

BRADFIELD SCHOOL

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2016

BRADFIELD SCHOOL
(A company limited by guarantee)

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BRADFIELD SCHOOL**(A company limited by guarantee)**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Members	D J Eaton D Peters J Gill
Governors	I Gilbert, Headteacher (appointed 1 September 2015) D J Eaton, Chair D Peters, Vice Chair S C Gillott H M Guy H Hague (resigned 17 March 2016) J Gill W A Peers (resigned 22 June 2016) L Sheppard (resigned 29 June 2016) L Wetton J Callaghan J Morton-Hall (appointed 16 March 2016) J Brook (appointed 16 March 2016) M Nuttall (appointed 16 March 2016)
Company secretary	A Calderbank
Accounting Officer	I Gilbert
Senior leadership team	I Gilbert, Headteacher K Holmes, Deputy Headteacher D Barker, Assistant Headteacher P Beaumont, Assistant Headteacher A Calderbank, Business Manager
Company name	Bradfield School
Principal and registered office	Kirk Edge Road Worrall Sheffield South Yorkshire S35 0AE
Company registered number	08265058
Independent auditors	BHP, Chartered Accountants Statutory Auditors 2 Rutland Park Sheffield S10 2PD

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
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Advisers (continued)

Bankers

Lloyds Bank
1 High Street
Sheffield
S1 2GA

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GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a Governors' report, and a Directors' report under company law.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Governors of Bradfield School are also the directors of the charitable company for the purpose of company law.

Details of the Governors who served during the period are included in the Reference and administrative details on page 1.

The academy was incorporated on 23 October 2012 and commenced operating on 1 December 2012.

b. 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.

c. Method of recruitment and appointment or election of Governors

The management of the academy is the responsibility of the Governors who are elected and co opted under the terms of the Articles of Association. New governors are recruited by wide advert of vacancies and then by interview of the most suitable candidate to ensure a good range of skills and experiences are available to the Governing Body. Interviews are conducted by the Chair of Governors and the Headteacher.

d. Policies and procedures adopted for the induction and training of Governors

Newly appointed governors are encouraged and expected to attend induction training on appointment provided by Learn Sheffield, the Sheffield schools' company. The training includes: the main governing body and subcommittee roles; strategic leadership role; the school's vision; being a critical friend; effective meetings; planning, monitoring and evaluating the work of the school; accountability; how the governing body communicates and consults and how it accounts for its actions to stakeholders. Newly appointed governors are also provided with information about the school; the role of the governor and copies of school policies. Governors are also provided with access to the school's MLE. All governors are encouraged to attend relevant training and are sign posted on a regular basis to governor briefings and events in the city as well as on-line resources for keeping abreast of changes in the education landscape.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

e. Pay policy for key management personnel

The Headteacher's salary is reviewed each year in accordance with the provisions of the School Teachers Pay and Conditions Document and by reference to performance objectives agreed between the Headteacher and the Performance Management Governors.

The Governing Body and Headteacher have agreed the number of Deputy and Assistant Headteacher posts within the school's staffing structure. It has also determined pay point ranges on the Leadership Group Pay Spine for the Deputy Headteacher and for the Assistant Headteachers in accordance with the provisions of the School Teachers Pay and Conditions Document. Pay progression is decided annually by the Governing Body in accordance with the provisions of the school's Performance Management Policy.

In accordance with the School's Pay Policy Governors have discretion to choose an appropriate grade for the post of Business Manager. In choosing a grade, the Governors will be mindful of the comparability of pay with employees holding similar posts in other Sheffield schools.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

f. Organisational structure

Subject to the mandates imposed by the Companies Act 2006, the Articles of Association ensure that the activities of the Academy Trust are managed by the Governors who exercise all the powers of the Academy Trust with very few exceptions reserved to the members. The Governing Body's scheme of delegation provides for decisions to be taken at the most appropriate level by its committees and staff through the management structure. The key responsibilities reserved by the Governing Body include; the responsibility to ensure that adequate operational systems and controls are in place and implemented to meet the School's regulatory and funding obligations; the School's accounting policies; approval of the annual School budget; determining financial matters of a higher value not delegated to its committees or the School's staff; the appointment of its auditors; the security of the School's assets and appointment of the Headteacher and Deputy Headteacher.

The Governing Body is supported by a number of committees as part of its decision making processes, during 2015/16 these were:

- Staffing, Finance, Health & Safety and Premises Committee
- Teaching and Learning Committee
- Strategy Committee

The Governors accepted the resignation of Mr Conway with effect from 31 August 2015 and unanimously appointed Dr Gilbert to be acting Headteacher with effect from 1 September 2015. This was initially for 12 months but after further consideration extended that arrangement for a further 12 months.

The Senior Leadership Team (SLT) consists of:

The Headteacher

The Deputy Headteacher

Two Assistant Headteachers

The Business Manager/Clerk to the Governing Body

and is supported by an extended SLT that also includes:

The Director of Maths

The Director of English

The Director of Science

The Director of Inclusion

The SLT determines the strategic direction of the school making recommendations to the Governing Body. The SLT has operational control of the school and monitors the quality of provision.

Middle Leaders at all levels contribute to the decision making processes through regular meetings with line managers and as a group, and by the production of Departmental Self Evaluation forms and results analyses.

Line management structures are a key part of the organisation of the school, ensuring dialogue and accountability for performance. All staff are subject to performance review procedures, and the generated targets contribute to the achievement of the priorities outlined in the school's improvement plan.

The School's Financial Control Group comprises the Headteacher and School Business Manager (supported by the Finance Administration team) who collectively assess the School's financial position and formulate the recommendations to the Staffing, Finance, Health & Safety and Premises Committee as part of the budget setting, monitoring and planning process.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

g. Connected organisations, including related party relationships

The school does not have any formal federated relationships with other schools, but has been designated as an official sponsor school by the DfE and there has been a dialogue with them about the possible sponsorship of another school.

Objectives and Activities

a. Objects and aims

The Academy Trust's object is: to advance for 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.

The school provides a broad and balanced curriculum with the overarching aim of providing courses well matched to students' needs, abilities, aptitudes and aspirations. The school was an Engineering Specialist School and retains a particular identity as a centre of excellence for the teaching of the STe3M subjects.

The school is at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community.

In the year ended 31 August 2016, admission arrangements were those which apply to local authority maintained schools and under which the school previously operated. We place an emphasis on meeting the needs of individual students, including those with SEN (with or without statements) and the more able and talented. The school was oversubscribed for Year 7 in 2016.

