Registered number: 07512962 (United Kingdom)

PRINCE HENRY'S HIGH SCHOOL

PARVA MAGNA CRESCUNT

THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

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Stephen Butcher
Stephen Cook
John Painter
Keith Watson

Governors

Stephen Butcher, Chair of Governors / Partnership Governor[1,2,3,4]
Stephen Cook, Community Governor[1,3]
Alan Harris, Partnership Governor[1,2]
John Painter, Partnership Governor[1,2]
Dr Anthony Evans, Staff Governor / Head Teacher / Accounting Officer[2]
Keith Watson, Parent Governor / Vice Chair[1,4]
Lorrin Campbell, Partnership Governor[1,3]
James Curran, Community Governor[1,3]
Edward Pillar, Community Governor[1,4]
Maureen Spinks, Parent Governor[1,4]
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Linda Walker, Staff Governor[1,3]
Diana Stubbs, Parent Governor[1,2]
Ginette Getting, Parent Governor[2]
Clare Rimell, Parent Governor
Michael Thompson, Staff Governor[2]
Dr Victoria Hardwick, Community Governor (appointed 12 November 2015)

[1] Full Governors
[2] Finance and General Purposes
[3] Property and Development
[4] Academic and Pastoral

Company registered number

07512962

Company name

The Prince Henry's High School Academy Trust

Principal and registered office

Victoria Avenue
Evesham
Worcestershire
WR11 4QH

Clerk to the Governors

Mrs Susan Jennings

Head Teacher

Dr Anthony Evans

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2016

Advisers (continued)

Senior management team

Dr Anthony Evans, Headteacher
Helen Wood, Deputy Headteacher
Antonia Lungley, Assistant Headteacher
Nuala Barker, Assistant Headteacher
Andrew Duffy, Assistant Headteacher
Benjamin Freeman, Assistant Headteacher
Suzanne Thomas, Assistant Headteacher

Independent auditors

Randall & Payne LLP
Chartered Accountants
Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

Bankers

The Royal Bank of Scotland Plc
5 Church Street
Sheffield
South Yorkshire
S1 1HF

Solicitors

Browne Jacobson
44 Castle Gate
Nottingham
Nottinghamshire
NG1 7BJ

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

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

The trust operates an educational academy for pupils aged 13 to 18 serving a catchment area in Evesham and the outlying area. It has a pupil capacity of 1,377 and had a roll of 1,254 in the school census on 1st October 2015.

Structure, governance and management

a. CONSTITUTION

The Academy and the group is a members limited liability company and an exempt charity.

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

The Governors of The Prince Henry's High School Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as The Prince Henry's High School Academy Trust.

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

In this report there are frequent references to trustees. This is the same body of people as both the directors of the company and the 'governors' of a single academy trust; these words are used interchangeably. They are the people responsible under the academy trust's articles of association for controlling its management and administration. They have responsibility for directing its affairs, and for ensuring that it is solvent, well-run, and delivering the trust's charitable outcomes for the benefit of the public.

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. TRUSTEES' INDEMNITIES

The Academy provides indemnity insurance to cover the liability of Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Academy.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The management of the Academy and the group is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association.

A minimum of three and a maximum of four Governors are elected by the parental body as Parent Governors.

The Head of the school is a Governor.

Two of the Governors are elected by the staff of the school as Staff Governors.

A minimum of three and a maximum of six Governors are nominated by the members as Community Governors.

A minimum of two and a maximum of four Governors are nominated by the members as Partnership Governors.

For any Governor, other than Staff Governors, prior to taking up the post, references will be sought by the Clerk and presented to the Governor Appointments Committee. This is to ensure that students are further safeguarded and potential conflicts of interest are avoided.

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

Training and induction for Governors will depend on their prior experience and/or knowledge. Most induction is carried out "in house", but external trainers may be brought in, or Governors may attend external training provision as appropriate. Governors are provided with copies of all the documents that they will need to undertake their role.

f. ORGANISATIONAL STRUCTURE

The Governing Body is responsible for managing the Academy on behalf of the Trust. It provides oversight and strategic direction for the Academy and does so through a robust governance and decision making process which includes regular meetings, debate, review of working papers and strategy discussions. Financial Management and oversight is managed through strict adherence to the guidance provided by the Educational Funding Agency (EFA) through the latest version of its Academies Financial Handbook and by following the relevant guidance provided by the Charities Commission and HM Treasury Managing Public Money guidance.

The Governing Body continues to be advised by their legal representatives Browne Jacobson to ensure that the Articles of Association remain up to date and appropriate bearing in mind potential changes to both national and local educational structures.

The key responsibilities of the Governing Body are to:

- Ensure the quality of educational provision
- Challenge, monitor and support the performance of the school
- Manage the Trust's finances and property and assets
- Manage the Headteacher
- Exercise reasonable skill and care in carrying out their duties
- Ensure that the Academy Trust complies with charity and company law
- Operate the Academy in accordance with the Funding Agreement that has been signed with the Secretary of State

g. ORGANISATIONAL STRUCTURE (continued)

To deliver to these broad responsibilities the Governing Body delegates, through explicit Terms of Reference, a number of its responsibilities to its four key Committees as follows:

- Audit and Planning
- Finance and General Purposes
- Property, Development and Safeguarding
- Academic, Pastoral and Teaching

Other Committees which meet as required are:

- Strategic Consultation Group
- Governor Appointments Committee
- Salaries & Appointments Committee
- Staff Committee
- Pupil Admissions Committee

The Statutory Appeal Committees which meet as necessary are: Pupil Discipline, Staff Appeals and Independent Appeals Panel.

All Committees report to the Governing Body as set out in their Terms of Reference, and those that meet on an agreed schedule report on a regular basis and where necessary, ask the Governing Body to approve decisions made in the Committees.

