

**SHENFIELD HIGH SCHOOL**  
(A company limited by guarantee)

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

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

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

<b>Members</b>	L Hedden, Chair <sup>1</sup> N P Otley C Vaughan <sup>1</sup>
<b>Trustees</b>	C J Herman, Head Teacher A Bloomfield (resigned 11 December 2014) R R O'Hara <sup>1</sup> A Lunn, Responsible Officer <sup>1</sup> J M Swettenham J P Gulleford A G Worth <sup>1</sup> G M Jones <sup>1</sup> D Simpson <sup>1</sup> D J Barron <sup>1</sup> E Prince <sup>1</sup> S Beckett G P Herniman (appointed 2 March 2015)
	<sup>1</sup> Members of the finance and premises committee
<b>Company registered number</b>	7898905
<b>Principal and registered office</b>	Shenfield School Alexander Lane Shenfield Essex CM15 8RY
<b>Company secretary</b>	C Owens
<b>Accounting officer</b>	C J Herman
<b>Senior management team</b>	C J Herman, Headteacher C Owens, Business Manager J Comerford, Deputy Headteacher S Bluett, Deputy Headteacher J Martin, Assistant Headteacher J Cookson, Assistant Headteacher G Batt, Assistant Headteacher (resigned 31 August 2015)
<b>Independent auditors</b>	MWS Chartered Accountants Statutory Auditor Kingsridge House 601 London Road Westcliff-on-Sea Essex SS0 9PE
<b>Bankers</b>	Lloyds Bank PLC PO Box 1000 BX1 1LT

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

**Administrative details (continued)**

<b>Solicitors</b>	Essex County Council Legal Services Essex County Council County Hall Market Road Chelmsford CM1 1QH
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Shenfield High School (the Academy) for the ended 31 August 2015. The Trustees confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

**a. CONSTITUTION**

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Company registration number is 7898905.

The Governors act as the Trustees for the charitable activities of Shenfield High School and are also the Directors of the charitable Company for the purposes of company law.

The Academy is constituted under a Memorandum of Association dated 01/02/2012.

**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 TRUSTEES**

The Board understands the mix of skills that it needs to be an effective Board and the requirements placed upon it by its Funding Agreement with regard to parent and other types of Governor. Where there is a skills gap, and for succession planning, new Governors will be sought with required skills, either as additional Governors or replacements when existing Governors stand down. It is anticipated that the great majority of new Governors will be drawn from the local community being either parents or carers of students at the School or others that have shown an interest in the future well being of the School and its students. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills, to the parent and carer body and to the wider Shenfield community, employing advertising as necessary.

New Governors will be appointed to the Board by the existing Governors for a period of 4 years. At the end of a 4 year term, retiring Governors are eligible for re-election for a further term

**d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Individual Governors attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date. The School purchases standard Governor training from Essex County Council. Newly appointed Governors are encouraged to attend their series of induction courses to give them a good grounding in their new role. Three internal training sessions per year are delivered, often by senior members of School staff, to ensure Governors are kept up to date on relevant educational or other developments, such as changes to the Ofsted Framework and safeguarding requirements.

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

**e. ORGANISATIONAL STRUCTURE**

The Governors have responsibility for setting and monitoring the overall strategic direction of the Charitable Company, approving decisions reserved to Governors and appointing key members of staff.

The Governors meet as a Board at least four times each year. All decisions reserved to the Governors are taken by the Board as a whole with the exception of pay decisions which are delegated to the Pay and Head Teacher's Appraisal Committees. Nine sub-committees support the work of the Board. A number meet three or four times each year, with the others meeting as necessary, to consider detailed matters and recommend decisions to the full Board.

The Committees are:

- Standards and Performance
- Finance and Premises
- Staffing
- Admissions
- Pay
- Headteacher's Appraisal
- Student Discipline
- Staff Hearings and Appeals Panel
- Pay Appeals

Additionally, ad hoc groups of Governors are established to consider specific issues and make recommendations to the Board.

Andy Lunn is the Responsible Officer and as such has an oversight role in relation to the systems and processes of control and risk management that operate throughout Shenfield High School.

The Headteacher, Carol Herman, is the Accounting Officer and works closely with both the other Governors and the senior staff of Shenfield High School.

The day-to-day management of Shenfield High School rests with the Headteacher who has overall responsibility for the School. The Headteacher is responsible for establishing a Senior Leadership Team which includes the Business Manager, the Deputy Heads and Assistant Heads.

The Board of Shenfield High School sets the strategic direction of the School through Strategic Headlines and monitors progress and developments through Governor monitoring days reporting back findings to the Full Board. Further reports and evidence also received from the Headteacher and other members of the senior team in committees and the Full Governing Body meetings.

The Board approves the overall budget allocations in line with agreed priorities, and delegates authority for decision making in a Scheme of Delegation.

The Standards and Performance Committee combines its work reviewing the School's progress against priorities with analysis of student progress and attainment, with particular attention paid to the way in which the School applies the Pupil Premium to improve the prospects of success for those students who trigger the allocation of the Pupil Premium Grant. It monitors the School's safeguarding, SEN, behaviour and attendance policies, procedures and activities.

The Finance and Premises Committee monitors the deployment of the budget against forecasts, makes decisions on reallocation of budgets at the strategic level and oversees progress against estate management plans. Committee members will make site visits from time to time, and one member has responsibility for monitoring the School's health and safety activity.

The Staffing Committee reviews human resources policies for recommendation to the Board, considers, and approves where necessary, the Senior Leadership Team's staffing plans, and monitors recruitment and

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

resignation data.

The Admissions Committee meets as necessary to consider the School's admission policy for the forthcoming recruitment year, to review the applications being received and to receive any appeals against non-admission.

The Pay Committee meets annually to receive the Headteacher's report on staff performance and commensurate pay enhancements, and to make decisions on enhancements for those for whom the Head does not have delegated authority.

The Headteacher's Appraisal Committee meets annually to receive the report of the independent assessor and other appropriate information to enable assessment of the Headteacher's performance against the objectives set at the beginning of the year, to consider appropriate remuneration, to give the Headteacher feedback on performance and to agree objectives for the new year.

The Student Discipline Committee meets as necessary to review any decision taken by the Headteacher to permanently exclude a student of the School. The Chair of the Committee also performs early intervention interviews with students at risk of permanent exclusion.

The Staff Appeals Committee meets as necessary to hear appeals from members of staff against decisions made by the Headteacher or Senior Leadership Team, for example in the case of dismissal.

The Pay Appeals Committee meets when a member of staff appeals against the amount of remuneration agreed by the Pay Committee for that individual.