The school provides education for Year 7-11 pupils of different abilities who are wholly or mainly drawn from the area in which the school is situated and for A Level students who meet the entrance criteria for post 16 study.

b. Objectives, strategies and activities

The school provides a broad and balanced curriculum, which whilst very traditional in structure, is supplemented by the school's STe3M focus, to ensure that all students are enabled to develop as independent learners and well prepared for life beyond school. We therefore aim to:

- provide an environment in which every student achieves to the maximum of their potential.
- ensure every student has access to a broad, balanced and appropriate curriculum.
- give chances to everyone to make a positive contribution to school life.
- help students to become valued and active members of society.
- instil and promote basic human virtues such as tolerance and equality.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

c. Activities for achieving objectives

The school's improvement priorities for the period under review were:

Achievement of students

- Raise achievement at all Key Stages and ensure teaching over time is impacting on achievement in order to obtain a positive Progress 8 score.

Quality of teaching, learning and assessment

- Ensure consistently high quality GAP marking and constructive feedback from teachers so that students make significant and sustained gains in their learning.
- Further embed whole school approaches on numeracy and literacy which are highly effective and cohesively planned and implemented across the curriculum to raise student achievement.
- Implement the new assessment arrangements at KS3 and KS4, 'life after levels'.
- Implement the 'Achievement for All' programme.

Personal development, behaviour and welfare of students

- Link the new SEND code of practice to our behaviour for learning policy in order to support Achievement for All.
- Further enhance strategies to engage with parents/carers and be designated with LPPA (Leading Parent Partnership Award).
- Improve Year 7-11 attendance to 96%.

Leadership and management

- Ensure there are high quality CPD opportunities for all staff, which provide the tools to raise student achievement.
- Ensure there is a whole school action research programme (Lesson Study) for all teaching staff, which provides the tools to raise student achievement (link to PM objectives for all staff).
- Continue to pursue capital investment for a new 6th Form block and an expansion of existing facilities to raise our standard number to accommodate the need for additional school places within our Catchment Schools.
- Roll out the new MIS 'Go4schools' to improve tracking and monitoring of pupil attainment and achievement.
- Engage with two new partnership ventures; SCITT and Learn Sheffield.

Bradfield Sixth Form

- Focus on recruitment to Bradfield Sixth Form and maximise recruitment from our own school.
- Raise achievement at Key Stage 5 to ALPs 1-3 and ensure teaching over time is impacting on achievement.

d. Public benefit

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

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GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

Achievements and performance

a. Key financial performance indicators

The School recognises the importance of performance indicators, to ensure that it delivers educational and financial excellence.

The School's financial performance is monitored by the governors and the senior leadership team through periodic internal financial reports.

It is also monitored through the completion and submission to the Education Funding Agency (EFA) of:

- the Annual Accounts Return
- the Academies Budget Forecast 2015/16

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

b. Review of activities

Progress against the school's improvement objectives is discussed in detail in the latest report from John Fowler, the School Improvement Partner (SIP) which can be found on the school website:

http://bradfieldschool.net/images/documents/bradfield_summer_term_sip_report.pdf

Subject Area Quality Assurance

Ideally, every two years each Subject Area is subject to a 1 or 2 week (dependent upon size) Quality Assurance review. The aim of this process is to check the working of the Subject Area to ensure it is following school policy and that all students are receiving high quality education (this process is in addition to the regular weekly or fortnightly QA meeting that is timetabled between the Subject Leader and their SLT Line Manager). During the QA four areas are explored:

- Student voice questionnaire where students from every school year are asked about the subject area.
- All staff in the Subject Area undergo a lesson observation to evaluate quality of Teaching and Learning plus to agree standards – the Head of Subject is observed by the Headteacher and SLT Line Manager, the SLT Line Manager then jointly observes another member of the Subject Area (2nd in Department if there is one), with the remainder of the Subject Area being observed by the Head of Subject/second in department.
- Work scrutiny, all years and all teachers.
- Examination of Subject Area SEF and Development Plan.

Following the QA a full report is written which is then shared with the Headteacher and Subject Leader. This report includes an evaluation of the Subject Area and gives action points to allow the Subject Area to improve further.

In the Academic Year 2015 – 2016 the following Subject Area underwent the full QA scrutiny:

Autumn Term – Design Technology

Spring Term – MFL

Summer Term – History, Art & Design, Citizenship + Health & Social Care

Two of the Subject Areas were judged as 'outstanding' with the remainder all being 'good' with some outstanding features. All the Subject Areas were viewed to having the potential to move to being outstanding.

Examination Results 2016

Previous years GCSE results:-

Summary comparison		
	2015	2016
boys v girls	98 v 82	86 v 92
cohort ability KS2 APS	28.7	28.6
Progress 8	0.03	-0.18
SACEM	59%	66%
APS	331	334
English Lang. A*-C	73%	70%
English Lit. A*-C	83%	90%
English 3+ progress	68%	88%
Maths A*-C	72%	78%
Maths 3+ progress	68%	65%

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Summer 2016 GCSE results:

On the older headline measure of %A*-C GCSE's including English and Maths we achieved 66% (a 7% increase on 2015) which is ranked 4th highest in Sheffield.

Performance Tables Summary Report 2016:		Keystage 4					
		Year Group:Year 11					
Measure	Detail	All	%	Male	%	Female	%
KS4 Cohort Information	Number of Students at end of KS4	178	100.0%	86	48.3%	92	51.7%
	Key Stage 2 Average Point Score of cohort	0		0		0	
	Students included in KS2 APS measure	0	0.0%	0	0.0%	0	0.0%
Progress Measures	Expected level of progress in English between KS2 and KS4	155	88.1%	73	85.9%	82	90.1%
	Students included in the English progress measure (coverage)	176	98.9%	85	98.8%	91	98.9%
	Expected level of progress in maths between KS2 and KS4	113	64.9%	54	65.1%	59	64.8%
	Students included in the maths progress measure (coverage)	174	97.8%	83	96.5%	91	98.9%
Progress 8	Students included in Progress 8 Score	174	97.8%	83	96.5%	91	98.9%
	Progress 8 Score	-0.18		-0.27		-0.07	
	Estimated Attainment 8 Average	53.2		51.3		55.0	
	Attainment 8 Average	52.3		49.5		54.8	
GCSE or Equivalent Achievements	Students attaining 5+ A*-C (or equivalent) including English & maths	108	60.7%	46	53.5%	62	67.4%
	Students attaining 5+ A*-C (or equivalent)	115	64.6%	50	58.1%	65	70.7%
	Students attaining 5+ A*-G (or equivalent)	174	97.8%	84	97.7%	90	97.8%
	Students attaining at least one qualification	176	98.9%	85	98.8%	91	98.9%
English Baccalaureate	Students entered for English Baccalaureate	60	33.7%	20	23.3%	40	43.5%
	Students attaining the English Baccalaureate	45	25.3%	16	18.6%	29	31.5%
	Students attaining A*-G in all EBacc subject areas	60	33.7%	20	23.3%	40	43.5%
English Baccalaureate Subjects	Students entered for English	176	98.9%	85	98.8%	91	98.9%
	Students attaining A*-C in English	159	89.3%	76	88.4%	83	90.2%
	Students entered for maths	177	99.4%	86	100.0%	91	98.9%
	Students attaining A*-C in maths	138	77.5%	69	80.2%	69	75.0%
	Students entered for two sciences	175	98.3%	85	98.8%	90	97.8%
	Students attaining A*-C in two sciences	92	52.6%	39	45.9%	53	58.9%
	Students entered for a language	88	49.4%	25	29.1%	63	68.5%
	Students attaining A*-C in a language	69	78.4%	20	80.0%	49	77.8%
	Students entered for a humanities subject	110	61.8%	49	57.0%	61	66.3%
	Students attaining A*-C in a humanities subject	78	70.9%	32	65.3%	46	75.4%
The Basics	Students attaining A*-C grades in English & maths	133	74.7%	65	75.6%	68	73.9%
	Students attaining A*-G grades in English & maths	168	94.4%	83	96.5%	85	92.4%
Averages	Average number of qualifications per student	9.6		9.5		9.8	
	Average number of GCSEs per student	9.6		9.5		9.8	
	APS per student capped at best 8	327.2		312.4		341.2	
	APS per student GCSEs only	387.2		364.4		408.5	
	APS per student uncapped	387.2		364.4		408.5	