The Governing Body delegates executive responsibilities for maintaining, running and developing the Academy to the Head and his Senior Leadership Team. All delegated Leadership responsibilities are articulated in appropriate job descriptions and formal authority documents. All delegated Leadership responsibilities are recorded formally through the weekly Senior Leadership Team meetings. These are monitored through the Academy's System and Control procedures, its Risk Management structures and Internal Control Framework and are subject to regular scrutiny and audit.

h. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The pay ranges for the Headteacher, Deputy Headteacher and Assistant Headteachers are determined in accordance with the criteria specified in the most recent STPCD and ensuring pay scales are appropriate to their role and level of responsibility. As set out in the Academy's Pay Policy, the Governing Body has established pay ranges for the Headteacher, Deputy Headteacher and Assistant Headteachers. All decisions concerning pay and remuneration are made by the Salaries and Appointments Committee and ratified by the Full Governing Body.

i. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

During the period the Academy did not have any connected organisations. There were some related party relationships which are acknowledged at the Governors' meetings through the pecuniary interests forms, and the financial transactions are disclosed in the notes to the accounts.

Since February 2012, the Academy has had in place a trading company, and this is a wholly owned subsidiary of the Academy

Objectives and Activities

a. OBJECTS AND AIMS

The Academy's main objective is set out in its Articles of Association and referred to in pages 5-12 of that document. In summary, the principle objective is to create and develop the very best Teaching and Learning environment for all our students and staff based upon the virtues of sound traditional values; thus enabling our students to leave Prince Henry's with a first class outstanding education that becomes fully embedded and integrated into their future lives.

This will be achieved by:

- Recruiting teachers to Prince Henry's who represent excellent traditional role models: highly qualified, courteous, professional, and happy to help all students at all times.
- Ensuring Prince Henry's staff instil into our students the traditional values outlined above.
- Ensuring the facilities and resources available are suitable and well maintained for an appropriate teaching environment.
- Providing a modern, broad, balanced, relevant and sustainable curriculum, so that our provision supports the individual needs of all of our students.
- Listening and responding appropriately to any parental queries on a personal basis, and supporting parents and carers with their child's journey through Prince Henry's High School.
- Being relentless in the quest for outstanding continuous improvement in all areas of Prince Henry's High School.

In accordance with the Articles of Association, the academy has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis and requirements for admission of students, and that the curriculum should comply with the substance of the National Curriculum.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

At the start of the 2015/16 academic year, the Academy's objectives were as follows:-

- To obtain pupil outcomes and academic results as detailed in our School Improvement Plan
- To examine curriculum provision in light of new curriculum changes
- To prepare the school for changes to assessment so that each pupil's Progress 8 and Attainment 8 measure is maximised.
- To continue to improve the school site to create a better learning environment for our students.
- To continue to develop our alternative provision in the school.
- To enhance Prince Henry's as a Teaching School, as detailed in the Teaching School Year Two application.
- To further improve further the quality and purpose of one to one teaching and booster sessions.
- To continue to improve processes for developing self-evaluation and school improvement.
- To develop our ICT and network infrastructure.
- To continue to focus intensely upon student outcomes, particularly for Disadvantaged Students, so that their outcomes are maximised.
- To ensure that the school is ready for conversion to Multi-Academy Status.
- To ensure that the new build project is completed and that the refurbishment project commences successfully.
- To further improve the quality and sustainability of the staff through appropriate or targeted professional development.

The strategies and activities of the Academy were as follows during the 2015/16 academic year:-

The school has implemented new curriculum changes and the overall 2016 achievements were exceptionally positive at GCSE, AS and A2 Level, as outlined in the positive Attainment 8 and Progress 8 measures. Furthermore, in February 2016, the Minister of State for Schools congratulated the Academy for being one of the top 100 non-selective state-funded schools in England based upon pupil progress from Key Stage 2 to Key Stage 4. We saw pleasing gains in the performance of our Disadvantaged Students, as outlined in our online statement.

The school has surpassed all targets for the second year of Teaching School, and was reaccredited with third year funding during the summer 2016. In April, the Headteacher was appointed as a National Leader of Education and the Academy designated as a National Support School. In July a bid was submitted for the Academy to become a SCITT (School-Centred Initial Teacher Training).

Successful external audits were undertaken into safeguarding and the Academy's procedures for tracking the expenditure of capital bids and safeguarding. Successful external reviews were undertaken in the areas of Modern Foreign Languages and Pupil Premium

The school completed a £1.9 million new build programme with a new ICT infrastructure, creating 14 additional classrooms, and commenced the refurbishment of Science laboratories, following a successful Condition Improvement Funding bid to the EFA.

The progress of our Multi-Academy Trust conversion has been delayed because unfortunately, our legal advisers made us aware that, should we proceed with the MAT conversion, our Trust would have to take on liabilities potentially caused by previous work undertaken by the Local Authority within any of the MAT schools. As the MAT cannot be indemnified against this, following a meeting of all the Headteachers involved in the conversion process, it was unanimously agreed that the conversion should be suspended, pending a satisfactory resolution of this important issue.
Meanwhile, all the schools involved are continuing to work together and we are intending to develop all the curriculum, teaching, assessment and learning opportunities that the MAT potentially brings.

The school completed its succession plan for the Senior Leadership Team.

Enrichment, extra-curricular opportunities and alternative provision continued to be developed positively, with regular updates being provided on our website. During the Autumn Term the School Games Gold award was re-accredited for the fourth consecutive year.

Finally, the Academy has maintained in practice its commitment to its own equal opportunities policy and remains proud of the regular acknowledgement by outside agencies (eg Traveller Service) of its record in this regard.

c. PUBLIC BENEFIT

In setting the objectives, the Trustees have given careful consideration to the charity commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

During the year the school 2014-15, 1,248 pupils attended the Academy from a catchment area which included:-

1. Evesham north of the Avon ("the old town").
2. Evesham south of the Avon and west of the Isbourne ("Hampton").
3. Villages north of Evesham (Norton, Lenchwick, Harvington, Abbots Morton, Radford, the Lenches).
4. Villages around Bredon Hill (principally Charlton, Cropthorne, Elmley Castle, Bricklehampton, Eckington, Bredon, Kinsham, Bredons Norton, Westmancote, Overbury, Kemerton, Conderton, Beckford, Ashton).
5. South-eastern villages (Hinton, Sedgeberrow, Aston Somerville, Childswickham, Broadway).