**f. RISK MANAGEMENT**

It is for the Board to determine the School's risk appetite – the extent to which it is prepared to tolerate risks which threaten the School's achievement of its objectives. Shenfield High School operates to provide the best possible education for all its students, and to provide parents and children in the area with a high quality offer as those children approach secondary school age. The School's risk appetite requires that mitigating action be taken wherever possible to treat or transfer risks which threaten inherently achievement of its objectives. It will only tolerate danger risks where those risks remain inherent even after treatment, and not to tolerate the risk would require the closure of the School, and this is also deemed to be a disproportionate response.

A register of strategic level risks is maintained and reviewed on a regular basis on behalf of the Board by the Finance and Premises Committee. The Committee seeks to ensure that risks are regularly updated – removed from the register if no longer a threat, added if newly emerged – and that mitigating actions are having the expected impact or are refreshed or replaced as necessary.

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

**Objectives and Activities**

**a. OBJECTS AND AIMS**

Review of Activities and Events

The charitable objectives for which the charitable Company was established are set down in the governing document as follows:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("The Academy")

To promote for benefit of the inhabitants of Shenfield and the surrounding area the provision of facilities for recreation of other leisure time occupation of individuals who have need of such facilities by reason of their youth, age or infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

**b. OBJECTIVES, STRATEGIES AND ACTIVITIES**

The principal activity of Shenfield High School is to run a senior school for boys and girls located in Shenfield, Essex.

Shenfield High School was originally a Local Authority operated school which converted to academy status on 1st February 2012. The charitable Company was incorporated on 5th January 2012.

**c. ACTIVITIES FOR ACHIEVING OBJECTIVES**

The School's mission is Learning for Life. The values that are at the heart of the School's ethos are learning, respect, responsibility, success, community and security. The School is a team, Team Shenners, and it exudes spirit. Its unique offer means it is able to preface so many great achievements with "Only at Shenfield High School...."

In order to provide exceptional learning opportunities for students of The Academy, management concentrate on four key priorities:

- a) Outstanding teaching and learning – the aim is to provide outstanding teaching to promote intellectual challenge and the highest possible achievement for each student
- b) Care for the individual – the structures and ethos of The Academy ensure care for the individual and support for the learning of each individual student
- c) A fit place to learn – the aim is to provide an inspirational and well-run environment in which students can learn and grow in settings appropriate to their age
- d) Aspirational leadership – every leader in The Academy keeps their area of responsibility under review, competing with the best



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

**d. PUBLIC BENEFIT**

The Governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this Governors' annual report.

Shenfield High School's contribution to the public benefit is to develop its young people to be responsible and capable members of the society in which they live, so they are able to contribute effectively to the economic and social activity of that community.

The School will work with members of its community, such as local primary schools, the Chamber of Commerce and charitable institutions, to ensure that students are exposed to their community responsibilities throughout their time in School.

**Benefits & Beneficiaries:**

In accordance with its charitable objectives, the charitable Company strives to advance the education of the students attending the School. The charitable Company's primary beneficiaries are therefore the students, and benefits to students are provided through continuing to maintain a high standard of education throughout the School.

The Academy provides educational services to all children in the local area. The Governors confirm that they have complied with the duty of the Charities Act to have due regard to the public benefit guidance provided by the Charity Commission.

**Strategic report**

**Achievements and performance**

**a. GOING CONCERN**

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

**b. REVIEW OF ACTIVITIES**

This has been a good year for Shenfield High School. The report from Ofsted's inspection in November highlighted many of the School's strengths as it rated the School as good. The inspectors' judgements have been proved accurate in a range of ways.

For example, they said:

- "Provision within the sixth form is good. The sixth form is well led and students are making good progress, feel safe and have the necessary skills for life beyond school". This was borne out by our exceptional A level and Btec results.
- "The most able students are making outstanding progress." We sent four students to Oxbridge this September. At GCSE, we had numerous examples of outstanding achievement, including one individual achieving 10 A\*s and 2 As.
- "When leading teaching, the headteacher and senior leaders have instilled an ethos of high aspiration and high expectations within the school which is recognised and respected by staff, students and parents". All Year 10 students achieved 83% A\* - C in their core science GCSE, a year early.

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

These examples are among many which show the School continues to demonstrate that “The quality of teaching is good and improving rapidly as a result of effective action by school leaders”.

Governors have continued to support the Senior Leadership Team and the staff of the School in embedding the transformation of the School, begun in 2012-13. Shenfield High School is now a smaller School which facilitates its aim of knowing all students and knowing them well while continuing to offer a broad curriculum to suit all interests and abilities. It is strong in the core academic subjects while developing its unique and expert provision in sport, performing arts and vocational offers. There is an increasing emphasis on STEM (Science, Technology, Engineering and Maths) with demonstrable success in many of the component subjects.

Examination results at 16+ and 18+ demonstrated successful outcomes in many subject areas although, along with many schools nationwide, anomalous results in iGCSE English. Because of this, the school achieved 55% A\* to C, including English and Maths, although it is worthy of particular note that 72% achieved A\* to C in Maths and 74% achieved 5 A\* to C in English Literature, demonstrating the anomalous nature of the English Language result, with 60% gaining A\* to C.

Subjects producing particularly good GCSE results this year were: Art, Drama, Economics, IT, Maths, Media and Music. Drama achieved 63% A\*-A and 96% A\* to C, with Music achieving 100% A\* to B. The 12 Students who sat Statistics in Year 10 achieved 100% A\*-C with 67% A\*-A.

AS and A2 results demonstrated considerable improvement. At AS, the percentage of A grades and A to C grades were both 10% higher than in 2014, with A to E grades 7.1% better than the 2014 result and 4.1% better than the previous year's national result. At A2, the A\* to B percentage was 9% higher than the 2014 result and A\* to E was 2 % higher than the previous year. KS5 BTEC results continue to be very good with D\*-D% outstanding at 90%, in line with last year.

Subjects that produced good A2 results this year were: Art, Business Studies, Drama, Film Studies, Law, Further Maths, Media, Sociology and the Extended Project Qualification. Good AS results were produced by: Art, Business Studies, Drama, Economics, Film Studies, Further Maths, Maths, Media, Physics, PE, Philosophy and Ethics and Sociology.