BRADFIELD SCHOOL**(A company limited by guarantee)**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016Post-16

Summary 2016 A Level results:

Subject	Entries	A*	A	B	C	D	E	U
1010-Biology	11	0	2	3	5	1	0	0
1110-Chemistry	11	1	2	2	3	1	1	1
1210-Physics	18	2	4	4	2	3	2	1
2210-Mathematics	18	5	4	3	3	1	2	0
2330-Mathematics Further	1	1	0	0	0	0	0	0
2650-Information Technology	9	0	0	1	3	2	2	0
3210-Business Studies	7	1	1	3	1	0	0	0
3510-Art & Design	6	0	1	2	3	0	0	0
3910-Geography	18	0	4	5	5	3	1	0
4010-History	7	0	0	2	2	3	0	0
4610-Religious Studies	11	0	2	4	2	2	1	0
4770-Law	8	0	0	1	2	4	1	0
4830-Politics	4	0	0	1	1	2	0	0
4850-Psychology	14	0	0	8	3	2	0	0
4890-Sociology	6	0	2	0	4	0	0	0
5030-English Language	19	1	0	7	9	2	0	0
5110-English Literature	22	0	1	5	7	7	2	0
5210-Drama	5	0	1	1	1	2	0	0
5650-French	6	0	0	6	0	0	0	0
5750-Spanish	2	0	0	2	0	0	0	0
7010-Music	4	0	0	0	2	2	0	0
7810-General Studies	1	0	0	1	0	0	0	0
9080-D&T Product Design	10	2	0	2	3	2	1	0
	218	13	24	63	61	39	13	2
		215						
	Grades No.	13	24	63	61	39	13	2
	Grades %	6.0%	11.0%	28.9%	28.0%	17.9%	6.0%	0.9%

BRADFIELD SCHOOL**(A company limited by guarantee)**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Summary picture:

- 91% of students attaining 3 A Levels A*-E is the 4th highest in Sheffield.

Number of 16-18 students at the end of A level study	76
Number of full-time equivalent students at the end of A level study	76
Number of A level entries (of those at the end of A level study)	215
Average point score per A level entry	220
Average point score per A level student (full-time equivalent) <i>includes AS + EPQ</i>	802.5
% of students at the end of A level study achieving at least 3 A levels at A*-E	90.79%
% of students at the end of A level study achieving at least 2 A levels at A*-E	98.68%
% of students at the end of A level study achieving at least 1 A level at A*-E	100%
% of students at the end of A level study achieving grades AAB or higher in at least 2 facilitating subjects	10.53%

Admissions

The school has an Indicated Admission Number of 210, and is invariably heavily oversubscribed. The Independent Admission Appeals Panel heard appeals from 12 parents who had expressed a preference for their child to attend Bradfield School and placed 1 pupil with the school.

c. Investment policy and performance

The Trust's Articles of Association restrict any decisions on the investment of school funds to the Governing Body. Governors' may only invest funds after taking advice from a financial expert, as defined under the Financial Services and Markets Act 2000. Investments are currently restricted to deposit accounts with the School's bankers. Any interest is returned to the School as unrestricted income.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Financial review

a. Going concern

The academy, like many other schools, has faced and continues to face a significant challenge in achieving a budget surplus owing to decreases in funding income year on year. It has been in correspondence with the EFA regarding its forecast financial position over the next five years because during this period it is projected that the academy will fall into deficit before recovering to in-year surpluses as a result of increasing pupil numbers and an increase in funding per pupil which is expected when the National Funding Formula is finally introduced. Following detailed examination of forecasts provided to it in summer 2016, the EFA were able to provide reassurance to the academy that, providing it continues to demonstrate sound financial management and has a viable plan to recover to surplus, they will be able to provide the support needed to manage the deficit. Further forecasts were submitted to the EFA following the DfE decision to delay the introduction of the NFF, the impact of this delay is to take the academy deeper in to deficit with a correspondingly extended period to return to surplus. The academy is intending to submit a recovery plan to the EFA in early 2017 after the funding figures for 2017/18 have been received. Whilst the outcome of the subsequent discussions with the EFA is inherently uncertain, the governors anticipate that a suitable package of support will be agreed.

The Governing Body therefore has a reasonable expectation that the academy will have adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Review of financial position and performance

Total income for the year ended 31 August 2016 was £5,361,413 (2015: £5,270,710) and total expenditure was £5,948,617 (2015: £5,826,649). This resulted in a net operating loss of £587,204 (2015: £555,939). After an actuarial loss on the defined benefit pension scheme of £491,000 (2015: £41,000) net movement in funds was negative £1,078,204 (2015: £596,939).

Total funds at 31 August 2016 were £18,478,196 (2015: £19,556,400) of which £281,182 (2015: £272,941) were unrestricted, £19,266,469 (2015: £19,616,577) were restricted fixed asset funds, £107,575 (2015: £328,882) were restricted general funds and £1,177,000 (2015: £662,000) was a negative pension reserve.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

c. Principal funding

Most of the School's income is in the form of recurring grants from the Department for Education (DfE) which are provided under the funding agreement with the Trust. The use of this income is restricted to particular purposes. The DfE grants received by the Trust for the period ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The School also receives capital grants from the DfE for the purchase of capital items. Grants received during the period have been retained to fund future capital additions. In accordance with the Charity Commission's Statement of Recommended Practice (the SORP) Accounting and Reporting by Charities 2015, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted asset fund balance is reduced by annual depreciation charges, in accordance with the School's accounting policy, over the asset's expected useful life.