The majority of students come from St Egwin's CE Middle School (which serves 1, 2 and 3 above) and from Bredon Hill Middle School (which serves 4 and 5).

Achievements and performance

a. KEY FINANCIAL PERFORMANCE INDICATORS

The Academy uses the new Attainment 8 and Progress 8 figures, as well as the older measures of attainment of 5 A*-C GCSE grades inclusive of English and Maths, 5 A*-A grades and a capped 8 point score as the main KPIs for the delivery of its primary attainment objective. All are very high, and significantly above average. In 2016 the school was recognised by the Department for Education as being one of the top 100 non-selective state schools in England for pupil progress. The Academy also closely monitors the percentage of A*-A, A*-B, A*-C grades at GCSE, AS and A2 Level, together with retaining outstanding reports from Ofsted visits. Financially the Academy uses the number of students in the Academy as a key KPI along with the level of reserves available to continue the improvement of the site and facilities. The Academy also focuses upon the progress of Disadvantaged Students.

The KPI's which the Governing Body review and scrutinise on a regular basis are:

- Attainment and Achievement Targets and Outcomes as detailed in the School Improvement Plan. As well as internal assessments, important outcomes which are monitored by the Academic and Pastoral committee include cumulative percentages of grades at GCSE, AS and A2; published benchmark measures at A2, AS and GCSE; Progress Levels (3 & 4) at GCSE; outcomes by students in receipt of Pupil Premium, outcomes by students with identified Special Needs.
- The quality of behaviour and discipline, monitored through engagement in the curriculum, lesson observations, attendance figures to school, exclusion rates, positive rewards and behaviour referrals.
- The quality of the curriculum and provision, including the information and guidance provided to match the needs of our students from Year 9 through to Year 13. This is monitored through the Academic, Pastoral and Teaching Committee.
- The use of our financial resources to provide value for money and a high quality learning environment through management and investment in: our school site, the curriculum provision on offer, the quality of teaching and the social and community dimensions that the school provides. This is monitored through the Property, Development and Safeguarding Committee and Finance & General Purposes Committee.
- The performance of colleagues managed through Continuing Professional Development, Peer observation and Appraisal. This is reported to the Finance and General Purposes Committee and Salaries and Appointments Committee.
- The School Improvement Plan and Self Evaluation of Prince Henry's High School. This is led by the Senior Leadership Team and scrutinised by the Strategic Consultation Group of Governors

Other significant KPIs for the 2015-16 year included:

- Ensuring student achievement was not impacted by the negative effects of the funding formula on the school's budget. Achieved. Overall results at GCSE and A Level in 2016 were very high – as outlined above.
- Ensuring the curriculum was appropriately designed for all students in relation to the new Attainment 8 and Progress 8 measures. Achieved – as evidenced by the outcomes for 2016.
- To deliver Core Maths in conjunction with two other Worcestershire High Schools. Achieved – 13 students took subject and all passed.
- To deliver Year 2 of the Teaching School Plan and submit application for SCITT. Achieved – SCITT status confirmed 31st August 2016. Increased School Direct places and successfully piloted Maths/Physics internship programme. Supported two schools through School to School Support bids.
- To employ an Educational Psychologist to support Prince Henry's and other local schools. Achieved.
- To develop a Multi-Academy Trust. This was unable to be achieved due to budgetary constraints placed upon the schools involved.

b. REVIEW OF ACTIVITIES

The main achievement has been the maintenance of high academic standards, as evidenced by the published public examination results. A Level results were again outstanding and amongst the best in the country. More than 70% of students progressed to higher education, of whom over 29% went to Oxford, Cambridge, a Russell Group university or another of the universities in the Times' top 20 university list. More importantly, nearly every individual student progressed to an appropriate higher education course.

GCSE results were excellent. There is very strong evidence of pupils making very significant progress in terms of levels between national curriculum key stages.

c. KEY PERFORMANCE INDICATORS

The key performance indicators for achievement were as follows:

Priority	Target for 2014/2015	**Achieved in 2014/2015**	Target for 2015/2016	**Achieved in 2015/2016**
GCSE: percentage of students achieving 5+ A* to C inc Eng and Maths	70%	**70%**	66%	**69%**
GCSE: percentage of students making at 3 levels of progress in English	80%	**80%**	74%	**82%**
GCSE: capped APS	346	**346**	353	**343**
GCSE: percentage of students making at 3 levels of progress in Maths	78%	**79%**	71%	**78%**
A Level: percentage of students achieving A* to E grades	100%	**100%**	100%	**100%**

d. KEY PERFORMANCE INDICATORS (continued)

Historical Profile:

Criterion	2012	2013	2014	2015	2016	Comparator or source
% 5+ A* to C inc Eng and Maths	69	70	69	70	69	RAISEonline 2012 Nat ave = 58 2013 Nat ave = 60 2014 Nat ave = 55 2015 Nat ave = 56
% 5+ A* to C	84	87	77	77	76	RAISEonline 2012 Nat ave = 82 2013 Nat ave = 86 2014 Nat ave = 65 2015 Nat ave = 65
% 5+ A* to G	97	97	99	98	99	RAISEonline 2012 Nat ave = 95 2013 Nat ave = 95 2014 Nat ave = 92 2015 nat ave = 93
Capped APS (best 8)	349	349	345	346	343	RAISEonline 2012 Nat ave = 339 2013 Nat ave = 338 2014 Nat ave = 307 2015 Nat ave = 309
KS2 – 4 Value Added	1003.2	1003.7	1020.2	1038.4		RAISEonline Nat ave = 1000