Our student progress monitoring systems have been further developed, continuing to provide teaching staff with data to inform their personalisation of support to students. Our “war room” is the envy of those who have seen the power of the data it contains. Ofsted were so impressed by the School's use of data to improve teaching and learning that they invited our Head to talk about it in a film made by them, designed to help other Schools understand how to bring about rapid and sustained improvement in student progress. That and two other films outlining how she and Team Shenners have achieved the success Ofsted saw can be seen by following this link: [www.gov.uk/guidance/ofsted-achieving-success-video-suite#shenfield-high-school](http://www.gov.uk/guidance/ofsted-achieving-success-video-suite#shenfield-high-school)

A reorganisation of our subject departments has seen the creation of two faculties, one in Mathematics and Computing and the second for STEM subjects. This latter recognises our increasing focus on engineering. This has seen a myriad of opportunities for our students this year. A group of our girls spent time working with Crossrail engineers to help develop their knowledge both of engineering and of the major infrastructure project which is beginning to have such an impact on the School's local environment. Students have seen many successes in the competitions they have entered. In the AECOM challenge, they won 1st prize for building the bridge that could bear the most weight – a very impressive 42kg, significantly more than any of their rivals. They continued to demonstrate their engineering prowess by winning the regional heat of the UK Aerospace Youth Rocketry Challenge and coming a very creditable 10th out of 25 in the national final, despite having been informed too late about a change to the required specification to make anything other than minor changes to their rocket. In the Rampaging Chariots Robot Wars, hosted by Selex-es, our students' robots were runners up in the Sumo wrestling category and outright winners in the football tournament.

Shenfield High School finds it itself yet again rated by School Sport Magazine as being in the top 25 state schools for excellence in sporting achievement in England, the only state school in Essex to make the top 25 in both years statistics have been analysed. The continuing success of our football academy, this year in partnership with Chelsea FC Football Foundation and Brentwood Town FC, culminated in a magical night at Notts County's Meadow Lane when we won the U19 Youth Conference Alliance National Cup. This

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complemented their winning of the U19 Youth Conference Alliance League. Other footballing honours include 3 Essex Cup wins and our U14 girls reaching national semi-finals. There is strength across the age range in cricket too, with 5 Essex championship-winning teams, and a particularly strong U15 girls team, who are East of England softball cricket champions and 3rd in England at both softball and T20. Not to be outdone, the U19 boys won the St Albans T20 competition.

All of this bodes well for the School's strategy of developing its sports academies further, by offering a number of Year 7 places for entry in September 2016 on the basis of student aptitude. The response has been huge and we are expecting a very able intake to fill those places.

The School's strategy also involves growing its Performing Arts academy. As can be seen above, the Performing Arts departments secured superb exam results this year, justifying governors' faith in the strategy and further cementing Shenfield High School as the place to be if you want to succeed as a performing artist. As ever, the School's public performances have been of a high quality, with exceptional productions of *Beauty and the Beast* and *Mary Poppins* providing opportunities for students of all ages to participate, whether as actors or technicians or in other roles. Our young musicians regularly contribute to the life of the community, most notably when the Brass Ensemble played at last December's Shenfield Christmas Lights event. They have performed on the local Phoenix Radio station. Our Shenfield Musician of the Year, Cameron Southcott, a phenomenal violinist, has been demonstrating his prowess on many a stage and platform. It is not that we are biased about our students. Independent verification of their talents came in the form of the Brentwood Schools Music Festival 2015, where we won the Gold Awards for our Jazz Band, our Advanced Singers and our Indie music group, the Underscores. Our Ukulele Orchestra won the Silver Award. The Underscores were also recognised as giving the Most Outstanding Performance 2015.

Performing Arts is also an area where we are offering a number of Year 7 places for next year based on student aptitude and here, too, we are expecting some very talented recruits.

Our Vocational Centre has gone from strength to strength this year. In a small corner of the School's footprint, a wonderful transformation is underway. The team continues to offer an alternative curriculum to those students who find the more traditional one challenging and went a long way to securing the Ofsted finding that "a number [of students] who were in danger of permanent exclusion have managed to remain in full-time education because of the quality and breadth of provision." But the Vocational Centre does much more, and is now a buzzing and lively place at break and lunch times and after school where many students from across the School are using their social time contributing to nurturing the allotment and looking after the animals. As a result of their efforts, the School's garden areas are bright and colourful, and well-tended. They have had a range of successes in the local community too. As last year, they have participated in the Shenfield Garden Society Shows, and won for a number of their products. They won the Schools category of the Brentwood in Bloom competition. They won the RHS Hyde Hall Budding Gardeners Competition, securing both Gold and Best in Show awards. They created a memorial garden in the School grounds, which was dedicated in the summer by the son of the School's first Head, Mr. Harry, who had died earlier in the year. This garden has a number of flower beds, with each commemorating staff, students and alumni associated with the school, who have unfortunately passed away since the school opened in the 1960s. In recognition of the contribution Andy Christiani has made to the development and leadership of the Vocational Centre, the Royal Horticultural Society has recognised him as 'Highly Commended' in their national School's Gardening Champion of the Year Competition and he was awarded the Jack Petchey Shenfield High School Leadership Award.

Governors are confident that the strategy they have set is driving the success of the School, but there are big challenges ahead, challenges which will affect many local secondary schools. Changes in the way GCSEs are graded and student success is calculated will put additional pressure on schools whose ethos is to offer a truly comprehensive education and to enable all students to reach their full potential. School budgets are under increasing pressure too, as governors have to find money to fund such things as increases in national insurance and pension contributions from within existing budgets.

Regardless of these challenges, we believe our School is not only a good school, it is close to being a great school. Our ongoing success could not be achieved without the determination and drive of the students and staff of the School, who really are Team Shenners. Led by a Head whose work has been praised by Ofsted, Shenfield High School will continue to show Shenfield Spirit and work to ensure every student becomes the very best they can be.

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

**c. INVESTMENT POLICY AND PERFORMANCE**

The Governors' investment powers are set down in the charitable Company's Memorandum and Articles of Association, which permit the investment of monies of the charitable Company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The charitable Company's current policy is to invest surplus funds in short-term cash deposits.

For the period ended 31 August 2015, the charitable Company's cash balances provided a return of £1,351, which in the current economic climate the Governors consider to be reasonable.

**Financial review**

**a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Schools financial performance demonstrates total income of £ 7,290,791 with a deficit for the year ending 31 August 2015 of £ 1,120,766. The deficit has been allocated to reserves.

The reserves will be utilised to manage the transformation of the School referred to in the Review of Activities above.

The principal financial management policies adopted in the year are:

- Conducting regular financial reviews of income and expenditure versus planned budgets at the Governors' Finance and Premises Committee meetings;
- Consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the School's educational obligations.

The School is using reserves carried forward, together with financial support it has secured from the Essex Schools Forum Falling Roles Fund to maintain a positive budget and cashflow position as it's transformation into a smaller school is completed.

**b. PRINCIPAL RISKS AND UNCERTAINTIES**

The Trustees maintain a register of business risk which is a living document, regularly reviewed and updated. Risks are maintained in 8 main categories and are allocated a degree of severity of impact based on level of risk and likelihood of an event occurring. The risk document and the underlying risks within the document are reviewed by the Finance and Premises Committee on a regular basis.