On 31 August 2016, the net book value of the fixed assets was £19,266,469. The assets were used exclusively by the pupils of Bradfield School.

d. Reserves policy

A key objective of Bradfield School is to maintain a structure of prudent financial management.

The aims of the Academy's Reserves Policy are that the level of free reserves (being unrestricted funds and restricted general funds) should:

- Ensure fluctuations in income (e.g. reduced student numbers) or unexpected expenditure (e.g. urgent maintenance work, curriculum changes) are managed effectively.
- Enable a robust programme for the renewal and replacement of school assets to be developed and maintained.
- Provide sufficient working capital for unknown future opportunities and to provide for unexpected emergencies.

In achieving this, the Governors will be mindful that existing students are not disadvantaged through the retention of excessive reserves. To this end the Governors will review reserve levels annually and aim to have a prudent figure of 5-10% of annual revenue in reserve. At the current level of activity this equates to free reserves of between £250,000 and £500,000.

At 31 August 2016 the balance of the Academy's Unrestricted Funds was £281,152 and the balance of its Restricted General Funds was £107,575 (before allowing for pension liabilities of £1,177,000).

e. Financial risk management objectives and policies

The Academy is not generally exposed to significant uncertainty in relation to financial instruments. The key issue is the pension scheme liability which is included in the accounts on the basis of actuarial advice and inevitably will be subject to fluctuations in the future.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

f. Principal risks and uncertainties

The School has undertaken work during the period to establish the system of internal control, including financial, operational and risk management which is designed to protect the School's assets and reputation.

The most significant risks are identified below:

Government funding:

The School has considerable reliance on continued government funding through the EFA under a funding agreement with the Department for Education. In 2015/16, over 99% of the School's revenue was ultimately public funded. The School is informed by the EFA of funding mechanisms and policies to the same degree as similar organisations. The government funding policies and practices may remain the same or change in relation to their levels or terms. This risk is mitigated in a number of ways including contractual arrangements, by delivering high quality education and maintaining our relationship with EFA acting as the delivery agency for funding and compliance on behalf of the Department for Education.

The government's funding formula uses pupil numbers, amongst other matters, as the primary driver to determine funding levels. In 2015/2016 Bradfield increased its admissions number for Y7 from 180 to 210, despite this increase the local authority confirms that Bradfield was once again oversubscribed for the Year 7 intake and their data suggests this will be the case for the foreseeable future. As a result pupil numbers in Years 7 to 11 are expected to rise by 30 per year for the next four years to 1050.

To date the underlying trend in government funding of schools has meant a decrease in funding to Bradfield School in the order of 2% per annum. This trend is expected to be reversed by the promised introduction in 2018 of a 'fairer' National Funding Formula for schools.

Staffing costs:

The School's staff transferred from the local authority employer to the Academy Trust with the same terms and conditions. Teaching staff pay rates will be increased by 1% from 1 September 2016 as per national agreements and support staff pay rates will rise by 1% at 1 April 2017 in line with the two year agreement on local government pay reached in 2016. The School is mindful that natural progression within salary grades increases costs over and above agreed increases in rates.

The combined effect of these trends gives rise to the concerns expressed in the going concern statement.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Plans for future periods

a. Future developments

We will continue to have the raising of standards, through improvements in progress and learning, as a top priority. This will continue to ensure progression routes for our students, whether into employment or into further/higher education and the avoidance of young people becoming classed as NEET (not in education, employment or training). Our curriculum is reviewed annually and evolves with the aim of matching students ever more closely to the most appropriate courses.

At Sixth Form, we will ensure our range of courses continues to provide progression for students and responds to their needs. Our initial success should lead to a positive increase in the numbers of students seeing Bradfield as an established 6th Form. We continue to actively explore opportunities to expand the available space in school to accommodate the 6th Formers in bespoke accommodation. Such expansion would also enable us to build capacity to meet the local authority's request to expand our cohort at KS3 & 4.

Disclosure of information to auditors

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

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

Auditors

The auditors, BHP, Chartered Accountants, have indicated their willingness to continue in office. The Designated Governors will propose a motion re-appointing the auditors at a meeting of the Governors.

This report was approved by order of the Governing Body as the company directors, on _____ and signed on its behalf by:

D J Eaton
Chair of Governors

BRADFIELD SCHOOL

(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bradfield School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The Governing Body has formally met 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
I Gilbert, Headteacher	3	3
D J Eaton, Chair	2	3
D Peters, Vice Chair	3	3
S C Gillott	2	3
H M Guy	2	3
H Hague	0	2
J Gill	3	3
W A Peers	3	3
L Sheppard	3	3
L Wetton	2	3
J Callaghan	2	3
J Morton-Hall	1	2
J Brook	1	2
M Nuttall	1	2

Good and outstanding Governing Boards undertake an annual review of their own effectiveness in order to more clearly understand how well the governing board is working, their impact and identify areas for improvement. A review carried out by an external, experienced reviewer aims especially to strengthen school leadership by improving governance, helping the board to be:

- more aware of and focused on its core strategic functions
- more aware of the freedoms that it has to work in different ways
- clear in its vision for the school and how, as an integral part of the school leadership, it can achieve this
- confident that it has a clear delineation of roles, responsibilities and boundaries
- constituted with the right number of skilled and committed governors to meet the needs of the school
- clear about how it can hold school leaders to account for improving outcomes for all pupils (including those who are disadvantaged), by raising standards and expectations
- clear about how well it ensures high standards of educational achievement and that its children and young people are well prepared to be responsible citizens in modern Britain

BRADFIELD SCHOOL

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GOVERNANCE STATEMENT (continued)

An external review took place on 29 June 2016 and the reviewer worked with Governors assessing effectiveness based on the grade descriptors for Leadership and Management (Ofsted Handbook August 2015) and he agreed with the School Improvement Partner that the Governing Board is "Good". Three action points were identified and now form part of the School Improvement Plan:

1. Governors systematically challenge senior leaders so that the effective deployment of staff and resources, including the pupil premium and SEN funding, secures excellent outcomes for pupils:
 - a. Continue to ensure that the minutes capture the challenge from governors.
2. In order to deepen and increase the accuracy of governors understanding of the school's effectiveness informed by the views of pupil's, parents and staff and use this to keep the school improving by focusing on the impact of their actions in key areas:
 - a. All governors should attend a link governor visit to the school once per year and report back as per the form suggested by the NGA to full GB termly;
 - b. Governors should attend school events – parents evenings, concerts, open days;
 - c. Re-establish the link with School Council;
 - d. Support the work of Sue's Working Party on school/governors' communication/engagement with parents.
3. British Values – radicalisation etc.
 - a. As a largely white British school, give consideration as to what more could be done to promote British Values.

The next self-evaluation will take place during the 2016/17 school year.