Criterion	2012	2013	2014	2015	2016	Comparator or source
% EBacc	36	34	39	35	34	RAISEonline 2012 Nat ave = 16 2013 Nat ave = 22 2014 Nat ave = 23 2015 Nat ave = 24
Overall: % A*/A	30	28	31	29	27	RAISEonline 2012 Nat ave = 22 2013 Nat ave = 21 2014 Nat ave = 21 2015 Nat ave = 21
English: %A* to C	73	72	76	75	78	RAISEonline 2012 Nat ave = 66 2013 Nat ave = 67 2014 Nat ave = 67 2015 Nat ave = 67
English: % A*/A	26	23	20	20	24	RAISEonline 2012 Nat ave = 15 2013 Nat ave = 14 2014 Nat ave = 14 2015 Nat ave = 15
English: % of students making expected progress	76	76	75	80	82	RAISEonline 2012 Nat ave = 67 2013 Nat ave = 69 2014 Nat ave = 69 2015 Nat ave = 69

Maths:% A* to C	79	81	78	76	73	RAISEonline 2012 Nat ave =68 2013 Nat ave = 70 2014 Nat ave = 67 2015 Nat ave = 67
Maths: % A*/A	26	18	26	24	18	RAISEonline 2012 Nat ave = 15 2013 Nat ave = 15 2014 Nat ave = 16 2015 Nat ave = 16
Maths: % of students making expected progress	82	81	82	79	78	RAISEonline 2012 Nat ave =68 2013 Nat ave = 70 2014 Nat ave = 65 2015 Nat ave = 66

Key stage 4 progress and attainment (disadvantaged students v non disadvantaged students):

The school's Pupil Premium statement for disadvantaged students can be viewed on the school's website.

Criterion	2013	2014	2015	2016	Comparator or source
% 5+ A* to C inc Eng and Maths (disadv)	30	28	34	35	RAISEonline 2012 Nat ave = 38 2013 Nat ave = 40 2014 Nat ave = 36 2015 Nat ave = 36
% 5+ A* to C inc Eng and Maths (non disadv)	77	72	77	73	RAISEonline 2012 Nat ave = 64 2013 Nat ave = 67 2014 Nat ave = 62 2015 Nat ave =63
Criterion	**2013**	**2014**	**2015**	**2016**	**Comparator or source**
% 5+ A* to G (disadv)	94	91	92	92	RAISEonline 2014 Nat ave = 85 2015 Nat ave = 87
% 5+ A* to G (non disadv)	99	100	100	100	RAISEonline 2014 Nat ave = 95 2015 Nat ave = 96
Value added (disadv)	968.4	964	996.7		RAISEonline 2012 Nat ave = 981.6 2013 Nat ave = 983.4 2014 Nat ave = 977.6 2015 Nat ave = 976.3
Value added (non disadv)	1010.5	1027	1046.8		RAISEonline 2012 Nat ave = 1005.5 2013 Nat ave = 1005.7 2014 Nat ave = 1008.0 2015 Nat ave = 1008.7
Capped APS (disadv)	287.9	263.9	266	264	RAISEonline 2012 Nat ave = 301.4 2013 Nat ave = 303.9 2014 Nat ave = 257.7 2015 Nat ave = 259.9
Capped APS (non disadv)	360.6	353.8	364	355	RAISEonline 2012 Nat ave = 352.3 2013 Nat ave = 350.9 2014 Nat ave = 324.8 2015 Nat ave = 326.6

English: % of students making expected progress (disadv)	37	44	58	56	RAISEonline 2011 Nat ave = 54 2012 Nat ave = 53 2013 Nat ave = 56 2014 Nat ave = 58 2015 Nat ave = 57
English: % of students making expected progress (non disadv)	82	78	84	86	RAISEonline 2011 Nat ave = 74 2012 Nat ave = 72 2013 Nat ave = 74 2014 Nat ave = 75 2015 Nat ave = 74
Maths: % of students making expected progress (disadv)	44	41	42	46	RAISEonline 2011 Nat ave = 44 2012 Nat ave = 51 2013 Nat ave = 54 2014 Nat ave = 48 2015 Nat ave = 49
Maths: % of students making expected progress (non disadv)	87	87	86	82	RAISEonline 2011 Nat ave = 67 2012 Nat ave = 73 2013 Nat ave = 76 2014 Nat ave = 71 2015 Nat ave = 72

Other Key Performance Indicators

The Academy uses the new Attainment 8 and Progress 8 figures, as well as the older measures of attainment of 5 A*-C GCSE grades inclusive of English and Maths, 5 A*-A grades and a capped 8 point score as the main KPIs for the delivery of its primary attainment objective. All are very high, and significantly above average. In 2016 the school was recognised by the Department for Education as being one of the top 100 non-selective state schools in England for pupil progress.

The Academy also closely monitors the percentage of A*-A, A*-B, A*-C grades at GCSE, AS and A2 Level, together with retaining outstanding reports from Ofsted visits. Financially the Academy uses the number of students in the Academy as a key KPI along with the level of reserves available to continue the improvement of the site and facilities. The Academy also focuses upon the progress of Disadvantaged Students.

Other significant KPIs for the 2015-16 year included:

1. Ensuring student achievement was not impacted by the negative effects of the funding formula on the school's budget. Achieved. Overall results at GCSE and A Level in 2016 were very high – as outlined above.
2. Ensuring the curriculum was appropriately designed for all students in relation to the new Attainment 8 and Progress 8 measures. Achieved – as evidenced by the outcomes for 2016.
3. To deliver Core Maths in conjunction with two other Worcestershire High Schools. Achieved – 13 students took subject and all passed.
4. To deliver Year 2 of the Teaching School Plan and submit application for SCITT. Achieved – SCITT status confirmed 31st August 2016. Increased School Direct places and successfully piloted Maths/Physics internship programme. Supported two schools through School to School Support bids.
5. To employ an Educational Psychologist to support Prince Henry's and other local schools. Achieved.
6. To develop a Multi-Academy Trust. This was unable to be achieved due to budgetary constraints placed upon the schools involved.

