

Company Registration No. 07803743 (England and Wales)

**JOYDENS WOOD JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

JOYDENS WOOD JUNIOR SCHOOL

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 9
Governance statement	10 - 12
Statement on regularity, propriety and compliance	13
Statement of governors' responsibilities	14
Independent auditor's report on the financial statements	15 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities including income and expenditure account	20 - 21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements including accounting policies	24 - 42

JOYDENS WOOD JUNIOR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors	J Chiverton (Resigned 28 September 2017) D Corderoy (Resigned 28 November 2017) M Edwards M Green (Resigned 28 September 2017) T Walker (Chair) B O'Hara (Resigned 27 February 2018) M Sutherland (Resigned 14 March 2018) C Van Brockhoven (Resigned 29 September 2017) K Gilham (Resigned 28 September 2017) R Hatley (Resigned 29 September 2017) P Redford (Appointed 29 September 2017) J Watson (Accounting Officer) J Kay (Appointed 17 November 2017) F Christmas (Appointed 18 July 2018) L Graham (Appointed 16 May 2018) L Westpfel (Appointed 17 November 2017) M Martin (Appointed 29 November 2018)
Members	S Hallam Y Fryer T Walker
Senior leadership team	J Watson - Headteacher P Redford - Deputy Headteacher J Edgson - Assistant Headteacher L Smith - Business Manager S Hensher - Special Needs Coordinator
Company registration number	07803743 (England and Wales)
Registered office	Joydens Wood Junior School Birchwood Drive Wilmington Dartford Kent DA2 7NE
Independent auditor	Wilkins Kennedy Audit Services Greytown House 221-227 High Street Orpington Kent BR6 0NZ
Bankers	Natwest Bank plc 1st Floor Drummond House 1 Redheughs Avenue Edinburgh EH12 9JN

JOYDENS WOOD JUNIOR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Lloyds Bank
1 City Road East
Manchester
M15 4PU

Solicitors

Eversheds LLP
One Wood Street
London
EC2V 7WS

JOYDENS WOOD JUNIOR SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 7 to 11 serving a catchment area in Wilmington, Dartford. It has a pupil capacity of 280 and had a roll of 332 in the school census on 18 January 2018.

Structure, governance and management

Constitution

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

The governors are the trustees of Joydens Wood Junior School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Joydens Wood Junior School was incorporated on 10 October 2011 and obtained Academy status from 1 November 2011.

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.

Method of recruitment and appointment or election of governors

The members of the Academy Trust shall comprise the signatories to the Memorandum, 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, the Chairman of the Governors and any person appointed under Article 16.

The number of Governors shall be not less than 3, but shall not be subject to a maximum. The first Governors shall be those named in the initial Memorandum. The Academy Trust shall have the following Governors; up to 11 Governors; 2 Staff Governors, 1 LA Governor; 4 parent Governors; the Headteacher, any Additional Governors if appointed under Article 62, 62A or 68A; and any Further Governors if appointed under Article 63 or Article 68A. The Academy may also have up to 3 Co-opted Governors, a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Headteacher).

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, and Governor may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of governors

During the period under review the Governors held 6 full governing board (FGB) meetings as well as numerous subcommittee meetings. The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Organisational structure

The Governors determine the general policies of our school. The day to day running of our school is delegated to the Headteacher, supported by the Senior Leadership Team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day to day administration is undertaken within the policies and procedures approved by the Governors. Only significant expenditure, decisions and major capital projects should be referred to the Governors for prior approval.

The Headteacher is a Governor, Principal Accounting Officer and attends all Governing Body meetings. The Deputy Headteacher, and other key staff, are invited to attend Governors' meetings, as appropriate. At present, the Deputy Headteacher who is a staff governor and the School Business Manager are always invited to attend.

Arrangements for setting pay and remuneration of key management personnel

Joydens Wood Junior School adopts the guidance and policies outlined by the DfE in relation to pay and conditions for Teaching Staff. This ensures that the Academy is aligned with the majority of other Schools and Academies and that conditions are consistent with latest legislation. Joydens Wood Junior School adopts the Kent County Council (Kent Range) Pay and Conditions Scheme for Support Staff. This ensures that the pay and conditions are aligned with the district.

Key personnel remuneration is determined by the Governing Body of Joydens Wood Junior School, this includes the Headteacher, Deputy Headteacher and Assistant Headteacher. The Governing Body determine the spine point range for each role and review this on an annual basis, in accordance with the pay and conditions outlined above.