The committee structure is:

- Strategy Committee
 - o The members of the committee are the Head, the Chair of Governors, the Vice chair and the chairs of the other two committees. Any governor is welcome to attend and it is often a very well attended committee.
 - o It sets the strategic direction for the governors and provides a forum for each of the committee chairs to discuss cross cutting committee issues and plans for the future.
- Staffing Finance Premises and Health and Safety
 - o Covers topics such as budget planning, staffing issues and facilities management
- Teaching and Learning
 - o Covers progress and attainment of all key stage groups as well as vulnerable groups and closing the gaps
 - o Receives a termly report from a subject leader to deepen governors knowledge
 - o Receives a termly report from the Inclusion Manager

Governors are allocated to committees based on their knowledge, skills and experience.

There are currently 2 vacancies for governors – one for a community governor and one for a parent governor and we are actively recruiting to fill these.

BRADFIELD SCHOOL**(A company limited by guarantee)**GOVERNANCE STATEMENT (continued)

The Staffing, Finance, Health & Safety and Premises Committee is a sub-committee of the main Governing Body. Its purpose is to develop policies for the management of the named functions and recommending them to the full Governing Body for approval, monitoring schools compliance with said policies and approval of a range of actions on behalf of the Governing Body as specified in the policies.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
D Peters, Vice Chair	4	4
I Gilbert, Headteacher	4	4
J Gill	4	4
J Callaghan	4	4
H Hague	0	2
D J Eaton, Chair	3	4
J Morton-Hall	0	1
M Nuttall	1	1

Review of Value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the academy 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's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Working with department heads to reduce spending on printing, books and teaching resources, achieving a saving of over £30k in the year.
- Reducing the size of the SLT by cutting an Assistant Head post.
- Conducting a comprehensive review of the curriculum model to minimise the number of teaching staff required by increasing class sizes and teacher contact ratios from September 2016. Through advance planning of the changes the reduction in staff numbers has been achieved through natural wastage thus avoiding the need for redundancies.

The Purpose of the System of Internal Control

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

GOVERNANCE STATEMENT (continued)

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Staffing, Finance, Health & Safety and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint BHP, Chartered Accountants as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- testing of income systems
- testing of purchase systems
- testing of payroll systems
- testing of fixed asset controls
- testing of school trip systems

On a periodic basis, the internal auditor 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 appointee has delivered their schedule of work as planned. No material control issues arose as a result of the appointee's work.

BRADFIELD SCHOOL

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GOVERNANCE STATEMENT (continued)

Review of Effectiveness

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

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

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

Approved by order of the members of the Governing Body on _____ and signed on their behalf, by:

D J Eaton
Chair of Governors

I Gilbert
Accounting Officer

BRADFIELD SCHOOL

(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Bradfield School I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the 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 2015.

I confirm that I and the academy trust board of trustees 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 2015.

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

I Gilbert
Accounting Officer

BRADFIELD SCHOOL

(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as governors of Bradfield School and are also the directors of the charitable company 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 Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on

and signed on its behalf by:

D J Eaton
Chair of Governors

BRADFIELD SCHOOL

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRADFIELD SCHOOL

We have audited the financial statements of Bradfield School for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of Governors and auditors

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

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

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

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1.5 in the financial statements. This explains that academy's five year forecasts show it falling into deficit before recovering to in-year surpluses and so it will be seeking additional financial support from the EFA to enable it to manage through this. These conditions, as outlined in more detail in Note 1 to the financial statements, indicate the existence of a material uncertainty that may cast significant doubt about the academy's ability to continue as a going concern.

BRADFIELD SCHOOL

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BRADFIELD SCHOOL

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Philip Allsop (Senior statutory auditor)

for and on behalf of

BHP, Chartered Accountants

Statutory Auditors

2 Rutland Park

Sheffield

S10 2PD

Date:

BRADFIELD SCHOOL

(A company limited by guarantee)

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO BRADFIELD SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 July 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bradfield School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Bradfield School's accounting officer and the reporting auditors

The accounting officer is responsible, under the requirements of Bradfield School's funding agreement with the Secretary of State for Education dated 8 November 2012, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately;
- Review of the academy's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues;
- Ensure that EFA approval has been obtained for relevant transactions;
- Discussions with Governors, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that all regularity threats have been addressed.

Conclusion

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

Philip Allsop (Senior statutory auditor)

for and on behalf of

BHP, Chartered Accountants

Statutory Auditors

2 Rutland Park
Sheffield
S10 2PD

Date:

BRADFIELD SCHOOL**(A company limited by guarantee)****STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from:						
Donations and capital grants	2	171	-	57,763	57,934	41,094
Charitable activities:						
Funding for the academy's educational operations	3	-	5,270,565	-	5,270,565	5,203,046
Other trading activities	4	25,900	-	-	25,900	17,742
Investments	5	7,014	-	-	7,014	8,828
Total income		33,085	5,270,565	57,763	5,361,413	5,270,710
Expenditure on:						
Raising funds		-	10,014	-	10,014	5,442
Charitable activities:						
Academy educational operations	7	24,874	5,513,396	400,333	5,938,603	5,821,207
Total expenditure	6	24,874	5,523,410	400,333	5,948,617	5,826,649
Net income / (expenditure) before transfers		8,211	(252,845)	(342,570)	(587,204)	(555,939)
Transfers between funds	18	-	7,538	(7,538)	-	-
Net income / (expenditure) before other recognised gains and losses		8,211	(245,307)	(350,108)	(587,204)	(555,939)
Actuarial losses on defined benefit pension schemes	22	-	(491,000)	-	(491,000)	(41,000)
Net movement in funds		8,211	(736,307)	(350,108)	(1,078,204)	(596,939)
Reconciliation of funds:						
Total funds brought forward		272,941	(333,118)	19,616,577	19,556,400	20,153,339
Total funds carried forward		281,152	(1,069,425)	19,266,469	18,478,196	19,556,400

BRADFIELD SCHOOL**(A company limited by guarantee)**

REGISTERED NUMBER: 08265058

BALANCE SHEET

AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	15		19,266,469		19,614,155
Current assets					
Debtors	16	53,708		65,469	
Cash at bank and in hand		455,365		730,601	
			509,073	796,070	
Creditors: amounts falling due within one year	17	(120,346)		(191,825)	
Net current assets			388,727		604,245
Total assets less current liabilities			19,655,196		20,218,400
Defined benefit pension scheme liability	22		(1,177,000)		(662,000)
Net assets including pension scheme liabilities			18,478,196		19,556,400
Funds of the academy					
Restricted income funds:					
Restricted income funds	18	107,575		328,882	
Restricted fixed asset funds	18	19,266,469		19,616,577	
Restricted income funds excluding pension liability		19,374,044		19,945,459	
Pension reserve		(1,177,000)		(662,000)	
Total restricted income funds			18,197,044		19,283,459
Unrestricted income funds	18		281,152		272,941
Total funds			18,478,196		19,556,400

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

D J Eaton
Chair of Governors

The notes on pages 31 to 55 form part of these financial statements.