There are many other KPIs which the Governing Body review and scrutinise on a regular basis which are written within the School Improvement Plan and SEF, including:-

- **Attainment and Achievement Targets and Outcomes** as detailed in the School Improvement Plan. As well as internal assessments, important outcomes which are monitored by the Academic and Pastoral committee include cumulative percentages of grades at GCSE, AS and A2; published benchmark measures at A2, AS and GCSE; Progress Levels (3 & 4) at GCSE; outcomes by students in receipt of Pupil Premium, outcomes by students with identified Special Needs.
- **The quality of behaviour and discipline**, monitored through engagement in the curriculum, lesson observations, attendance figures to school, exclusion rates, positive rewards and behaviour referrals.
- **The quality of the curriculum and provision**, including the information and guidance provided to match the needs of our students from Year 9 through to Year 13. This is monitored through the Academic, Pastoral and Teaching Committee.
- **The use of our financial resources** to provide value for money and a high quality learning environment through management and investment in: our school site, the curriculum provision on offer, the quality of teaching and the social and community dimensions that the school provides. This is monitored through the **Property, Development and Safeguarding Committee and Finance & General Purposes Committee.**
- The **performance of colleagues** managed through Continuing Professional Development, Peer observation and Appraisal. This is reported to the Finance and General Purposes Committee and Salaries and Appointments Committee.
- **The School Improvement Plan and Self Evaluation** of Prince Henry's High School. This is led by the Senior Leadership Team and scrutinised by the **Strategic Consultation Group of Governors**.

e. 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.

Financial review

a. FINANCIAL REVIEW

The accounting period runs from the 1st September 2015 to 31st August 2016. The majority of the Academies income is obtained from the EFA in the form of recurrent grants the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities. The Governing Body is investigating the development of other sources of income.

The Board of Governors would like to thank the sponsors: the John Martin Charity for their kind donations to the academy. In accordance with the Charities statement of recommended practise 'Accounting activities by Charities' (SORP 2015) such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund, the restricted fixed asset fund balance will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

b. RESERVES POLICY

The Governing Body reviews the reserve levels of the academy annually at the year-end and as a part of its medium-term budget planning. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. Governors determine what the level of uncommitted reserves should be and have decided that the level should be equal to one month's operational costs - approximately £350,000. However, due to the negative impact of the Funding Formula and its delayed implementation, the Governors have agreed that the minimum amount level of the reserves should be £200,000 to mitigate any eventuality which could place the school at risk, eg asbestos discovery. Once an announcement is made regarding the Funding Formula, the aim is to maintain reserves at the normal minimum level of £350,000. The aim is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

As a part of its monitoring of in-year financial performance the Governing Body reviews the forecast impact on reserves and considers this as a part of its medium term financial planning. As at 31 August 2016 the academy held total general funds of £425k which it plans to use in part as a component of that medium term financial plan.

Under Accounting Standard FRS102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for non-teaching staff to a specific restricted reserve. As at 31 August 2016 the deficit on this reserve amounted to £1,553K. It should be noted however that this does not present the academy with a current Capital or Liquidity problem. Contributions to the pension scheme are being budgeted over the next few years in order to reduce the deficit.

Unrestricted funds show an acceptable surplus of £393k (2015: £473k) which is in line with academy budgets and objectives.

c. MATERIAL INVESTMENTS POLICY

The Headteacher together with the Finance Manager will ensure that any surplus funds are deposited to maximise interest whilst maintaining a safe and secure investment strategy. This is set out in the Academy's Financial and Asset Management Policy and is actively monitored through the Senior Leadership Team and Finance and General Purposes Committee.

d. PRINCIPAL RISKS AND UNCERTAINTIES

The Academy continues to monitor the government's intention to introduce a national funding formula. Until Worcestershire is funded at the national median, Prince Henry's High School, along with schools in the Evesham pyramid will be funded proportionately less than most schools in the country. Prince Henry's has been extremely active in voicing our concerns to Worcestershire County Council and local MPs. The County Council has also elected to use a local funding formula which does not support schools such as Prince Henry's in a proportionate way. The application of this formula, the low funding base for Worcestershire and recent reductions to Sixth Form funding all, in the aggregate, represent the Academy's greatest risk and uncertainty. The school has taken a strategic approach to find efficiencies within its existing staffing structure as a result of natural movement of staff. In addition, we have also:-

- Cut curriculum budgets by 40%
- Restructured the Leadership Team for the academic year 2015-16 from three Deputy Heads to one
- Deferred plans to invest in curriculum IT
- Been able to avoid essential building repairs and maintenance due to the award of Condition Improvement Fund monies

Other risk areas are the protection of pupils, staff and assets as well as maintaining pupil numbers in order to manage the financial risks. Systems and procedures to minimise these are constantly being reviewed and updated.

e. RISK MANAGEMENT

The Academy has an ongoing risk management process. Overall responsibility for risk management rests with the Governing Body. The Finance and General Purposes Committee regularly monitors the type of risk the Academy faces, monitoring any changing levels of risk and identifying newly emerging risks. Current areas for close monitoring include:-

- The newly proposed (but delayed) Fair Funding formula which potentially adversely affects Evesham schools
- Reductions in post-16 funding
- The volatility of student numbers for demographic reasons, both at entry Year 9 and post-16
- Provision for alternative curriculum
- The age of some of the school buildings

Day to day managing and monitoring of risk is delegated to the Head and the Senior Leadership Team (SLT). The team handle this process through the use of the Academy's Risk Register which has been prepared through wide consultation with all interested parties and using expert external resource. It is subject to regular scrutiny at both executive and non-executive levels. It is updated quarterly and is formally scrutinised by the Finance & General Purposes Committee. The role of the Committee is to challenge the SLT on the identification of risks, the management action taken and the residual risks. The Finance & General Purposes Committee reports the Risk Register to the full Governing Body.