Related parties and other connected charities and organisations

We share a site with Joydens Wood Infant School. Our Parents and Teachers Association (PTA) is a registered charity 289865. We are a member of the Dartford Consortium (DASCo) and share knowledge and good practice with colleagues in other local primary schools.

Objectives and activities

Objects and aims

Joydens Wood Junior School is a mixed 7-11 junior school. The pupils at the school are encouraged to be ambitious and achieve to their highest ability, whilst retaining a sense of who they are and what values are important in our society. We foster a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others.

The principal object of the Academy is specifically restricted to the following, to advance 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 being Joydens Wood Junior School.

The main objectives of the Academy are:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils, ensuring every pupil reaches their full potential and makes the best progress that they can;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to ensure teaching and learning is of the highest standard; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Joydens Wood Junior School values diversity and seeks to give everyone in the school an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we will work together to develop the potential of all pupils academically, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit Joydens Wood Junior School

Students will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Parents will fulfill their roles as true partners, recognizing their role in the student- school - parent partnership to ensure that their child realises his/her potential.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school in becoming a nationally recognised centre of excellence.

Objectives, strategies and activities

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Academy's aim and objectives and in planning future activities. In particular, the governors consider how planned activities will contribute to the aims and objectives they have set.

Children will be admitted at the age of seven years old (Year 3). The number of intended admissions for the year commencing 2018 will be 70, this is known as the Published Admissions Number (PAN). Joydens Wood Junior School is an Academy and the Governing Body is the admissions authority. However, the Governors of Joydens Wood Junior School will comply with national admissions legislation and work in line with Kent County Council in order to operate within the Local Authority's Co-ordinated Scheme for Primary Admissions.

Before the application of the oversubscription criteria, children with a statement of special educational needs or Education Health Care Plan which names the school will be admitted. As a result of this, the published admissions number will be reduced accordingly.

In the event of over subscription, the following criteria apply, in this order of priority:

1. Children in Care and Previously Children in Care
2. Attendance at a Linked School (JWIS)
3. Current family association
4. Health and special access reasons
5. Nearness of children's homes to school

Requests for admission outside of the normal age group should be made to the Headteacher of each preferred school as early as possible in the admissions round associated with that child's date of birth. This will allow the school and admissions authority sufficient time to make a decision before the closing date.

After a place has been offered, the school reserves the right to withdraw the place in the following circumstances:

1. When a parent has failed to respond to an offer within a reasonable time.
2. When a parent has failed to notify the school of important changes to the application information.
3. The Admission Authority offered the place on the basis of a fraudulent or intentionally misleading application from a parent.

Further details can be found on the school website and on the Kent Admissions website.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Strategic report

Achievements and performance

At JWJS we believe that the progress of our children is as important as their attainment. Children should continue on their 'flight path' journey from KS1 and continue to flourish throughout their KS2 education. They should at all times make good progress, but we continue to strive to help them make accelerated progress in every lesson.

In July 2018, 69% of Year 6 pupils left at national expectation (combined Expected Standard in reading, writing and maths). This is 5% higher than the national average.

The most able pupils are challenged and stretched, reaching high standards by the end of Year 6. 31% of pupils attained the Higher Standard in mathematics, 28% attained the Higher Standard in writing, 30% attained the Higher Standard in reading and 28% attained the Higher Standard in EGPS.

Targets are in place to continue to improve progress further, particularly in diminishing the difference between groups in reading, writing and maths and ensuring that our pupils continue on their progression journey from KS1.

The school is committed to all pupils meeting their potential and works exceptionally well to remove any barriers to learning that might prevent individuals or groups making strong progress.

Attendance is at 94.8% for 2017/18.

The School continues to be very popular within its own and wider community and is always over subscribed for year 3 and has a waiting list for every year group. Parents are attracted by the ethos and ideology of our school; along with the high quality environment we are able to provide which support children's opportunities for learning.

Our approach to learning, and the child's spiritual, moral, social and cultural development, is embedded in the wide variety of learning opportunities that we provide across all curriculum areas. Our values based education programme provides experiences for children to learn and develop their own principles of behaviour. The dedication and willingness of our teaching staff to support, encourage and empower pupils to become 'risk-takers' in their learning.

Our pupil voice processes through questionnaires, School Parliament and class discussion has provided an insight into children's perceptions. It has informed strategic planning and resource provision e.g. lunchtime arrangements, new activity areas and staff appointments. The processes in place give the children a sense of being partners in the school.