BRADFIELD SCHOOL**(A company limited by guarantee)**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash used in operating activities	20	<u>(287,366)</u>	<u>(223,605)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		7,014	8,828
Purchase of tangible fixed assets		(52,647)	(45,199)
Capital grants from DfE/EFA		21,888	19,902
Capital funding received from sponsors and others		<u>35,875</u>	<u>19,300</u>
Net cash provided by investing activities		<u>12,130</u>	<u>2,831</u>
Change in cash and cash equivalents in the year		(275,236)	(220,774)
Cash and cash equivalents brought forward		<u>730,601</u>	<u>951,375</u>
Cash and cash equivalents carried forward		<u><u>455,365</u></u>	<u><u>730,601</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Bradfield School constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Bradfield School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Bradfield School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

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 allocated on the portion of the asset's use.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

1.5 Going concern

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

The academy, like many other schools, has faced and continues to face a significant challenge in achieving a budget surplus owing to decreases in funding income year on year. It has been in correspondence with the EFA regarding its forecast financial position over the next five years because during this period it is projected that the academy will fall into deficit before recovering to in-year surpluses as a result of increasing pupil numbers and an increase in funding per pupil which is expected when the National Funding Formula is finally introduced. Following detailed examination of forecasts provided to it in summer 2016, the EFA were able to provide reassurance to the academy that, providing it continues to demonstrate sound financial management and has a viable plan to recover to surplus, they will be able to provide the support needed to manage the deficit. Further forecasts were submitted to the EFA following the DfE decision to delay the introduction of the NFF, the impact of this delay is to take the academy deeper in to deficit with a correspondingly extended period to return to surplus. The academy is intending to submit a recovery plan to the EFA in early 2017 after the funding figures for 2017/18 have been received. Whilst the outcome of the subsequent discussions with the EFA is inherently uncertain, the governors anticipate that a suitable package of support will be agreed.

The Governing Body therefore has a reasonable expectation that the academy will have adequate resources to continue in operational existence for the foreseeable future and so they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 incorporating income and expenditure account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. Accounting Policies (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	over 60 years
Motor vehicles	-	20% straight line
Fixtures and fittings	-	20-35% straight line
Computer equipment	-	20-25% straight line

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Taxation

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

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

BRADFIELD SCHOOL

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

1.12 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 26.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. Accounting Policies (continued)**1.15 Critical accounting estimates and areas of judgement**

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Income from donations and capital grants

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	171	-	-	171	1,892
Capital grants	-	-	57,763	57,763	39,202
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	171	-	57,763	57,934	41,094
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BRADFIELD SCHOOL

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

3. Funding for Academy's educational operations

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	5,049,330	5,049,330	4,998,480
	-	5,049,330	5,049,330	4,998,480
Other government grants				
Local choice - revenue grant	-	1,410	1,410	728
Special educational needs & LAC	-	9,615	9,615	10,173
Other government grants non capital	-	10,000	10,000	372
	-	21,025	21,025	11,273
Other funding				
NLG grant	-	2,000	2,000	-
School fund income	-	198,210	198,210	193,293
	-	200,210	200,210	193,293
	-	5,270,565	5,270,565	5,203,046

4. Other trading activities

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Consultancy	-	-	-	250
Other	25,900	-	25,900	17,492
	25,900	-	25,900	17,742

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****5. Investment income**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	7,014	-	7,014	8,828

6. Expenditure

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising funds	-	-	10,014	10,014	5,442
Academy's educational operations:					
Direct costs	3,749,511	210,036	597,669	4,557,216	4,396,326
Support costs	266,070	790,695	324,622	1,381,387	1,424,881
	4,015,581	1,000,731	932,305	5,948,617	5,826,649

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****7. Charitable Activities**

	2016	2015
	£	£
<i>Direct costs - educational operations</i>		
Wages and salaries	3,021,685	2,925,361
National insurance	227,323	198,894
Pension costs	517,502	431,531
Pension finance costs (note 13)	25,000	22,000
Staff development	8,531	15,057
Technology costs	3,005	20,065
Educational supplies	155,411	203,043
Examination fees	103,354	91,243
Depreciation	298,790	296,703
Other costs	196,615	190,429
	4,557,216	4,394,326
<i>Support costs- educational operations</i>		
Wages and salaries	205,808	215,754
National insurance	14,747	12,991
Pension costs	28,516	27,167
Recruitment and other staff costs	7,994	17,486
Technology costs	138,661	159,663
PFI property costs	673,006	660,667
Maintenance of premises and equipment	7,114	19,525
Rates	40,563	42,981
Heat and light	51,349	50,231
Insurance	21,482	21,859
Catering	11,899	11,730
Office overheads	(6,310)	9,295
Depreciation	99,597	98,900
Loss on disposal of fixed assets	1,946	-
Bank interest and charges	94	89
Governance costs (note 8)	28,216	28,814
Other costs	56,705	49,729
	1,381,387	1,426,881
Total direct and support costs	5,938,603	5,821,207

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****8. Governance costs**

	2016	2015
	£	£
Auditors' remuneration - audit	8,795	8,490
Legal and professional	2,421	3,824
School staff in support of governance activities	17,000	16,500
	<u> </u>	<u> </u>
Total	28,216	28,814
	<u> </u>	<u> </u>

9. Net incoming resources/(resources expended)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets: - owned by the charity	398,387	395,604
	<u> </u>	<u> </u>

10. Auditors' remuneration

	2016	2015
	£	£
Fees payable to the academy's auditor for the audit of the academy's annual accounts	8,795	8,490
Fees payable to the academy's auditor in respect of:		
Audit-related assurance services	525	510
Internal audit services	1,020	1,520
	<u> </u>	<u> </u>
	2016	2015
	£	£
Fees payable to the academy's auditor in connection with the academy's pension scheme(s) in respect of:		
Assurance services	305	305
	<u> </u>	<u> </u>

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

11. Staff costs

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	3,197,963	3,105,712
Social security costs	242,070	211,885
Operating costs of defined benefit pension schemes	546,018	458,698
	<hr/>	<hr/>
	3,986,051	3,776,295
Supply teacher costs	29,530	35,653
	<hr/>	<hr/>
	4,015,581	3,811,948
	<hr/> <hr/>	<hr/> <hr/>

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

	2016	2015
	No.	No.
Teachers	71	67
Admin and support	34	33
Management	4	5
	<hr/>	<hr/>
	109	105
	<hr/> <hr/>	<hr/> <hr/>

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Teachers	64	62
Administration and support	23	23
Management	4	5
	<hr/>	<hr/>
	91	90
	<hr/> <hr/>	<hr/> <hr/>

BRADFIELD SCHOOL

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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

	2016	2015
	No.	No.
In the band £ 60,001 - £ 70,000	1	1
In the band £ 80,001 - £ 90,000	1	0
In the band £ 90,001 - £100,000	0	1

The above employees participated in the Teacher's Pension Scheme. During the period ended 31 August 2016, pension contributions amounted to £23,204 (2015 : £22,953).