**c. RESERVES POLICY**

Governors' policy is to apply any reserves generated to benefit the education of the students in the School factoring in the time lag built into the funding formula applied to schools. As the School stabilises as a smaller school, Governors will review this policy to determine whether reserves, or a proportion of them, should be built up for investment in larger projects for the benefit of the students.

At the balance sheet date, the charitable Company had free reserves of £ 312,812.

**d. PRINCIPAL FUNDING**

The predominant source of The Academy's income is provided by the Education Funding Agency (EFA) in the form of recurring grants. The principal grant is the general annual grant (GAG). Other smaller grants are received from the EFA. Each of the foregoing grants is "restricted" to particular purposes for the running of The Academy and providing services in accordance with the schools objectives.

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Other sources of funding are “unrestricted” and are mainly monies collected from parents/ carers for student trips, monies gifted by the Parents and Friends Association and income from lettings of parts of the premises to third parties.

For capital projects, The Academy receives fixed asset grants from the EFA and Demographic Growth Capital Fund (DGCF).

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

Moving forward, we will be working with the Head and senior leaders on plans to deal with those few areas where the Ofsted inspectors said further work was needed before they could judge Shenfield High School as outstanding.

We will continue our work to deliver the strategy of transformation of the School, aiming to maintain the rapid rise in academic progress at KS3 and KS4 and further improve attainment at KS5, in the face of major challenges posed by educational reform in the way that student and School success is measured, and the way in which the curriculum at KS4 and KS5 is delivered and tested.

We will deliver planned growth in our sports academies' offer and our new performing arts academy, supporting our belief in these areas as two of the things that make Shenfield unique in the local area by furthering our plans to admit a proportion of students on aptitude in these areas from 2016. We will continue to ensure that both student support and aspects of the curriculum are bespoke to students' needs but continue to support students' mental health and wellbeing through our OASIS centre and deployment of our pastoral and interventions team. In addition our vocational offer will provide alternative pathways within the school curriculum and on it's premises.

The School's STEM offer continues to develop with a planned partnership with a high school in China to support student research into microbial resistance. In addition, we are exploring the possibility of a partnership with Brentwood School to develop a Combined Cadet Force for Shenfield students.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received and disbursed amounts from the fund as detailed in note 31 to the financial statements.

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**TRUSTEES' REPORT (continued)**  
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**DISCLOSURE OF INFORMATION TO AUDITORS**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable Company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee 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, MWS, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report, incorporating the Strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2015 and signed on the board's behalf by:

.....  
**L Hedden**  
**Chair of Trustees**

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**GOVERNANCE STATEMENT**

**SCOPE OF RESPONSIBILITY**

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Shenfield High School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
L Hedden, Chair	5	5
N P Otley	5	5
C Vaughan	5	5
C J Herman, Head Teacher	5	5
A Bloomfield	1	3
R R O'Hara	5	5
A Lunn, Responsible Officer	5	5
J M Swettenham	5	5
J P Gulleford	3	5
A G Worth	5	5
G M Jones	4	5
D Simpson	3	5
D J Barron	5	5
E Prince	5	5
S Beckett	2	5
G P Herniman	2	2

During the year the A Bloomfield resigned from the Governing Body.  
One new Governor G Herniman was appointed.

**Governance reviews:**

The quality of our governance was tested by Ofsted as part of their inspection in November 2014. They found it to be good. Governors "have an impressive knowledge of the School and can clearly state the strengths and areas where further improvement is necessary. The Chair of the Governing Body shares the Headteacher's ambitions for the school and provides effective support and challenge. Governors have a clear overview of performance management. They understand the importance of holding teachers to account for the progress of students. They also hold senior leaders to account for their role in securing improvements in the quality of teaching and the achievement of all students.... Governors have been trained to use and understand school information, both in the main school and the sixth form, and can now use this confidently to check the progress of different groups of students. They regularly review the school's safeguarding arrangements and fully understand their responsibilities in this area"

The Finance and Premises committee is a sub-committee of the main Board of Trustees. Its purpose is to report back to the Governing Body on the Schools financial undertakings and the use and maintenance of premises.

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C J Herman, Head Teacher	4	6
C Vaughan Committee Chair	6	6
L Hedden	6	6
A G Worth	6	6
R O'Hara	5	6
A Lunn, Responsible Officer	5	6
G M Jones resigned July 2015	1	6
D Simpson	3	6
D J Baron resigned April 2015	1	4
E Prince resigned July 2015	4	6

**REVIEW OF VALUE FOR MONEY**

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

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

- Continuing a planned staffing restructure which focuses on the school's strengths in core subjects and its expertise in sport and performing arts. This restructure has resulted in significant savings in staff costs which will continue in future years.
- Using a Property Consultant to assist with an appeal against a declined bid for Condition Improvement Funding to replace 50 year old windows and cladding to a teaching building. The appeal was successful and a grant of £789,570 has now been received.
- Conducting a thorough investigation into the funding and financing of solar panels. After an extensive tendering process an agreement was made with a Schools Energy Co-operative to install solar panels. The savings made from this agreement will continue in the future.

**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 Shenfield High School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.



**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

**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 Board of Trustees;
- regular reviews by the Finance 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 Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr A Lunn, a Trustee, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems, supported by regular visits and reports by Education Finance Support. In particular the checks carried out in the current period included:

- Governance and financial management, reporting and accounting
- Banking
- Payroll
- Assets
- Income
- Expenditure

On a quarterly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.  
There were no material control or other issues reported by the RO to date.

**REVIEW OF EFFECTIVENESS**

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and 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 Board of Trustees on 10 December 2015 and signed on its behalf, by:

.....  
**L Hedden**  
**Chair of Trustees**

.....  
**C J Herman**  
**Accounting Officer**

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Shenfield High School I have considered my responsibility to notify the Academy 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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

.....  
**C J Herman**  
**Accounting Officer**

Date: 10 December 2015

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 10 December 2015 and signed on its behalf by:

.....  
**L Hedden**  
**Chair of Trustees**

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHENFIELD HIGH SCHOOL**

We have audited the financial statements of Shenfield High School for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

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

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**UNQUALIFIED OPINION**

In our opinion the financial statements:

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

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHENFIELD HIGH SCHOOL**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

Clive Smith FCA (Senior Statutory auditor)

for and on behalf of

**MWS**

Chartered Accountants  
Statutory Auditor

Kingsridge House  
601 London Road  
Westcliff-on-Sea  
Essex  
SS0 9PE  
Date:

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SHENFIELD HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Shenfield High School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF SHENFIELD HIGH SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Shenfield High School's funding agreement with the Secretary of State for Education dated 1 February 2012, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Based upon our risk assessment of material non-compliance, we carried out detailed testing of the specific income streams from the EFA, and the related expenditure streams, to which specific conditions had been attached.