Our parent survey returns very positive feedback, with high levels of satisfaction.

Key performance indicators

The main KPI is the Ofsted Framework for Inspection.

- Inspectors must judge the overall effectiveness of the school. This is the overarching judgement.
- Effectiveness of leadership and management
- Quality of teaching, learning and assessment
- Personal development, behaviour and welfare
- Outcomes for children and learners
- In addition, inspectors must also consider:
 - the spiritual, moral, social and cultural development of pupils at the school
 - the extent to which the education provided by the school meets the needs of the range of pupils at the school, and in particular the needs of:
 - pupils who have a disability for the purposes of the Equality Act 2010
 - pupils who have special educational needs.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), 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 2018, total expenditure of £1,449k (2017: £1,413k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £91k (2017: £63k).

At 31 August 2018 the net book value of fixed assets was £2,135k (2017: £2,177k). Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Kent County Council Pension Fund, in which the Academy participates, showed a deficit of £438k (2017: £487k) at 31 August 2018. Of this sum, £270k, was inherited by Joydens Wood Junior School from the Kent County Council on 1 November 2012, the date the local authority's staff transferred to employment with the Academy.

Financial position

The Academy held fund balances at 31 August 2018 of £1,865k (2017: £1,877k) comprising £1,719k (2017: £1,706k) of restricted funds and £146k (2017: £171k) of unrestricted general funds. Of the restricted funds £2,135k (2017: £2,177k) is represented by tangible fixed assets and £22k (2017: £16k) for capital improvement funding.

The pension reserve which is considered part of restricted funds was £438k (2017: £487k) in deficit.

Reserves policy

The Governors review the reserve levels of the Academy annually. 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 four weeks' expenditure, approximately £112k (2017: £106k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves of £146k (2017: £171k) (total funds less the amount held in fixed assets and restricted funds), the Governors expect to utilise the additional reserves in the coming year.

The academy has this level of reserves currently for two main reasons: 1). The age of the building. The school building is old and requires regular repairs, a high level of reserve is kept to be able to attend to these repairs and to be able to maintain the building should larger repairs be required at any point. 2). There is also likely to be a need for spend to increase the size of shared areas of the building due to increased pupil numbers, there may well also be a need for spend for resources within these shared areas, again due to increased pupil numbers.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Investment policy

Under the Memorandum and Articles of Association, the academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

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. The Governors are introducing systems, including operational procedures internal financial controls 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 on pages 10 to 12.

A risk arises in that there could be a fall in pupil numbers. Dartford has a number of Multi Academy Trusts, some of these include secondary schools that openly tout for primary schools to become part of their trust as 'feeder schools', JWJS has chosen not to take this route.

There is also a risk in that teacher recruitment is challenging at the moment. This is particularly the case given the school's location. The school is on the borders of London, where salaries are higher, giving further challenge to recruitment in Dartford. Should the school need to employ via supply agencies the cost of employing teachers is much higher. The quality of supply teachers is not often at the level of that of teachers employed via interview, thus putting the quality of education for children at risk.

Financial and risk management objectives and policies

The trustees maintain a register of business risk which is a living document, regularly reviewed and updated. Risks are maintained in 8 main categories and are allocated a degree of severity of impact based on level of risk and likelihood of an event occurring.

The Governing Body has reviewed the key risks to which the school is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the school's significant risks that has been in place for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body and recorded in its Risk Register.

The board of Trustees considers the following to be the major risks to which the Academy is exposed:

- A reduction in funding following change to government policy.
- A drop in pupil numbers
- Failure to comply with health and safety, employment law and disability legislation
- Capacity of buildings in the event of a crisis (e.g. fire or flood)
- Deficit local government pension

All are reviewed in the Academy Risk Register.