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £346,756 (2015: £411,993).

BRADFIELD SCHOOL

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

12. Governors' remuneration and expenses

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

I Gilbert:

Remuneration £80,000 - £85,000 (2015: £Nil)
Employer's pension contributions £10,000 - £15,000 (2015: £Nil)

D M Conway:

Remuneration £Nil (2015: £95,000 - £100,000)
Employer's pension contributions £Nil (2015: £10,000 - £15,000)

J Callaghan:

Remuneration £35,000 - £40,000 (2015: £20,000 - £25,000)
Employer's pension contributions £5,000 - £10,000 (2015: £0 - £5,000)

B M Miskell:

Remuneration £Nil (2015: £5,000 - £10,000)
Employer's pension contributions £Nil (2015: £0 - £5,000)

L A Wetton:

Remuneration £30,000 - £35,000 (2015: £20,000 - £25,000)
Employer's pension contributions £5,000 - £10,000 (2015: £0 - £5,000)

C Swinden:

Remuneration £Nil (2015: £10,000 - £15,000)
Employer's pension contributions £Nil (2015: £0 - £5,000)

During the period, no Governors received any benefits in kind.

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

13. Other finance costs

	2016	2015
	£	£
Interest income on pension scheme assets	38,000	33,000
Interest on pension scheme liabilities	(63,000)	(55,000)
	<hr/> (25,000) <hr/>	<hr/> (22,000) <hr/>

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****14. Governors' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £1,350 (2015 - £1,350).

15. Tangible fixed assets

	L/Term Leasehold Property £	Motor vehicles £	Computer equipment £	Other fixed assets £	Total £
Cost					
At 1 September 2015	20,102,397	12,500	531,289	60,361	20,706,547
Additions	-	-	35,875	16,772	52,647
Disposals	-	-	-	(5,725)	(5,725)
	<u>20,102,397</u>	<u>12,500</u>	<u>567,164</u>	<u>71,408</u>	<u>20,753,469</u>
At 31 August 2016	<u>20,102,397</u>	<u>12,500</u>	<u>567,164</u>	<u>71,408</u>	<u>20,753,469</u>
Depreciation					
At 1 September 2015	769,499	5,000	298,135	19,758	1,092,392
Charge for the year	280,048	2,500	104,029	11,810	398,387
On disposals	-	-	-	(3,779)	(3,779)
	<u>1,049,547</u>	<u>7,500</u>	<u>402,164</u>	<u>27,789</u>	<u>1,487,000</u>
At 31 August 2016	<u>1,049,547</u>	<u>7,500</u>	<u>402,164</u>	<u>27,789</u>	<u>1,487,000</u>
Net book value					
At 31 August 2016	<u>19,052,850</u>	<u>5,000</u>	<u>165,000</u>	<u>43,619</u>	<u>19,266,469</u>
At 31 August 2015	<u>19,332,898</u>	<u>7,500</u>	<u>233,154</u>	<u>40,603</u>	<u>19,614,155</u>

Included in land and buildings is leasehold land at valuation of £3,300,000 which is not depreciated.

16. Debtors

	2016 £	2015 £
Trade debtors	24,645	1,897
Other debtors	64	17,629
Prepayments and accrued income	28,999	45,943
	<u>53,708</u>	<u>65,469</u>

BRADFIELD SCHOOL

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

17. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	83,223	100,060
Other creditors	25	-
Accruals and deferred income	37,098	91,765
	<hr/> 120,346 <hr/>	<hr/> 191,825 <hr/>
	2016	2015
	£	£
<i>Deferred income</i>		
Deferred income at 1 September 2015	-	23,056
Resources deferred during the year	23,773	-
Amounts released from previous years	-	(23,056)
	<hr/> <hr/>	<hr/> <hr/>

At the balance sheet date the academy was holding funds received in advance for business rates relief.

BRADFIELD SCHOOL

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<i>Unrestricted funds</i>						
General funds	272,941	33,085	(24,874)	-	-	281,152
<i>Restricted funds</i>						
General Annual Grant (GAG)	237,790	4,960,840	(5,197,918)	7,538	-	8,250
Pupil premium	-	88,490	(88,490)	-	-	-
NLG Grant	-	2,000	(43)	-	-	1,957
School fund	91,092	198,210	(191,934)	-	-	97,368
LAC funding	-	9,615	(9,615)	-	-	-
Local Choice funding	-	1,410	(1,410)	-	-	-
Y7 Catch Up Grant	-	10,000	(10,000)	-	-	-
Pension reserve	(662,000)	-	(24,000)	-	(491,000)	(1,177,000)
	(333,118)	5,270,565	(5,523,410)	7,538	(491,000)	(1,069,425)
<i>Restricted fixed asset funds</i>						
Fixed assets transferred on conversion	19,510,369	-	(369,687)	-	-	19,140,682
DfE/EFA Capital grants	53,742	21,888	(12,753)	(7,538)	-	55,339
Local Choice funding	45,215	35,875	(16,209)	-	-	64,881
School Fund Fixed Assets	7,251	-	(1,684)	-	-	5,567
	19,616,577	57,763	(400,333)	(7,538)	-	19,266,469
Total restricted funds	19,283,459	5,328,328	(5,923,743)	-	(491,000)	18,197,044
Total of funds	19,556,400	5,361,413	(5,948,617)	-	(491,000)	18,478,196

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

Unrestricted funds

Unrestricted funds represent funds available to Governors to apply for the general purposes of the Academy.

BRADFIELD SCHOOL

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. Statement of funds (continued)

Restricted general funds

General Annual Grant (GAG) - The Academy's principal funding stream received from the Education Funding Agency. This must be used to fund the normal running costs of the Academy for the benefit of existing students.

Pupil Premium - Additional DfE funding given to publicly funded schools in England to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

NLG Grant - Funding from the NCTL to reimburse expenses incurred by our Chair of Governors (who is a National Leader of Governance) in supporting other Governing Bodies, and on the development of our own Governing Body.

School Fund - Monies collected from students/parents and occasionally other private sources for school trips and events and also for donations to charitable causes.

LAC Funding - Further DfE Pupil Premium funding distributed through the Local Authority to support the learning and achievement of individual pupils in Local Authority care.

Local Choice funding - Funding set aside as part of the PFI project to develop the capabilities of the IT system.

Y7 Catch Up grant - The literacy and numeracy catch-up premium gives schools additional funding to support year 7 pupils who did not achieve the expected standard in reading or maths at the end of KS2.

Pension Reserve - LGPS obligation relating to employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year.