The school has a Business Continuity Plan in place and has worked with Biscon Planning Limited to ensure a particular focus on Business Continuity following physical loss or damage to school property.

f. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy has an accountancy management software system which is embedded into all financial processes.

To support the conversion to an Academy new accounting software was introduced to support enhanced reporting needs, this has now been fully integrated into the academy's financial and management report systems and controls.
The Governors review the EFA Financial Handbook every year to ensure that the Academy is compliant with current EFA regulations. Risk registers based upon those in the Financial Handbook are in place and monitored by Governors.

The Academy has an externally contracted independent Responsible Officer who undertakes an RO external audit into two aspects of the management of the Academy each year. In 2015/16 the reviews focused upon capital investment fund expenditure and safeguarding.

As outlined above, the Risk Register and Business Continuity Plan are reviewed regularly by the Finance Manager, Operations Manager, Senior Leadership Team and the Academy's Governing Body.

Plans for future periods

a. FUTURE DEVELOPMENTS

The school's aims now are:-

- To carefully manage the resources available through the school budget as a result of the delayed implementation of the Fair Funding Formula.
- To ensure that the new Senior Leadership Team and pastoral team structures are embedded effectively.
- Despite the significant cuts to core budgets, to continue to focus intensely upon student outcomes, particularly for Disadvantaged Students, so that their outcomes are maximised.
- To further develop Teaching School Status with a view to implementing a SCITT in September 2017.
- To ensure an appropriate curriculum is in place for all students in relation to new specifications at GCSE to support Attainment 8 and Progress 8 measures.
- To maintain outstanding teaching and learning for all groups of students in all departments; ensuring teaching reflects the new demands of the curriculum change.
- To thoroughly focus upon the progress of Disadvantaged Students, following the outcomes of the successful Pupil Premium review in June 2016.
- To ensure the successful completion of the refurbishment project.
- To enhance the school buildings through capital bid projects via the EFA.
- To further improve the quality and sustainability of the staff through appropriate and targeted professional development.

FUNDS HELD AS CUSTODIAN

The Academy does not hold any funds as custodian Trustee on behalf of others.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

This report was approved by order of the board of trustees as the company directors, on 8 December 2016 and signed on its behalf by:

Stephen Butcher
Chair of Trustees

Dr Anthony Evans
Accounting Officer

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As governors, we acknowledge we have overall responsibility for ensuring that The Prince Henry's High School Academy Trust 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 The Prince Henry's High School Academy Trust 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 Governors' report and in the Statement of Governors' responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Stephen Butcher, Chair of Governors / Partnership Governor	4	4
Stephen Cook, Community Governor	3	4
Alan Harris, Partnership Governor	3	4
John Painter, Partnership Governor	3	4
Dr Anthony Evans, Staff Governor / Head Teacher / Accounting Officer	4	4
Keith Watson, Parent Governor / Vice Chair	4	4
Lorrin Campbell, Partnership Governor	4	4
James Curran, Community Governor	3	4
Edward Pillar, Community Governor	4	4
Maureen Spinks, Parent Governor	3	4
Neil Townshend, LA Governor	0	0
Linda Walker, Staff Governor	3	4
Diana Stubbs, Parent Governor	2	4
Ginette Getting, Parent Governor	3	4
Clare Rimell, Parent Governor	4	4
Michael Thompson, Staff Governor	2	4
Dr Victoria Hardwick, Community Governor	3	4

The Full Governing Body meets formally four times per year. Discussions are held and decisions are made or ratified as appropriate. There are four main committees which meet during the year:
Audit and Planning; Finance and General Purposes; Property, Development and Safeguarding; and Academic, Pastoral and Teaching. The Audit and Planning committee meets at least twice a year.

During the year these committees met to discuss adherence to plan, to debate developing operational, financial and strategic issues and to support and challenge the Senior Leadership Team in their ongoing management of the direction and strategy of the Academy. Specific work was in the areas of policy development and strategy with a particular focus on the budgetary constraints due to the delayed implementation of the Fair Funding Formula.

Interim decisions are reached at committee for ratification at Full Governing Body meetings. The day to day running of the Academy is delegated to the senior management team who report back to the Governors' committees as appropriate.

The Audit and Planning and the Finance and General Purposes Committee are sub-committees of the main board of governors as highlighted above. In addition to the Governors, the Academy Operations Manager and Finance Manager attend all the meetings.

Attendance at meetings in the year was as follows:

Finance and General Purpose Committee

Governor	Meetings attended	Out of a possible
Alan Harris, Partnership Governor	3	3
Stephen Butcher, Chair of Governors / Partnership Governor	3	3
Dr Anthony Evans, Staff Governor / Head Teacher / Accounting Officer	3	3
Ginette Getting, Parent Governor	3	3
John Painter, Partnership Governor	2	3
Diana Stubbs, Parent Governor	2	3
Michael Thompson, Staff Governor	2	3

Audit and planning Committee

Governor	Meetings attended	Out of a possible
John Painter, Partnership Governor	2	2
Stephen Butcher, Chair of Governors / Partnership Governor	2	2
Dr Anthony Evans, Staff Governor / Head Teacher / Accounting Officer	2	2
Alan Harris, Partnership Governor	2	2

REVIEW OF VALUE FOR MONEY

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

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

- Achieving Key Performance Indicators (page 11) to ensure that it is delivering "value for money".