Plans for future periods

The Governing Body wishes to ensure high levels of progress and attainment for all its pupils is maintained. This will be achieved by targeted deployment of resources and spending across the school. Ensuring that any barriers to learning are identified and resourced appropriately. This will be monitored through progress and attainment reporting alongside Governors monitoring reports.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Auditor

In so far as the governors are aware:

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

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 29 November 2018 and signed on its behalf by:

T Walker
Chair

J Watson
Accounting Officer

JOYDENS WOOD JUNIOR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

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

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

Governance

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

Governors	Meetings attended	Out of possible
J Chiverton (Resigned 28 September 2017)	0	0
D Corderoy (Resigned 28 November 2017)	0	0
M Edwards	4	5
M Green (Resigned 28 September 2017)	0	0
T Walker (Chair)	5	5
B O'Hara (Resigned 27 February 2018)	2	2
M Sutherland (Resigned 14 March 2018)	0	0
C Van Brockhoven (Resigned 29 September 2017)	0	0
K Gilham (Resigned 28 September 2017)	0	0
R Hatley (Resigned 29 September 2017)	0	0
P Redford (Appointed 29 September 2017)	5	5
J Watson (Accounting Officer)	3	3
J Kay (Appointed 17 November 2017)	4	4
F Christmas (Appointed 18 July 2018)	1	1
L Graham (Appointed 16 May 2018)	2	2
L Westpfel (Appointed 17 November 2017)	4	4
M Martin (Appointed 29 November 2018)		

From September 2017 we had an Acting Headteacher and appointed a new Headteacher from January 2018, We have also appointed two new appointed governors and a new Vice Chair. There was a lot of change in the governing body in the previous academic year but we now have a new team who are committed to the school going forward.

During 2017/18, we were a relatively new team and have not yet assessed our own effectiveness. We did carry out a skills audit once all Governors were appointed. However we did find the committee structure time consuming and restrictive on the sharing of important information. We have now moved to a circle model of governance where there are no committees and the full governing body covers all areas. This had led to improved knowledge and communication across the governing body. As a team we have also committed to attending regular training around our areas of special interest as well as attending relevant local network events.

The Finance Committee is a sub-committee of the main governing body. Its purpose is to monitor and agree budget issues. To put forward proposals to the full Governing Body based on information from the Business Manager and Headteacher. The Committee also review the reports produced by the Internal Auditor and ensure all issue raised are addressed.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
T Walker (Chair)	6	6
P Redford (Appointed 29 September 2017)	6	6
J Watson (Accounting Officer)	5	5
J Kay (Appointed 17 November 2017)	5	6
L Westpfel (Appointed 17 November 2017)	6	6

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

- Academic performance is well above that of National
- Economy, careful use of resources to save time or effort. Also to avoid waste and extravagance, ensuring all financial transactions represent Value for Money.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Joydens Wood Junior School for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the Finance, Personnel and Audit 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.

JOYDENS WOOD JUNIOR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint a Responsible Officer. However, the Governors have appointed Wilkins Kennedy Audit Services, to complete the internal audit function. Wilkins Kennedy Audit Services' role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

In particular the checks carried out in the current period include:

- Testing of control systems
- Testing of control account/ bank reconciliation
- Review of policies and procedures and adherence thereon
- Review of governance and training of Governors

Wilkins Kennedy Audit Services 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 role is carried out by a separate team at Wilkins Kennedy Audit Services with no connection to the audit team, this is to ensure the reviews are carried out independently.

Wilkins Kennedy Audit Services has delivered their schedule of work as planned, and no material control issues arose as a result of their work.

Review of effectiveness

As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the internal auditor and a plan to address weaknesses if relevant and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 29 November 2018 and signed on its behalf by:

T Walker
Chair

J Watson
Accounting Officer

JOYDENS WOOD JUNIOR SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE *FOR THE YEAR ENDED 31 AUGUST 2018*

As accounting officer of Joydens Wood Junior School I have considered my responsibility to notify the academy trust board of governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2017.

I confirm that I and the academy trust's board of governors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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

J Watson
Accounting Officer

29 November 2018

JOYDENS WOOD JUNIOR SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

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

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

In preparing these financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of governors on 29 November 2018 and signed on its behalf by:

T Walker
Chair

J Watson
Accounting Officer

JOYDENS WOOD JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOYDENS WOOD JUNIOR SCHOOL

Opinion

We have audited the financial statements of Joydens Wood Junior School for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

JOYDENS WOOD JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOYDENS WOOD JUNIOR SCHOOL (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the governors' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report, including the incorporated strategic report.

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

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

Responsibilities of governors

As explained more fully in the statement of governors' responsibilities, the governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

JOYDENS WOOD JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOYDENS WOOD JUNIOR SCHOOL (CONTINUED)

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

Catherine Cooper (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy Audit Services

.....