We evaluated the control environment of the Academy Trust, extending the procedures required for the financial statements to include regularity. We tested a sample of the specific control activities over regularity of particular activities. We confirmed that the Academy Trust had not entered into any borrowing arrangements. We carried out substantive testing of fixed assets to confirm that no sales of any assets had taken place. We reviewed cash payments made by the School for any unusual transactions and verified the nature of said transactions. We reviewed the list of suppliers to consider whether any supplies were made by related parties connected to the Principal, Finance Manager or any Governor. We reviewed the nature and terms of any lettings to ensure that any lettings made to any related parties were made at the normal third party rates and not on any favourable terms.

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SHENFIELD  
HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**MWS**

Chartered Accountants

Kingsridge House  
601 London Road  
Westcliff-on-Sea  
Essex  
SS0 9PE

Date:

**SHENFIELD HIGH SCHOOL**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account and statement of total recognised gains and losses)  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	2	9,050	-	286,784	295,834	223,022
Activities for generating funds	3	-	-	223,593	223,593	302,691
Investment income	4	-	-	1,351	1,351	1,882
Incoming resources from charitable activities	5	6,733,020	36,993	-	6,770,013	8,336,998
<b>TOTAL INCOMING RESOURCES</b>		<b>6,742,070</b>	<b>36,993</b>	<b>511,728</b>	<b>7,290,791</b>	<b>8,864,593</b>
<b>RESOURCES EXPENDED</b>						
Costs of generating funds:						
Costs of generating voluntary income	6	-	-	239,818	239,818	203,631
Fundraising expenses and other costs		-	-	4,710	4,710	7,047
Charitable activities	7/8	7,369,622	370,371	523,023	8,263,016	8,771,395
Governance costs	9	9,013	-	-	9,013	8,887
<b>TOTAL RESOURCES EXPENDED</b>	10	<b>7,378,635</b>	<b>370,371</b>	<b>767,551</b>	<b>8,516,557</b>	<b>8,990,960</b>
<b>NET EXPENDITURE BEFORE TRANSFERS</b>		<b>(636,565)</b>	<b>(333,378)</b>	<b>(255,823)</b>	<b>(1,225,766)</b>	<b>(126,367)</b>



**SHENFIELD HIGH SCHOOL**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (continued)**  
(incorporating income and expenditure account and statement of total recognised gains and losses)  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>NET EXPENDITURE BEFORE TRANSFERS</b>		<b>(636,565)</b>	<b>(333,378)</b>	<b>(255,823)</b>	<b>(1,225,766)</b>	<b>(126,367)</b>
Transfers between Funds	17/21	<b>357,721</b>	<b>(171,721)</b>	<b>(186,000)</b>	-	-
<b>NET EXPENDITURE FOR THE YEAR</b>		<b>(278,844)</b>	<b>(505,099)</b>	<b>(441,823)</b>	<b>(1,225,766)</b>	<b>(126,367)</b>
Actuarial gains and losses on defined benefit pension schemes		<b>105,000</b>	-	-	<b>105,000</b>	<b>(125,000)</b>
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(173,844)</b>	<b>(505,099)</b>	<b>(441,823)</b>	<b>(1,120,766)</b>	<b>(251,367)</b>
<i>Total funds at 1 September 2014</i>		<i>(2,850,767)</i>	<i>28,321,807</i>	<i>754,635</i>	<i>26,225,675</i>	<i>26,477,042</i>
<b>TOTAL FUNDS AT 31 AUGUST 2015</b>		<b>(3,024,611)</b>	<b>27,816,708</b>	<b>312,812</b>	<b>25,104,909</b>	<b>26,225,675</b>

All activities relate to continuing operations.

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

The notes on pages 26 to 45 form part of these financial statements.

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 7898905**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2015**

	Note	£	2015 £	2014 £
<b>FIXED ASSETS</b>				
Tangible assets	18		27,800,137	28,146,478
<b>CURRENT ASSETS</b>				
Debtors	19	176,451	402,776	
Cash at bank and in hand		1,014,504	1,138,150	
		<u>1,190,955</u>	<u>1,540,926</u>	
<b>CREDITORS:</b> amounts falling due within one year	20	(842,183)	(521,729)	
<b>NET CURRENT ASSETS</b>			<u>348,772</u>	1,019,197
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>28,148,909</u>	29,165,675
Defined benefit pension scheme liability	26	(3,044,000)	(2,940,000)	
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>25,104,909</u></u>	<u><u>26,225,675</u></u>
<b>FUNDS OF THE ACADEMY</b>				
Restricted funds:				
Restricted funds	21	19,389	89,233	
Restricted fixed asset funds	21	27,816,708	28,321,807	
Restricted funds excluding pension liability		27,836,097	28,411,040	
Pension reserve		(3,044,000)	(2,940,000)	
Total restricted funds			<u>24,792,097</u>	25,471,040
Unrestricted funds	21		<u>312,812</u>	754,635
<b>TOTAL FUNDS</b>			<u><u>25,104,909</u></u>	<u><u>26,225,675</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 10 December 2015 and are signed on their behalf, by:

.....  
**L Hedden**  
**Chair of Trustees**

The notes on pages 26 to 45 form part of these financial statements.

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	23	(100,967)	82,797
Returns on investments and servicing of finance	24	1,351	1,882
Capital expenditure and financial investment	24	(24,030)	(47,676)
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(123,646)</b>	<b>37,003</b>

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

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(123,646)	37,003
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>(123,646)</b>	<b>37,003</b>
Net funds at 1 September 2014	1,138,150	1,101,147
<b>NET FUNDS AT 31 AUGUST 2015</b>	<b>1,014,504</b>	<b>1,138,150</b>

The notes on pages 26 to 45 form part of these financial statements.

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

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

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

**1.2 Going concern**

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

**1.3 Incoming resources**

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

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

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

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

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.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

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

**1. ACCOUNTING POLICIES (continued)**

**1.4 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 Trustees.

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

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

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

**1.5 Resources expended**

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.6 Tangible fixed assets and depreciation**

All assets costing £5,000 or more 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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

A review of impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying value of any fixed assets may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairments losses are recognised in the Statement of Financial Activities.

**SHENFIELD HIGH SCHOOL**  
**(A company limited by guarantee)**

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

**1. ACCOUNTING POLICIES (continued)**

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

Freehold property	-	Over 50 years
Fixtures and fittings	-	Over 5 years
Computer equipment	-	Over 4 years

**1.7 Operating leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**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 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 quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.10 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 trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 32.

