Educational supplies	471,333	498,871
Examination fees	134,558	125,173
Staff development	26,241	20,439
Other direct costs	247,259	100,612
	<u>7,380,010</u>	<u>7,080,540</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	582,779	604,027
National insurance	29,796	35,300
Pension cost	159,997	142,753
Depreciation	816,857	826,698
Security and transport	5,661	4,097
Maintenance of premises and equipment	169,892	186,278
Energy	140,837	133,557
Insurance	55,434	62,314
Catering	143,541	166,514
Other support costs	253,271	191,146
Cleaning	122,734	130,353
Recruitment and support	17,540	12,523
	<u>2,498,339</u>	<u>2,495,560</u>
	<u><u>9,878,349</u></u>	<u><u>9,576,100</u></u>

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. GOVERNANCE COSTS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	8,300	8,300	8,200
Legal and professional	3,663	3,663	1,280
Support costs	3,186	3,186	1,743
Responsible officer costs	1,500	1,500	1,500
Governors' meeting expenses	689	689	745
Auditors' remuneration - non audit	5,311	5,311	1,500
	<u>22,649</u>	<u>22,649</u>	<u>14,968</u>

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	816,857	826,698
Auditors' remuneration	8,300	8,200
Auditors' remuneration - non-audit	5,311	1,500
Operating lease costs	9,023	13,308
	<u>839,491</u>	<u>849,706</u>

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	5,799,971	5,685,171
Social security costs	428,556	433,380
Other pension costs	900,109	838,031
	<u>7,128,636</u>	<u>6,956,582</u>
Supply teacher costs	158,601	67,835
	<u>7,287,237</u>	<u>7,024,417</u>

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

10. STAFF (continued)

b. Staff numbers

The average number of employees during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teachers	94	93
Administration and support	53	60
Management	6	6
	<hr/> 153 <hr/>	<hr/> 159 <hr/>

c. Higher paid staff

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

	2015	2014
	No.	No.
In the band £60,000 - £69,999	4	4
In the band £70,000 - £79,999	1	1
In the band £100,000 - £110,000	1	1
	<hr/> 1 <hr/>	<hr/> 1 <hr/>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £60,381 (2014: £59,202).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees, The value of Trustees' remuneration and other benefits was as follows:

N Christou (Headteacher):

Remuneration £105,000-£110,000 (2014: £100,000-£105,000)

Employer's pension contribution £15,000-£20,000 (2014: £10,000-£15,000)

C Roncarati:

Remuneration £30,000-£35,000 (2014: £30,000-£35,000)

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

J Wolf:

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

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

N Weatherley:

Remuneration £15,000-£20,000 (2014: £15,000-£20,000)

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

During the year, no Trustees received any reimbursement of expenses (2014 - £745).

12. 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,023 (2014 - £1,160). The cost of this insurance is included in the total insurance cost.

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

13. TANGIBLE FIXED ASSETS

	Leasehold land and property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 September 2014	37,565,950	18,000	731,800	439,764	38,755,514
Additions	-	-	75,768	83,116	158,884
At 31 August 2015	<u>37,565,950</u>	<u>18,000</u>	<u>807,568</u>	<u>522,880</u>	<u>38,914,398</u>
Depreciation					
At 1 September 2014	2,312,049	15,375	335,535	310,842	2,973,801
Charge for the year	612,526	2,625	115,493	86,213	816,857
At 31 August 2015	<u>2,924,575</u>	<u>18,000</u>	<u>451,028</u>	<u>397,055</u>	<u>3,790,658</u>
Net book value					
At 31 August 2015	<u>34,641,375</u>	<u>-</u>	<u>356,540</u>	<u>125,825</u>	<u>35,123,740</u>
At 31 August 2014	<u>35,253,901</u>	<u>2,625</u>	<u>396,265</u>	<u>128,922</u>	<u>35,781,713</u>

Included in land and buildings is leasehold land at valuation of £6,583,250 (2014 - £6,583,250) which is not depreciated.

14. STOCKS

	2015 £	2014 £
Stock	<u>11,714</u>	<u>12,604</u>

15. DEBTORS

	2015 £	2014 £
Trade debtors	6,730	75,522
VAT repayable	24,563	81,637
Prepayments and accrued income	238,251	183,834
	<u>269,544</u>	<u>340,993</u>

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

16. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	31,173	165,758
Other taxation and social security	135,238	132,009
Other creditors	6,310	5,765
Accruals and deferred income	193,104	173,101
	<hr/> 365,825 <hr/>	<hr/> 476,633 <hr/>
		£
Deferred income		
Deferred income at 1 September 2014		153,837
Resources deferred during the year		151,821
Amounts released from previous years		(153,837)
Deferred income at 31 August 2015		<hr/> 151,821 <hr/>

Deferred income held at 31 August 2015 represents funds received in advance for the following purposes:

	2015	2014
	£	£
Trips	46,776	39,286
Capital grants	16,485	15,386
Other government grants	44,680	78,130
Other deferred income	43,880	21,035
	<hr/> 151,821 <hr/>	<hr/> 153,837 <hr/>

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	239,206	398,408	(315,256)	-	-	322,358
Restricted funds						
GAG	320,881	7,456,646	(7,665,992)	(111,535)	-	-
Other Grants	187,888	309,765	(239,240)	(20,186)	-	238,227
Trip income	-	253,298	(256,208)	-	-	(2,910)
Other income	-	560,789	(546,445)	-	-	14,344
Pension reserve	(1,453,000)	-	(61,000)	-	(100,000)	(1,614,000)
	<u>(944,231)</u>	<u>8,580,498</u>	<u>(8,768,885)</u>	<u>(131,721)</u>	<u>(100,000)</u>	<u>(1,364,339)</u>
Restricted funds						
Restricted fixed asset funds	35,781,714	27,162	(816,857)	131,721	-	35,123,740
Total restricted funds	<u>34,837,483</u>	<u>8,607,660</u>	<u>(9,585,742)</u>	<u>-</u>	<u>(100,000)</u>	<u>33,759,401</u>
Total of funds	<u><u>35,076,689</u></u>	<u><u>9,006,068</u></u>	<u><u>(9,900,998)</u></u>	<u><u>-</u></u>	<u><u>(100,000)</u></u>	<u><u>34,081,759</u></u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Following a deed of variation to the original 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.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes school trips, sports bursary for which income received is used to cover costs associated with these activities.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. On 1 April 2011, an amount of £1,066,000 was transferred to the Academy in respect of the deficit on this pension scheme at the date of conversion to an Academy.

The transfer between the restricted General Annual Grant fund and Restricted fixed asset funds represents amounts capitalised during the year. The transfer between Other Grants and the Restricted fixed asset funds also represent amounts capitalised in the year.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion to an Academy from the local authority following the transfer of the land and buildings.

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	35,123,740	35,123,740	35,781,714
Current assets	322,358	615,485	-	937,843	1,224,609
Creditors due within one year	-	(365,824)	-	(365,824)	(476,634)
Pension scheme liability	-	(1,614,000)	-	(1,614,000)	(1,453,000)
	<u>322,358</u>	<u>(1,364,339)</u>	<u>35,123,740</u>	<u>34,081,759</u>	<u>35,076,689</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	(894,930)	(465,133)
Returns on investments and servicing of finance	(6,151)	(9,892)
Depreciation of tangible fixed assets	816,857	826,698
Decrease in stocks	890	208
Decrease/(increase) in debtors	71,449	(158,591)
(Decrease)/increase in creditors	(110,808)	37,384
FRS 17 adjustments	61,000	56,000
Net cash (outflow)/inflow from operations	<u>(61,693)</u>	<u>342,674</u>

EAST BARNET SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	6,151	9,892
	<u>6,151</u>	<u>9,892</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(158,884)	(292,718)
	<u>(158,884)</u>	<u>(292,718)</u>

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	871,012	(214,426)	-	656,586
Net funds	<u>871,012</u>	<u>(214,426)</u>	<u>-</u>	<u>656,586</u>

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/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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

23. PENSION COMMITMENTS

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

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

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 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 employer's pension costs paid to TPS in the period amounted to £612,482 (2014: £571,261).

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23. PENSION COMMITMENTS (continued)

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 academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £283,000, of which employer's contributions totalled £224,000 and employees' contributions totalled £59,000. The agreed contribution rates for future years are 23.43% for employers and 5.5% to 12.5% for employees.

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

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	5.90	1,142,000	7.00	1,018,000
Bonds	5.90	546,000	3.60	484,000
Gilts	5.90	1,000	3.00	1,000
Cash	5.90	12,000	2.90	7,000
Total market value of assets		<u>1,701,000</u>		<u>1,510,000</u>
Present value of scheme liabilities		<u>(3,315,000)</u>		<u>(2,963,000)</u>
Deficit in the scheme		<u><u>(1,614,000)</u></u>		<u><u>(1,453,000)</u></u>

The expected return of 5.9% represents the average expected return on the above assets.

The amounts recognised in the balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(3,315,000)	(2,963,000)
Fair value of scheme assets	<u>1,701,000</u>	<u>1,510,000</u>
Net liability	<u><u>(1,614,000)</u></u>	<u><u>(1,453,000)</u></u>

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23. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2015 £	2014 £
Current service cost	(260,000)	(216,000)
Interest on obligation	(120,000)	(124,000)
Expected return on scheme assets	95,000	77,000
Total	(285,000)	(263,000)

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

	2015 £	2014 £
Opening defined benefit obligation	2,963,000	2,525,000
Current service cost	260,000	216,000
Interest cost	120,000	124,000
Contributions by scheme participants	59,000	53,000
Actuarial Losses	1,000	81,000
Benefits paid	(88,000)	(36,000)
Adjustment to prior year valuation	-	-
Closing defined benefit obligation	3,315,000	2,963,000

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

	2015 £	2014 £
Opening fair value of scheme assets	1,510,000	1,135,000
Expected return on assets	95,000	77,000
Actuarial gains and (losses)	(99,000)	74,000
Contributions by employer	224,000	207,000
Contributions by employees	59,000	53,000
Benefits paid	(88,000)	(36,000)
Total	1,701,000	1,510,000

The cumulative amount of actuarial losses recognised in the Statement of Financial Activities was £604,000 (2014 - £504,000).