- **Targeted improvement:** The Trust has kept its staffing structure under review and deployed staff efficiently to support an improved curriculum, or to target areas of the curriculum in need of development. ***This has been applicable especially given the sizable cuts to the budget the trust encountered as a result of unintended consequences of the funding formula. This was also coupled with cuts to the Sixth Form budget.***

  This is monitored through weekly Senior Leadership Team meetings, Termly Governors' Academic and Pastoral meetings and twice yearly Governors' Staffing and Appointments meetings. There is a yearly Trustees' meeting which also oversees everything that has been mentioned.

- **Focus on individual pupils:** The Trust has managed the differing needs of pupils, such as those requiring one to one support, and those requiring more stretch.

  This is monitored by the Special Needs Coordinator, Assistant Head in Charge of Alternative Curriculum, Deputy Head - Curriculum, Senior Leadership Team, Academic and Pastoral Governors' meetings. Ofsted 2013 acknowledged the school is making effective use of our Pupil Premium funding. Ofsted 2014 positively acknowledged that the school chooses appropriate placements for students requiring an alternative provision.

- **Collaboration:** The Trust has engaged with other educational providers and experts to share delivery or good practice, and to drive up standards for the least cost. The Trust is also focused upon potentially becoming a Multi-Academy Trust to achieve greater economies of scale in the future.

  This is monitored by Senior Leadership Team meetings, Governors' Finance and General Purposes Committee. We work closely with our feeder Middle and First Schools to share resources eg Education Welfare Officer (EWO). This has worked effectively, efficiently and we have seen every single school involved with our EWO have an improvement in attendance. We work with our LA to ensure the best services for the best price are provided for the Academy. In addition, the school has access to all the communication available to all the Worcestershire Heads.

  As a result of Teaching School Status, the school is now offering reduced cost, high quality CPD provision to our partner schools. The Academy is planning to implement SCITT status from September 2017.

- **New initiatives:** The Trust continued with the following changes to its budget, introduced in 2014-15, to accommodate additional activities whilst living within its means in 2015-16:-

  - <u>Allocation of Spending to Pupil Premium</u>: Monitored by Assistant Headteacher - Alternative Curriculum, Headteacher and Ofsted (2013).
  - <u>Teaching School</u>: Funds have been received via Teaching School for School-to-School Support. We have delivered NPQH, NPQSL and NPQML programmes.
  - <u>Fair Funding Formula</u>: In light of Fair Funding Formula proposals during 2015/16,significant adjustments were made to department budgets in all areas.
  - <u>Staff Restructuring</u>: As part of a succession planning programme, the Leadership Team has been restructured, leading to some restructuring of teaching staff.
  - <u>EFA Grants</u>: The school has achieved EFA grants (2015/16) to support building development.

- **Quantifying improvements:** The outcomes obtained by our pupils in 2016 were exemplary. Nearly every pupil went to a university of their first choice in 2016. Also, we achieved our best ever attendance record. Pupils' educational attainment, behaviour and attendance records over time are available through the DfE website. A link to this can be found from our website in the Statutory Information Section. The financial performance of the Trust can be found on our website - Trustee's report to Governors 2015.

Independent monitoring: Ofsted 2013: The School is providing an "outstanding" quality of education; Ofsted 2014: Alternative provision survey; Ofsted 2015: More Able Pupils national report; RAISEonline Dec 2014; Trustees' financial report prepared by Auditors Randall and Payne 2014; regular review and meetings with School Improvement Partner.

- **Financial governance and oversight:**

  Good level of Financial Governance as outlined by Ofsted 2013 and Report to Governors by Randall and Payne 2015.

- **Better purchasing:** The Trust has achieved the following to "get more for its money":-

Options appraisal: Different options have been considered before making purchases, including an assessment of the costs and benefits of the alternatives over the longer term. Tendering has been used appropriately and effectively (eg tendering for the new MFL build project)

Economies of scale: The Trust has also taken opportunities to work collaboratively with others to reduce and share services and administration- eg Website & marketing provision across the pyramid.

"Best value": through evaluation of contracts throughout the year by its Operations Manager, scrutinised prior to expiry, ready for negotiation or re-tendering the service for the school (and recently the wider community/ feeder schools). Contracts are set to achieve maximum efficiency and best fit for our needs, whether this is annually, bi-annually or longer; with options to extend or terminate at the end. Best value is considered at all times, with all services and suppliers and monitored through our finance office and annual independent audit. This is monitored through weekly Senior Leadership Team meetings, Termly Governors' Finance and General Purposes meeting, Annual Audit by Randall and Payne.

- **Fitness for purpose**: Services and contracts have been appraised or renegotiated to get the best mix of quality and effectiveness for the least cost.

Any sufficiently large contract will be put out for tender and processed through an independent company, ensuring full compliance with EU regulations, and best value for money. This may not be considered by the Trust to be the cheapest, but is the most effective for the needs of the school and relevant stakeholders. The Trust always prides itself on choosing the best and most fit for purpose companies to work with. This is monitored through Senior Leadership Team, Finance and General Purposes and Appointments, Staffing and Salaries Committees.

- **Benchmarking:** The Trust has benchmarked (2016) its costs against similar organisations in relation to its staffing structure which obviously forms the largest part of the budget.

This is monitored through Senior Leadership Team, Finance and General Purposes and Appointments, Staffing and Salaries Committees.

- **Better income generation:** Income is now generated through extended school services ie EWO and Technical Support, at a cost deemed fair to stakeholders/feeder schools and organisations to support the Trust's ongoing good relations. This is monitored through Senior Leadership Team, Finance and General Purposes and Appointments, Staffing and Salaries Committees. We also generate an income through lettings of the Sports Hall and Arts Centre facilities.

- **Reviewing controls and managing risks:** The Trust has organised its internal controls to maximise its use of assets. The Senior Team and Governors receive monthly budget reports. The budget is closely monitored to utilise spare resources and prevent waste.