**2. VOLUNTARY INCOME**

	<b>Restricted funds 2015 £</b>	<b>Unrestricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Educational trips and visits - General funds	-	251,107	251,107	209,538
Donations - General funds	-	35,677	35,677	13,484
Jack Petchy grant	750	-	750	-
Lottery grant	8,300	-	8,300	-
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	<b>9,050</b>	<b>286,784</b>	<b>295,834</b>	<b>223,022</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**3. ACTIVITIES FOR GENERATING FUNDS**

	<b>Restricted funds 2015 £</b>	<b>Unrestricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Hire of facilities	-	161,549	161,549	191,830
Catering income	-	-	-	37,943
School sales	-	54,840	54,840	43,571
Recharges and reimbursements	-	7,204	7,204	29,347
	<hr/>	<hr/>	<hr/>	<hr/>
	-	223,593	223,593	302,691
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**4. INVESTMENT INCOME**

	<b>Restricted funds 2015 £</b>	<b>Unrestricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Short term deposits	-	1,351	1,351	1,882
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	6,450,845	-	6,450,845	7,623,559
Capital Grants	35,084	-	35,084	333,332
Other DfE/EFA grants	2,500	-	2,500	30,758
Pupil premium	166,688	-	166,688	189,948
	<u>6,655,117</u>	<u>-</u>	<u>6,655,117</u>	<u>8,177,597</u>
<b>Other government grants</b>				
Local authority grants	4,863	-	4,863	41,200
Local Authority capital grants	1,909	-	1,909	427
Special educational grants	84,324	-	84,324	84,894
	<u>91,096</u>	<u>-</u>	<u>91,096</u>	<u>126,521</u>
<b>Other funding</b>				
GTP Funding	-	-	-	9,083
School games organiser	23,800	-	23,800	23,797
	<u>23,800</u>	<u>-</u>	<u>23,800</u>	<u>32,880</u>
	<u><u>6,770,013</u></u>	<u><u>-</u></u>	<u><u>6,770,013</u></u>	<u><u>8,336,998</u></u>

**6. COSTS OF GENERATING VOLUNTARY INCOME**

	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational Visits	-	239,818	239,818	203,631
	<u><u>-</u></u>	<u><u>239,818</u></u>	<u><u>239,818</u></u>	<u><u>203,631</u></u>



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**7. DIRECT COSTS**

	Educational Operations £	Total 2015 £	Total 2014 £
Educational supplies	339,219	339,219	489,707
Examination fees	145,741	145,741	161,120
Staff development	24,653	24,653	36,375
Educational consultancy	33,144	33,144	42,991
Other direct costs	2,029	2,029	1,030
Wages and salaries	4,176,022	4,176,022	4,367,459
National insurance	315,790	315,790	342,432
Pension cost	434,294	434,294	491,142
	<u>5,470,892</u>	<u>5,470,892</u>	<u>5,932,256</u>

**8. SUPPORT COSTS**

	Educational Operations £	Total 2015 £	Total 2014 £
Net pension finance charge	97,000	97,000	112,000
Recruitment and support	12,191	12,191	24,749
Maintenance of premises and equipment	211,262	211,262	206,431
Cleaning	147,935	147,935	155,917
Rent & rates	225,614	225,614	236,720
Insurance	75,956	75,956	91,773
Security and transport	31,751	31,751	21,195
Catering	53,664	53,664	85,165
Bank interest and charges	-	-	35
Legal and professional fees	45,123	45,123	39,438
Other support costs	101,430	101,430	110,952
Wages and salaries	988,572	988,572	982,339
National insurance	58,896	58,896	59,516
Pension cost	372,359	372,359	355,000
Depreciation	370,371	370,371	357,909
	<u>2,792,124</u>	<u>2,792,124</u>	<u>2,839,139</u>

**9. GOVERNANCE COSTS**

	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governance Auditors' remuneration	8,500	-	8,500	8,500
Governors' reimbursed expenses	513	-	513	387
	<u>9,013</u>	<u>-</u>	<u>9,013</u>	<u>8,887</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. RESOURCES EXPENDED**

	Staff costs	Premises	Other costs	Total	Total
	2015	2015	2015	2015	2014
	£	£	£	£	£
Costs of generating voluntary income	-	-	239,818	239,818	203,631
Fundraising expenses	4,710	-	-	4,710	7,047
<b>Costs of generating funds</b>	<b>4,710</b>	<b>-</b>	<b>239,818</b>	<b>244,528</b>	<b>210,678</b>
Direct costs	4,926,106	-	544,786	5,470,892	5,932,256
Support costs	1,419,827	946,270	426,027	2,792,124	2,839,139
<b>Charitable activities</b>	<b>6,345,933</b>	<b>946,270</b>	<b>970,813</b>	<b>8,263,016</b>	<b>8,771,395</b>
<b>Governance</b>	<b>-</b>	<b>-</b>	<b>9,013</b>	<b>9,013</b>	<b>8,887</b>
	<b>6,350,643</b>	<b>946,270</b>	<b>1,219,644</b>	<b>8,516,557</b>	<b>8,990,960</b>

**11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly	Support costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Educational Operations	5,470,892	2,792,124	8,263,016	8,771,395

**12. NET EXPENDITURE**

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	370,371	357,909
Auditors' remuneration	8,500	8,500
Operating lease rentals:		
- plant and machinery	-	15,014

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. STAFF**

**a. Staff costs**

Staff costs were as follows:

	<b>2015</b> £	<b>2014</b> £
Wages and salaries	4,893,292	5,182,661
Social security costs	374,990	402,306
Other pension costs (Note 26)	806,654	846,859
	<hr/> 6,074,936	<hr/> 6,431,826
Supply teacher costs	201,288	138,133
Staff restructuring costs	74,420	34,977
	<hr/> <b>6,350,644</b> <hr/>	<hr/> <b>6,604,936</b> <hr/>

**b. Staff severance payments**

Included in staff restructuring costs are non-statutory severance payments totalling £27,909 (2014:£10,517). Individually the payments were: £9,600, £8,315, £3,877, £1,966, £1,594, £1,594, £961.

**c. Staff numbers**

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

	<b>2015</b> No.	<b>2014</b> No.
Management	7	7
Teachers	76	87
Administration and support	69	72
	<hr/> <b>152</b> <hr/>	<hr/> <b>166</b> <hr/>

**d. Higher paid staff**

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

	<b>2015</b> No.	<b>2014</b> No.
In the band £60,001 - £70,000	2	2
In the band £110,001 - £120,000	1	1
	<hr/> <b>3</b> <hr/>	<hr/> <b>3</b> <hr/>

3 (2014 - 3) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £35,360 (2014 - £33,670)

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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. TRUSTEES' REMUNERATION AND EXPENSES**

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
C J Herman, Head Teacher	<b>115-120</b>	<b>110-115</b>
E Prince	<b>20-25</b>	<b>10-15</b>
J A Nunn (resigned 21 January 2014)		<b>15-20</b>
S Weidenbaum (resigned 31 December 2013)		<b>10-15</b>
D J Barron	<b>45-50</b>	<b>30-35</b>

During the year ended 31 August 2015, expenses totalling £513 (2014 - £384) were reimbursed to 3 Trustees (2014 - 3).