Chartered Accountants
Statutory Auditor

Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

JOYDENS WOOD JUNIOR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOYDENS WOOD JUNIOR SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 27 July 2015 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Joydens Wood Junior School during the period 1 September 2017 to 31 August 2018 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 Joydens Wood Junior School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Joydens Wood Junior School and ESFA 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 Joydens Wood Junior School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Joydens Wood Junior School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Joydens Wood Junior School's funding agreement with the Secretary of State for Education dated 1 November 2011 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

JOYDENS WOOD JUNIOR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOYDENS WOOD JUNIOR SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Wilkins Kennedy Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Dated: 18 December 2018

JOYDENS WOOD JUNIOR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total 2018 £'000	Total 2017 £'000
Income and endowments from:						
Donations and capital grants	3	76	-	12	88	88
Charitable activities:						
- Funding for educational operations	4	-	1,177	-	1,177	1,150
Other trading activities	5	66	-	-	66	75
Total		<u>142</u>	<u>1,177</u>	<u>12</u>	<u>1,331</u>	<u>1,313</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	138	1,272	39	1,449	1,413
Total	6	<u>138</u>	<u>1,272</u>	<u>39</u>	<u>1,449</u>	<u>1,413</u>
Net income/(expenditure)		4	(95)	(27)	(118)	(100)
Transfers between funds	16	(29)	38	(9)	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	17	-	106	-	106	122
Net movement in funds		<u>(25)</u>	<u>49</u>	<u>(36)</u>	<u>(12)</u>	<u>22</u>
Reconciliation of funds						
Total funds brought forward		<u>171</u>	<u>(487)</u>	<u>2,193</u>	<u>1,877</u>	<u>1,855</u>
Total funds carried forward		<u>146</u>	<u>(438)</u>	<u>2,157</u>	<u>1,865</u>	<u>1,877</u>

JOYDENS WOOD JUNIOR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information Year ended 31 August 2017	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2017
		£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	81	-	7	88
Charitable activities:					
- Funding for educational operations	4	-	1,150	-	1,150
Other trading activities	5	75	-	-	75
Total		156	1,150	7	1,313
Expenditure on:					
Charitable activities:					
- Educational operations	7	139	1,230	44	1,413
Total	6	139	1,230	44	1,413
Net income/(expenditure)		17	(80)	(37)	(100)
Transfers between funds	16	(16)	16	-	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	17	-	122	-	122
Net movement in funds		1	58	(37)	22
Reconciliation of funds					
Total funds brought forward		170	(545)	2,230	1,855
Total funds carried forward		171	(487)	2,193	1,877

JOYDENS WOOD JUNIOR SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	11		2,135		2,177
Current assets					
Debtors	12	19		22	
Cash at bank and in hand		209		232	
		<u>228</u>		<u>254</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(60)		(67)	
Net current assets			168		187
Net assets excluding pension liability			2,303		2,364
Defined benefit pension scheme liability	17		(438)		(487)
Net assets			<u>1,865</u>		<u>1,877</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			2,157		2,193
- Pension reserve			(438)		(487)
Total restricted funds			<u>1,719</u>		<u>1,706</u>
Unrestricted income funds	16		146		171
Total funds			<u>1,865</u>		<u>1,877</u>

The financial statements on pages 20 to 42 were approved by the governors and authorised for issue on 29 November 2018 and are signed on their behalf by:

T Walker
Chair

J Watson
Accounting Officer

Company Number 07803743

JOYDENS WOOD JUNIOR SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £'000	2017 £'000
Cash flows from operating activities			
Net cash used in operating activities	19	(38)	(32)
Cash flows from investing activities			
Capital grants from DfE Group		12	7
Purchase of tangible fixed assets		(6)	(21)
Proceeds from sale of tangible fixed assets		9	-
Net cash provided by/(used in) investing activities		15	(14)
Net decrease in cash and cash equivalents in the reporting period		(23)	(46)
Cash and cash equivalents at beginning of the year		232	278
Cash and cash equivalents at end of the year		209	232

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Joydens Wood Junior School is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the governors' report.

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

1.1 Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006,

Joydens Wood Junior School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Donations

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

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

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

The property has been included at the valuation provided by the ESFA when completing their desktop valuation.

The academy has a 125 year lease on conversion on the land and buildings with Kent County Council.

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

Land and buildings	2%
Computer equipment	33.3%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.6 Liabilities

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

1.7 Leasing commitments

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

1.8 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate..