The academy expects to contribute £220,000 to its Defined Benefit Pension Scheme in 2016.

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23. PENSION COMMITMENTS (continued)

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

	2015	2014
Discount rate for scheme liabilities	3.90 %	3.90 %
Expected return on scheme assets at 31 August	5.90 %	5.90 %
Rate of increase in salaries	4.40 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %
Inflation assumption (CPI)	2.60 %	2.60 %
RPI increases	3.50 %	3.40 %

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

	2015	2014
Retiring today		
Males	22.1	22.0
Females	24.4	24.3
Retiring in 20 years		
Males	24.2	24.1
Females	26.8	26.7

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

Defined benefit pension schemes

	2015	2014	2013	17 month
	£	£	£	period to 2012
				£
Defined benefit obligation	(3,315,000)	(2,963,000)	(2,525,000)	(2,399,000)
Scheme assets	1,701,000	1,510,000	1,135,000	951,000
Deficit	(1,614,000)	(1,453,000)	(1,390,000)	(1,448,000)
Experience adjustments on scheme liabilities	(1,000)	(81,000)	(8,000)	34,000
Experience adjustments on scheme assets	(99,000)	74,000	103,000	402,000

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23. PENSION COMMITMENTS (continued)

Sensitivity analysis

The following show how the sensitivity measurement of scheme liabilities would have been affected by changes in the relevant assumption that were reasonably possible at the balance sheet date:

	£000's	£000's	£000's
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	3,250	3,315	3,381
Projected service cost	260	265	270
Adjustment to mortality age rating assumption	+1 year	None	-1 year
Present value of total obligation	3,406	3315	3,227
Projected service cost	272	265	258

24. OPERATING LEASE COMMITMENTS

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

	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	16,116	13,308

All commitments above relate to assets other than land and buildings.

**NOTES TO THE FINANCIAL STATEMENTS
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25. RELATED PARTY TRANSACTIONS

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

The Trustees consider that the transactions were in accordance with the financial regulations and procurement procedures in the Academy's Finance Manual.

Ms F Armstrong, an employee of Barnet Council, a Trustee of the Academy, is on the management committee of Barnet Education Business Partnership (charity) in her capacity as a Barnet Council representative. During the year, purchases totalling £7,500 (2014: £6,425) were made from Barnet Education Business Partnership. The payment was made on normal commercial terms. Ms F Armstrong had no involvement in the transaction which was, as a matter of policy, conducted on an arms length basis. The amount due to the charity at the year end was £Nil (2014: £3,000). The Barnet Education Business Partnership is involved in Interview Skills programmes.

Ms F Armstrong is also on the management committee of BEAT Music School, as a Barnet Council representative. During the year, purchases totalling £17,201 (2014: £24,508) were made from BEAT Music School. The payment was made on normal commercial terms. Ms F Armstrong had no involvement in the transaction which was, as a matter of policy, conducted on an arms length basis. The amount due to the charity at the year end was £Nil (2014: £Nil). BEAT Music School is involved in Saturday music coaching.

Ms C Roncarati's father, Mr R Seller is the owner of R.P.M. Engineering. During the year, his garage provided MOT and service totalling £675 (2014: £825). The payment was made on normal commercial terms. The amount due to the company at the year end was £nil (2014: £nil). Ms C Roncarati, a Trustee of the Academy, had no involvement in the transaction which was, as a matter of policy, conducted on an arms length basis.

During the year, students of the school held fundraising events and raised £215 (2014: £220) for the Butterfly AVM Charity, as one of the charities supported by the pupils of the Academy during the year in which family members of Mr N Christou, a Trustee of the Academy, are Trustees of the charity. There were no balances outstanding at the year end (2014: None). None of the family members were involved in discussing the nomination or selection of the charity. No personal benefit was gained from this transaction by any related parties.

Ms S McDonald, a Trustee of the Academy, is the Chief Executive of Tender Education & Arts. During the year, purchases of £250 were made from the charity. The payment was made on normal commercial terms. Ms S McDonald had no involvement in the transaction which was, as a matter of policy, conducted on an arms length basis. The amount due to the charity at 31 August 2015 was £Nil (2014: £nil).

26. CONTROLLING PARTY

There is no ultimate controlling party.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

27. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.