Restricted fixed asset funds

Fixed assets transferred on conversion - assets donated to the Academy from the local authority on conversion.

DfE/EFA capital grants - funding for capital assets.

Local Choice funding - for ICT assets.

School fund fixed assets - assets purchased from the school fund.

Transfers between funds

Transfers are made to restricted fixed assets funds where capital assets have been funded from other funds.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****19. Analysis of net assets between funds**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	19,266,469	19,266,469	19,614,155
Current assets	281,152	227,921	-	509,073	796,070
Creditors due within one year	-	(120,346)	-	(120,346)	(191,825)
Provisions for liabilities and charges	-	(1,177,000)	-	(1,177,000)	(662,000)
	<u>281,152</u>	<u>(1,069,425)</u>	<u>19,266,469</u>	<u>18,478,196</u>	<u>19,556,400</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(587,204)	(555,939)
Adjustment for:		
Depreciation charges	398,387	395,604
Dividends, interest and rents from investments	(7,014)	(8,828)
Loss on the sale of fixed assets	1,946	-
Decrease/(increase) in debtors	11,761	(29,822)
Decrease in creditors	(71,479)	(4,418)
Capital grants from DfE and other capital income	(57,763)	(39,202)
FRS 102 pension adjustment	24,000	19,000
Net cash used in operating activities	<u>(287,366)</u>	<u>(223,605)</u>

21. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	455,365	730,601
Total	<u>455,365</u>	<u>730,601</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

22. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

22. Pension commitments (continued)

The employer's pension costs paid to TPS in the period amounted to £439,918 (2015 - £366,857).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £140,000 (2015 - £127,000), of which employer's contributions totalled £112,000 (2015 - £101,000) and employees' contributions totalled £28,000 (2015 - £26,000). The agreed contribution rates for future years are 16.4% for employers and 5.5% - 12.0% for employees.

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

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

	2016	2015
Discount rate for scheme liabilities	2.10 %	4.00 %
Rate of increase in salaries	3.55 %	4.05 %
Rate of increase for pensions in payment / inflation	1.90 %	2.30 %
Inflation assumption (CPI)	1.80 %	2.30 %

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

	2016	2015
Retiring today		
Males	23	23
Females	25.7	25.6
Retiring in 20 years		
Males	25.4	25.3
Females	28.5	28.4

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****22. Pension commitments (continued)**

The academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	683,000	532,000
Debt instruments	176,000	128,000
Property	129,000	103,000
Cash/liquidity	20,000	16,000
Other bonds	73,000	53,000
Other	90,000	64,000
	<u>1,171,000</u>	<u>896,000</u>
Total market value of assets	<u><u>1,171,000</u></u>	<u><u>896,000</u></u>

The actual return on scheme assets was £187,000 (2015 - £23,000).

The amounts recognised in the Statement of Financial Activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost	(109,000)	(96,000)
Net interest cost	(25,000)	(22,000)
Administration fees	(2,000)	(2,000)
	<u>(136,000)</u>	<u>(120,000)</u>
Total	<u><u>(136,000)</u></u>	<u><u>(120,000)</u></u>
Actual return on scheme assets	<u><u>187,000</u></u>	<u><u>25,000</u></u>

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

	2016 £	2015 £
Opening defined benefit obligation	1,558,000	1,357,000
Current service cost	109,000	96,000
Interest cost	63,000	55,000
Contributions by employees	28,000	26,000
Actuarial losses	641,000	33,000
Benefits paid	(51,000)	(9,000)
	<u>2,348,000</u>	<u>1,558,000</u>
Closing defined benefit obligation	<u><u>2,348,000</u></u>	<u><u>1,558,000</u></u>

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****22. Pension commitments (continued)**

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

	2016	2015
	£	£
Opening fair value of scheme assets	896,000	755,000
Return on plan assets (excluding net interest on the net defined pension liability)	38,000	33,000
Actuarial gains and (losses)	150,000	(8,000)
Contributions by employer	112,000	101,000
Contributions by employees	28,000	26,000
Benefits paid	(51,000)	(9,000)
Administration fees	(2,000)	(2,000)
	<u>1,171,000</u>	<u>896,000</u>

23. Annual PFI commitment

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016	2015
	£	£
Amounts payable:		
Within 1 year	810,338	815,559
Between 1 and 5 years	2,972,621	3,142,702
After more than 5 years	17,209,909	18,687,010
Total	<u>20,992,868</u>	<u>22,645,271</u>

The building is subject to a PFI contract between the Academy and the local authority until 31 October 2037 which covers facilities management costs including: caretaking, cleaning, maintenance & repairs, water & sewerage, grounds maintenance, and related insurances. The charge also covers provision and renewal of fixtures and fittings. The same agreement also includes energy costs which are charged by the local authority to the Academy. All charges determined by the contract are subject to annual inflationary increases over which the Academy has no influence.

The Academy receives supplementary funding to bridge the gap between the costs of the PFI contract and the funding intended to cover premises expenditure.

The Academy's ICT equipment falls under a separate PFI agreement which originally ran to 31 October 2017 but has now been brought forward to 31 July 2016.

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****24. Related party transactions**

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

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

25. SOFA prior year comparatives

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £
<i>Income from:</i>				
Donations and capital grants	1,892	-	19,902	21,794
Charitable activities	-	5,203,046	19,300	5,222,346
Other trading activities	17,742	-	-	17,742
Investments	8,828	-	-	8,828
Total income	28,462	5,203,046	39,202	5,270,710
<i>Expenditure on:</i>				
Raising funds	(5,442)	-	-	(5,442)
Charitable activities	-	(5,425,806)	(395,401)	(5,821,207)
Net incoming/(outgoing) resources before transfers	23,020	(222,760)	(356,199)	(555,939)
Transfer between funds	-	(8,418)	8,418	-
Actuarial gains/(losses) on defined benefit pension schemes	-	(41,000)	-	(41,000)
Net movement in funds	23,020	(272,178)	(347,781)	(596,939)

26. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the trust received £12,659 (2015: £4,836) and disbursed £8,439 (2015: £4,836) from the fund. The remaining disbursement of £4,220 has been accrued for.

BRADFIELD SCHOOL**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016****27. Members' liability**

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

28. First time adoption of FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

Reconciliation of total funds	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		20,153,339	19,556,400
Total funds reported under FRS 102		<u>20,153,339</u>	<u>19,556,400</u>
Reconciliation of net (expenditure)	Notes		31 August 2015 £
Net (expenditure) previously reported under UK GAAP			(539,939)
Change in recognition of LGPS interest cost	A		(16,000)
Net (expenditure) reported under FRS 102			<u>(555,939)</u>

Explanation of changes to previously reported funds and net income/expenditure:

A Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expenditure. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expenditure. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the expense by £16,000 and decrease other recognised gains and losses in the SoFA by an equivalent amount.