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

1.11 Fund accounting

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

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

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

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Capital grants	-	12	12	7
Other donations	76	-	76	81
	<u>76</u>	<u>12</u>	<u>88</u>	<u>88</u>

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	1,022	1,022	1,031
Other DfE group grants	-	53	53	33
	-----	-----	-----	-----
	-	1,075	1,075	1,064
	=====	=====	=====	=====
Other government grants				
Local authority grants	-	102	102	86
	-----	-----	-----	-----
Total funding	-	1,177	1,177	1,150
	=====	=====	=====	=====

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Hire of facilities	3	-	3	2
Catering income	55	-	55	59
Other income	8	-	8	14
	-----	-----	-----	-----
	66	-	66	75
	=====	=====	=====	=====

6 Expenditure

	Staff costs £'000	Non Pay Expenditure		Total 2018 £'000	Total 2017 £'000
		Premises £'000	Other £'000		
Academy's educational operations					
- Direct costs	850	37	137	1,024	1,002
- Allocated support costs	165	93	167	425	411
	-----	-----	-----	-----	-----
	1,015	130	304	1,449	1,413
	=====	=====	=====	=====	=====

Net income/(expenditure) for the year includes:

	2018 £'000	2017 £'000
Fees payable to auditor for:		
- Audit	8	8
- Other services	4	3
Operating lease rentals	1	1
Depreciation of tangible fixed assets	39	44
Net interest on defined benefit pension liability	12	11
	=====	=====

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2018 £'000	Total 2017 £'000
Direct costs - educational operations	78	946	1,024	1,002
Support costs - educational operations	60	365	425	411
	<u>138</u>	<u>1,311</u>	<u>1,449</u>	<u>1,413</u>

Analysis of support costs

Support staff costs	165	170
Depreciation and amortisation	2	7
Technology costs	20	19
Premises costs	84	66
Other support costs	138	132
Governance costs	16	17
	<u>425</u>	<u>411</u>

8 Staff costs

	2018 £'000	2017 £'000
Wages and salaries	768	777
Social security costs	63	62
Operating costs of defined benefit pension schemes	166	163
	<u>997</u>	<u>1,002</u>
Staff costs	997	1,002
Supply staff costs	15	-
Staff development and other staff costs	3	3
	<u>1,015</u>	<u>1,005</u>
Total staff expenditure	<u>1,015</u>	<u>1,005</u>

Staff numbers

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

	2018 Number	2017 Number
Teachers	16	17
Administration and support	26	28
Management	4	4
	<u>46</u>	<u>49</u>

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

8 Staff costs

(Continued)

Higher paid staff

The number of employees whose employee benefits (excluding employer national insurance and pension costs) exceeded £60,000 was:

	2018 Number	2017 Number
£60,000 - £70,000	-	1

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the academy trust was £236k (2017: £235k).

9 Governors' remuneration and expenses

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

The value of governors' remuneration and other benefits was as follows:

J Watson (principal for 8 months):

- Remuneration £35,000-£40,000 (2017: J Chiverton £65,000-£70,000)
- Employer's pension contributions £5,000-£10,000 (2017: J Chiverton £Nil-£5,000)

M Sutherland (staff):

- Remuneration £5,000-£10,000 (2017: £5,000-£10,000)
- Employer's pension contributions £Nil-£5,000 (2017: £Nil-£5,000)

L Graham (staff) (2017: N/A):

- Remuneration £15,000-£20,000
- Employer's pension contributions £Nil-£5,000

P Redford (Staff) (2017: N/A):

- Remuneration £50,000-£55,000
- Employer's pension contributions £Nil

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

During the year, no expenses were reimbursed or paid directly to governors (2017: £77) for printing, postage and stationery.

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

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

10 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was £317 (2017: £521). The cost of this insurance is included in the total insurance cost.

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2017	2,347	21	1	2,369
Additions	6	-	-	6
Disposals	(9)	-	-	(9)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2018	2,344	21	1	2,366
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 September 2017	174	17	1	192
Charge for the year	37	2	-	39
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2018	211	19	1	231
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 31 August 2018	2,133	2	-	2,135
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2017	2,173	4	-	2,177
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Included in land and buildings is land of £477k (2017: £477k) which is not depreciated.

The additions to land and buildings are in relation to new fire doors.

The disposals to land and buildings relate to a cancelled retention.