**15. TRUSTEES' AND OFFICERS' INSURANCE**

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

**16. OTHER FINANCE INCOME**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Expected return on pension scheme assets	<b>79,000</b>	<b>66,000</b>
Interest on pension scheme liabilities	<b>(176,000)</b>	<b>(178,000)</b>
	<b>(97,000)</b>	<b>(112,000)</b>

**17. TRANSFERS BETWEEN FUNDS**

Funds have been transferred in respect of the following;

£251,000 has been transferred from the restricted fund to the restricted pension reserve for employers LGPS contributions paid, on behalf of employees, from the General Annual Grant (GAG).

£171,721 has been transferred to the restricted fund from restricted fixed asset fund to reverse prior year transfers to cover a cash deficit on the restricted fixed asset fund.

£460,000 of costs have been transferred from the unrestricted fund to restricted pension reserve representing the service cost and net finance charge of the LGPS.

£646,000 of reserves have been transferred to the restricted fund from the unrestricted fund representing unrestricted funds used for restricted purposes.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. TANGIBLE FIXED ASSETS**

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2014	28,752,454	22,755	163,386	28,938,595
Additions	1,734	7,911	14,385	24,030
At 31 August 2015	28,754,188	30,666	177,771	28,962,625
<b>Depreciation</b>				
At 1 September 2014	742,735	6,228	43,154	792,117
Charge for the year	324,625	5,870	39,876	370,371
At 31 August 2015	1,067,360	12,098	83,030	1,162,488
<b>Net book value</b>				
At 31 August 2015	27,686,828	18,568	94,741	27,800,137
<i>At 31 August 2014</i>	<i>28,009,719</i>	<i>16,527</i>	<i>120,232</i>	<i>28,146,478</i>

Included in land and buildings is freehold land transferred on conversion of £12,523,000 (2014 - £12,523,000) which is not depreciated.

**19. DEBTORS**

	2015 £	2014 £
Trade debtors	1,311	2,754
VAT recoverable	19,788	45,098
Prepayments and accrued income	155,352	354,924
	<b>176,451</b>	<b>402,776</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. CREDITORS:**

**Amounts falling due within one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>51,690</b>	<b>31,692</b>
Other taxation and social security	<b>111,639</b>	<b>114,720</b>
Pension scheme creditor	<b>81,333</b>	<b>89,358</b>
Other creditors	<b>1,857</b>	<b>-</b>
Accruals and deferred income	<b>595,664</b>	<b>285,959</b>
	<hr/> <b>842,183</b> <hr/>	<hr/> <b>521,729</b> <hr/>

**Deferred income**

Deferred income at 1 September 2014	<b>127,070</b>
Resources deferred during the year	<b>545,150</b>
Amounts released from previous years	<b>(127,070)</b>
	<hr/> <b>545,150</b> <hr/>
Deferred income at 31 August 2015	<b>545,150</b>

At the balance sheet date the Academy Trust was holding funds received in advance for;

Science textbooks £3,045  
Trips & events £73,397  
Grants received in advance of entitlement £468,708

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/(out) £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
Unrestricted funds	<b>754,635</b>	<b>511,728</b>	<b>(767,551)</b>	<b>(186,000)</b>	-	<b>312,812</b>
<b>Restricted funds</b>						
General Annual Grant (GAG)	<b>62,254</b>	<b>6,450,845</b>	<b>(7,079,374)</b>	<b>566,721</b>	-	<b>446</b>
Local Authority grants	-	<b>89,187</b>	<b>(89,187)</b>	-	-	-
Other DfE/EFA grants	<b>26,979</b>	<b>169,188</b>	<b>(177,572)</b>	-	-	<b>18,595</b>
School games organiser	-	<b>23,800</b>	<b>(23,800)</b>	-	-	-
Jack Petchy Grant	-	<b>750</b>	<b>(402)</b>	-	-	<b>348</b>
Lottery Grant	-	<b>8,300</b>	<b>(8,300)</b>	-	-	-
Pension reserve	<b>(2,940,000)</b>	-	-	<b>(209,000)</b>	<b>105,000</b>	<b>(3,044,000)</b>
	<b>(2,850,767)</b>	<b>6,742,070</b>	<b>(7,378,635)</b>	<b>357,721</b>	<b>105,000</b>	<b>(3,024,611)</b>
<b>Restricted fixed asset funds</b>						
DfE/EFA capital grants	<b>402,135</b>	<b>36,993</b>	-	<b>(411,863)</b>	-	<b>27,265</b>
Inherited fixed asset fund	<b>25,169,972</b>	-	<b>(266,720)</b>	-	-	<b>24,903,252</b>
Fixed assets purchased	<b>2,749,700</b>	-	<b>(103,651)</b>	<b>240,142</b>	-	<b>2,886,191</b>
	<b>28,321,807</b>	<b>36,993</b>	<b>(370,371)</b>	<b>(171,721)</b>	-	<b>27,816,708</b>
Total restricted funds	<b>25,471,040</b>	<b>6,779,063</b>	<b>(7,749,006)</b>	<b>186,000</b>	<b>105,000</b>	<b>24,792,097</b>
Total of funds	<b>26,225,675</b>	<b>7,290,791</b>	<b>(8,516,557)</b>	-	<b>105,000</b>	<b>25,104,909</b>

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

**Restricted general funds**

These funds relate to the Academy's development and operational activities.

**Restricted pension funds**

These funds represent the LGPS obligation to the employees of the Academy Trust.

**Restricted fixed asset fund**

These funds relate to long term assets held by the Academy Trust and grants to purchase or maintain these assets.

**Unrestricted funds**

These funds relate to amounts generated or acquired with no restricted covenants attached to them other

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. STATEMENT OF FUNDS (continued)**

than for use within the charitable objects of the Academy.

Restriction on surplus GAG

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 2015.

**SUMMARY OF FUNDS**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources Expended £</b>	<b>Transfers in/(out) £</b>	<b>Gains/ (Losses) £</b>	<b>Carried Forward £</b>
General funds	754,635	511,728	(767,551)	(186,000)	-	312,812
Restricted funds	(2,850,767)	6,742,070	(7,378,635)	357,721	105,000	(3,024,611)
Restricted fixed asset funds	28,321,807	36,993	(370,371)	(171,721)	-	27,816,708
	<u>26,225,675</u>	<u>7,290,791</u>	<u>(8,516,557)</u>	<u>-</u>	<u>105,000</u>	<u>25,104,909</u>

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

	<b>Restricted funds 2015 £</b>	<b>Restricted fixed asset funds 2015 £</b>	<b>Unrestricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Tangible fixed assets	-	27,800,137	-	27,800,137	28,146,479
Current assets	340,173	461,528	389,254	1,190,955	1,540,925
Creditors due within one year	(320,784)	(444,957)	(76,442)	(842,183)	(521,729)
Provisions for liabilities and charges	(3,044,000)	-	-	(3,044,000)	(2,940,000)
	<u>(3,024,611)</u>	<u>27,816,708</u>	<u>312,812</u>	<u>25,104,909</u>	<u>26,225,675</u>



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**23. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2015 £	2014 £
Net incoming resources before revaluations	(1,225,766)	(126,367)
Returns on investments and servicing of finance	(1,351)	(1,882)
Depreciation of tangible fixed assets	370,371	357,909
Capital grants	-	(333,759)
Decrease in debtors	226,325	186,937
Increase/(decrease) in creditors	320,454	(210,041)
FRS 17 adjustments	209,000	210,000
<b>Net cash (outflow)/inflow from operations</b>	<b>(100,967)</b>	<b>82,797</b>

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

	2015 £	2014 £
<b>Returns on investments and servicing of finance</b>		
Interest received	1,351	1,882
	<b>2015 £</b>	<b>2014 £</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(24,030)	(381,435)
Capital grants from DfE	-	333,332
Capital grants from Local Authority	-	427
<b>Net cash outflow capital expenditure</b>	<b>(24,030)</b>	<b>(47,676)</b>

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

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,138,150	(123,646)	-	1,014,504
<b>Net funds</b>	<b>1,138,150</b>	<b>(123,646)</b>	<b>-</b>	<b>1,014,504</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26. 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 Essex Pension Fund. Both are defined benefit schemes.

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

Contributions amounting to £81,333 were payable to the schemes at 31 August 2015 (2014 - 89,358) and are included within creditors.

**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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26. PENSION COMMITMENTS (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The pension costs paid to TPS in the period amounted to £435,378 (2014: £490,776).

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

**Teachers' Pension Scheme Changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the

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**26. PENSION COMMITMENTS (continued)**

contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £344,568, of which employer's contributions totalled £262,261 and employees' contributions totalled £82,307. The agreed contribution rates for future years are 12.3% for employers and 5.5%-7.5% for employees.

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

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(4,776,000)	(4,265,000)
Fair value of scheme assets	1,732,000	1,325,000
	<hr/>	<hr/>
Net liability	(3,044,000)	(2,940,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	2015 £	2014 £
Current service cost	(363,000)	(355,000)
Interest on obligation	(176,000)	(178,000)
Expected return on scheme assets	79,000	66,000
Gains on curtailments and settlements	(9,359)	-
	<hr/>	<hr/>
Total	(469,359)	(467,000)
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets	75,000	138,000
	<hr/> <hr/>	<hr/> <hr/>

The expected return was 5.3%, which has been used to determine the profit and loss charge for the year ended 31 August 2015.

£33,641 of the £43,000 curtailment has been funded by a third party who seconded the staff concerned. The net cost to the Academy was £9,359.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. PENSION COMMITMENTS (continued)**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	<b>4,265,000</b>	3,581,000
Current service cost	<b>363,000</b>	355,000
Interest cost	<b>176,000</b>	178,000
Contributions by scheme participants	<b>81,000</b>	86,000
Actuarial (Gains)/losses	<b>(109,000)</b>	66,000
Losses on curtailments	<b>43,000</b>	-
Benefits paid	<b>(43,000)</b>	(1,000)
	<hr/> <b>4,776,000</b> <hr/>	<hr/> <b>4,265,000</b> <hr/>
Closing defined benefit obligation		

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	<b>1,325,000</b>	976,000
Expected return on assets	<b>79,000</b>	66,000
Actuarial gains and (losses)	<b>(4,000)</b>	(59,000)
Contributions by employer	<b>294,000</b>	257,000
Contributions by employees	<b>81,000</b>	86,000
Benefits paid	<b>(43,000)</b>	(1,000)
	<hr/> <b>1,732,000</b> <hr/>	<hr/> <b>1,325,000</b> <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £295,000 (2014 - £400,000).

The Academy expects to contribute £266,000 to its Defined benefit pension scheme in 2016.

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

	<b>2015</b>	<b>2014</b>
Equities	<b>65.00 %</b>	64.00 %
Gilts	<b>4.00 %</b>	6.00 %
Other Bonds	<b>10.00 %</b>	11.00 %
Property	<b>12.00 %</b>	12.00 %
Cash	<b>2.00 %</b>	3.00 %
Alternative Assets	<b>7.00 %</b>	4.00 %

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

	<b>2015</b>	<b>2014</b>
RPI increase	<b>3.60 %</b>	3.50 %
CPI increases	<b>2.70 %</b>	2.70 %
Salary increases	<b>4.50 %</b>	4.50 %
Pension increases	<b>2.70 %</b>	2.70 %
Discount rate	<b>4.00 %</b>	3.90 %
Commutation of pensions to lump sums	<b>60.00 %</b>	60.00 %

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**26. PENSION COMMITMENTS (continued)**

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

	<b>2015</b>	<b>2014</b>
Retiring today		
Males	<b>22.8</b>	22.7
Females	<b>25.2</b>	25.1
Retiring in 20 years		
Males	<b>25.1</b>	24.9
Females	<b>27.6</b>	27.4

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

Defined benefit pension schemes

	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Defined benefit obligation	<b>(4,776,000)</b>	(4,265,000)	(3,581,000)	(2,787,000)	(2,360,000)
Scheme assets	<b>1,732,000</b>	1,325,000	976,000	477,000	276,000
Deficit	<b>(3,044,000)</b>	(2,940,000)	(2,605,000)	(2,310,000)	(2,084,000)
Experience adjustments on scheme liabilities	<b>109,000</b>	(66,000)	(200,000)	-	-
Experience adjustments on scheme assets	<b>(4,000)</b>	(59,000)	68,000	4,000	-

**27. OPERATING LEASE COMMITMENTS**

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

	<b>Land and buildings</b>		<b>Other</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expiry date:</b>			
Between 2 and 5 years	-	-	<b>9,635</b>
	<b>5,940</b>		

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

**28. 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 Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The following amounts were donated to the Trust by Trustees;

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
R O'hara	<b>20</b>	<b>120</b>
A Lunn	<b>60</b>	<b>60</b>
	<hr/> <hr/>	<hr/> <hr/>

**29. CONTROLLING PARTY**

There is no ultimate controlling party

**30. 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.

**31. AGENCY ARRANGEMENTS**

The academy trust distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ending 31 August 2015 the trust received £18,112 and disbursed £16,255 from the fund. An amount of £1,857 is included in other creditors relating to undistributed funds that is repayable to the EFA.