12 Debtors	2018 £'000	2017 £'000
VAT recoverable	4	11
Other debtors	-	3
Prepayments and accrued income	15	8
	<u> </u>	<u> </u>
	19	22
	<u> </u>	<u> </u>

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

13 Creditors: amounts falling due within one year	2018	2017
	£'000	£'000
Other taxation and social security	12	16
Other creditors	33	14
Accruals and deferred income	15	37
	<u>60</u>	<u>67</u>
	<u><u>60</u></u>	<u><u>67</u></u>
14 Deferred income	2018	2017
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	-	4
	<u>-</u>	<u>4</u>
	<u><u>-</u></u>	<u><u>4</u></u>
Deferred income at 1 September 2017	4	6
Released from previous years	(4)	(6)
Resources deferred in the year	-	4
	<u>-</u>	<u>4</u>
Deferred income at 31 August 2018	-	4
	<u><u>-</u></u>	<u><u>4</u></u>
15 Financial instruments	2018	2017
	£'000	£'000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	4	14
	<u>4</u>	<u>14</u>
	<u><u>4</u></u>	<u><u>14</u></u>
Carrying amount of financial liabilities		
Measured at amortised cost	48	47
	<u>48</u>	<u>47</u>
	<u><u>48</u></u>	<u><u>47</u></u>

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	-	1,022	(1,060)	38	-
Other DfE / ESFA grants	-	53	(53)	-	-
Other government grants	-	102	(102)	-	-
Pension reserve	(487)	-	(57)	106	(438)
	<u>(487)</u>	<u>1,177</u>	<u>(1,272)</u>	<u>144</u>	<u>(438)</u>
Restricted fixed asset funds					
DfE group capital grants	16	12	-	(6)	22
General fixed asset	2,177	-	(39)	(3)	2,135
	<u>2,193</u>	<u>12</u>	<u>(39)</u>	<u>(9)</u>	<u>2,157</u>
Total restricted funds	<u>1,706</u>	<u>1,189</u>	<u>(1,311)</u>	<u>135</u>	<u>1,719</u>
Unrestricted funds					
General funds	171	142	(138)	(29)	146
Total funds	<u>1,877</u>	<u>1,331</u>	<u>(1,449)</u>	<u>106</u>	<u>1,865</u>

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy. Under the amended 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 2018.

Other DfE/ESFA grants: This includes the pupil premium, rates grant and sports grant.

Other government grants: This includes SEN funding, rising roll and Kent Music Hub from Kent County Council.

DfE/ESFA capital grants: This includes devolved formula capital grant

The Transfer of funds relate to the overspend on GAG

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

(Continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General Annual Grant (GAG)	-	1,031	(1,047)	16	-
Other DfE / ESFA grants	-	33	(33)	-	-
Other government grants	5	86	(91)	-	-
Pension reserve	(550)	-	(59)	122	(487)
	<u>(545)</u>	<u>1,150</u>	<u>(1,230)</u>	<u>138</u>	<u>(487)</u>
Restricted fixed asset funds					
DfE group capital grants	30	7	-	(21)	16
General fixed asset	2,200	-	(44)	21	2,177
	<u>2,230</u>	<u>7</u>	<u>(44)</u>	<u>-</u>	<u>2,193</u>
Total restricted funds	<u>1,685</u>	<u>1,157</u>	<u>(1,274)</u>	<u>138</u>	<u>1,706</u>
Unrestricted funds					
General funds	170	156	(139)	(16)	171
Total funds	<u>1,855</u>	<u>1,313</u>	<u>(1,413)</u>	<u>122</u>	<u>1,877</u>

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

(Continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	-	2,053	(2,107)	54	-
Other DfE / ESFA grants	-	86	(86)	-	-
Other government grants	5	188	(193)	-	-
Pension reserve	(550)	-	(116)	228	(438)
	<u>(545)</u>	<u>2,327</u>	<u>(2,502)</u>	<u>282</u>	<u>(438)</u>
Restricted fixed asset funds					
DfE group capital grants	30	19	-	(27)	22
General fixed asset	2,200	-	(83)	18	2,135
	<u>2,230</u>	<u>19</u>	<u>(83)</u>	<u>(9)</u>	<u>2,157</u>
Total restricted funds	<u>1,685</u>	<u>2,346</u>	<u>(2,585)</u>	<u>273</u>	<u>1,719</u>
Unrestricted funds					
General funds	170	298	(277)	(45)	146
Total funds	<u>1,855</u>	<u>2,644</u>	<u>(2,862)</u>	<u>228</u>	<u>1,865</u>

17 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £14k (2017: £12k) were payable to the schemes at 31 August 2018 and are included within creditors.

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Pensions and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed 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

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
- 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%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, 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 the TPS in the period amounted to £79k (2017: £71k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % for employees. The estimated value of employer contributions for the forthcoming year is £42k (2017: £44k).

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Pensions and similar obligations

(Continued)

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

Total contributions made	2018 £'000	2017 £'000
Employer's contributions	42	44
Employees' contributions	12	12
Total contributions	54	56

Principal actuarial assumptions	2018 %	2017 %
Rate of increases in salaries	3.80	4.2
Rate of increase for pensions in payment	2.30	2.7
Discount rate	2.65	2.6
Inflation assumption (CPI)	2.30	2.7

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

	2018 Years	2017 Years
Retiring today		
- Males	23.1	23.0
- Females	25.2	25.1
Retiring in 20 years		
- Males	25.3	25.2
- Females	27.5	27.4

	2018 £'000	2017 £'000
Discount rate + 0.1%	(22)	(21)
Discount rate - 0.1%	23	22
Mortality assumption + 1 year	41	29
Mortality assumption - 1 year	(38)	(28)
Long term salary increase + 0.1%	1	3
Long term salary increase - 0.1%	(2)	(3)

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Pensions and similar obligations	(Continued)	
The academy trust's share of the assets in the scheme	2018	2017
	Fair value	Fair value
	£'000	£'000
Equities	427	395
Gilts	5	4
Other bonds	56	54
Cash	19	18
Property	78	69
Other assets	42	22
Total market value of assets	627	562
Actual return on scheme assets - gain/(loss)	26	68
Amounts recognised in the statement of financial activities	2018	2017
	£'000	£'000
Current service cost	87	92
Interest income	(15)	(11)
Interest cost	27	22
Total operating charge	99	103
Changes in the present value of defined benefit obligations	2018	2017
	£'000	£'000
Obligations at 1 September 2017	1,049	1,042
Current service cost	87	92
Interest cost	27	22
Employee contributions	12	12
Actuarial gain	(95)	(65)
Benefits paid	(15)	(54)
At 31 August 2018	1,065	1,049

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

17 Pensions and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2018 £'000	2017 £'000
Assets at 1 September 2017	562	492
Interest income	15	11
Actuarial gain	11	57
Employer contributions	42	44
Employee contributions	12	12
Benefits paid	(15)	(54)
At 31 August 2018	<u>627</u>	<u>562</u>

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	2,135	2,135
Current assets	146	60	22	228
Creditors falling due within one year	-	(60)	-	(60)
Defined benefit pension liability	-	(438)	-	(438)
Total net assets	<u>146</u>	<u>(438)</u>	<u>2,157</u>	<u>1,865</u>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	2,177	2,177
Current assets	238	-	16	254
Creditors falling due within one year	(67)	-	-	(67)
Defined benefit pension liability	-	(487)	-	(487)
Total net assets	<u>171</u>	<u>(487)</u>	<u>2,193</u>	<u>1,877</u>

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

19 Reconciliation of net expenditure to net cash flow from operating activities

	2018 £'000	2017 £'000
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(118)	(100)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(12)	(7)
Defined benefit pension costs less contributions payable	45	48
Defined benefit pension net finance cost	12	11
Depreciation of tangible fixed assets	39	44
Decrease in debtors	3	3
(Decrease) in creditors	(7)	(31)
Net cash used in operating activities	<u>(38)</u>	<u>(32)</u>

20 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education and Skills Funding Agency (ESFA) the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

21 Commitments under operating leases

At 31 August 2018 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £'000	2017 £'000
Amounts due within one year	1	1
Amounts due in two and five years	-	1
	<u>1</u>	<u>2</u>

JOYDENS WOOD JUNIOR SCHOOL

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

22 Related party transactions

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

The related party transactions that took place during the period were:

Expenditure for the amount of £1,124 (2017: £899) relating to pupil clothing (sweatshirts, hoodies, netball shorts and skirts) to Caseys, a company owned by D Corderoy (Governor), no amounts were due at the year end.

Income received of 1,200 (2017: £1,200) from Hayden Youth Football Club which C V Brockenhoven (Governor) is the treasurer, no amounts were due at the year end.

Both of these related party transactions were conducted inline with the ESFA's guidance.

During the year the partner of Mr L Graham was employed as a teacher at the school.

23 Members' liability

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