The Trust reviews its controls and managing risk through Senior Leadership Meetings, termly Finance and General Purposes and Property, Development and Safeguarding Committee meetings. Separate Audit and Planning meetings are held twice a year. The Risk Register is annually reviewed, as are the Critical Incident Plan, school's insurance, handbooks and financial procedures. Bank balances are monitored monthly and when necessary higher interest accounts are used for the accumulation of slightly higher interest rates. The Responsible Officer reports, reviews and gives recommendations on the above.

The Trust has implemented a Business Continuity Plan after working with Biscon Planning Ltd during the last academic year.

- **Lessons learned:**

Prince Henry's High School discusses and reviews all aspects of financial spending and risk through Trustee and Committee meetings. Monthly cashflow and Governors' reports are circulated to all members of the Senior Leadership Team and Finance & General Purposes Committee. The School Development Plan is directly linked to the finances of the Trust and is closely monitored for changes within the school and from external factors such as the Fair Funding Formula. Finally, any advice is sought from the Responsible Officer.

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 The Prince Henry's High School Academy Trust for the year 1 September 2015 to 31 August 2016 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Trust has organised its internal controls to maximise its use of assets. The Senior Team and Governors receive monthly budget reports. The budget is closely monitored to utilise spare resources and prevent waste.

The Trust reviews its controls and managing risk through Senior Leadership Meetings, termly Finance and General Purposes and Property and Development Committee meetings. Separate Audit and Planning meetings are held twice a year. The Risk Register is annually reviewed, as are the Critical Incident Plan, school's insurance, handbooks and financial procedures. Bank balances are monitored monthly and when necessary higher interest accounts are used for the accumulation of slightly higher interest rates. The Responsible Officer reports, reviews and gives recommendations on the above.

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Randall & Payne LLP, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

GOVERNANCE STATEMENT (continued)

The external auditors have performed the additional checks as requested by the board of governors and reported to the board on each occasion. Where necessary, improvements have been made to the systems following these reports.

Additional checks were performed in relation to Condition Improvement Funding received and Safeguarding.

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 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 General Purposes and Audit and Risk 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 8 December 2016 and signed on their behalf, by:

Stephen Butcher	**Dr Anthony Evans**
Chair of Trustees	**Accounting Officer**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Prince Henry's High School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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

Dr Anthony Evans
Accounting Officer

Date: 8 December 2016

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2016

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

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

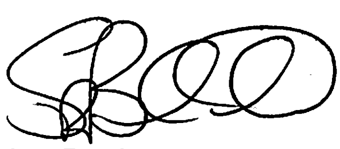
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group'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 8 December 2016 and signed on its behalf by:



Stephen Butcher
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST

We have audited the financial statements of The Prince Henry's High School Academy Trust for the year ended 31 August 2016 which comprise the group Statement of financial activities, the group and Academy Balance sheets, the group 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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 group's and the parent Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Robert Stokes ACCA (Senior statutory auditor)

for and on behalf of

Randall & Payne LLP

Chartered Accountants and Statutory Auditors

Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA
9 December 2016

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 29 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Prince Henry's High School Academy Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The accounting officer is responsible, under the requirements of The Prince Henry's High School Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THE PRINCE HENRY'S HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken during the audit included:

- Consideration and corroboration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity;
- Discussions with and representations from the Accounting Officer and other Key management personnel;
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

CONCLUSION

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

Randall & Payne LLP

Randall & Payne LLP

Chartered Accountants

Chargrove House
Shurdington Road
Cheltenham
Gloucestershire
GL51 4GA

9 December 2016

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2016

	Note	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	*Total funds 2015 £000*
INCOME FROM:						
Donations and capital grants	2	-	79	1,129	1,208	*119*
Charitable activities	3	-	6,512	-	6,512	*6,269*
Other trading activities	4	97	219	-	316	*281*
Investments	5	10	-	-	10	*8*
TOTAL INCOME		107	6,810	1,129	8,046	*6,677*
EXPENDITURE ON:						
Raising funds		46	16	-	62	*63*
Charitable activities		39	6,825	259	7,123	*7,036*
TOTAL EXPENDITURE	8	85	6,841	259	7,185	*7,099*
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		22	(31)	870	861	*(422)*
Transfers between Funds	17	(102)	(250)	352	-	*-*
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(80)	(281)	1,222	861	*(422)*
Actuarial losses on defined benefit pension schemes	21	-	(873)	-	(873)	*(80)*
NET MOVEMENT IN FUNDS		(80)	(1,154)	1,222	(12)	*(502)*
RECONCILIATION OF FUNDS:						
Total funds brought forward		473	(1,307)	17,774	16,940	*17,442*
TOTAL FUNDS CARRIED FORWARD		393	(2,461)	18,996	16,928	*16,940*

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£000	2016 £000	*£000*	*2015 £000*
FIXED ASSETS					
Tangible assets	14		18,727		*17,026*
CURRENT ASSETS					
Debtors	15	245		*523*	
Cash at bank and in hand		1,040		*2,346*	
		1,285		*2,869*	
CREDITORS: amounts falling due within one year	16	(612)		*(1,402)*	
NET CURRENT ASSETS			673		*1,467*
TOTAL ASSETS LESS CURRENT LIABILITIES			19,400		*18,493*
Defined benefit pension scheme liability	21		(2,472)		*(1,553)*
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			16,928		*16,940*
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	11		*246*	
Restricted fixed asset funds	17	18,996		*17,774*	
Restricted income funds excluding pension liability		19,007		*18,020*	
Pension reserve		(2,472)		*(1,553)*	
Total restricted income funds			16,535		*16,467*
Unrestricted income funds	17		393		*473*
SHAREHOLDERS' AND CHARITY'S FUNDS			16,928		*16,940*

The financial statements were approved by the Governors, and authorised for issue, on 8 December 2016 and are signed on their behalf, by:

Stephen Butcher
Chair of Trustees

Dr Anthony Evans
Accounting Officer

The notes on pages 35 to 56 form part of these financial statements.

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£000	2016 £000	*£000*	*2015 £000*
FIXED ASSETS					
Tangible assets	14		18,727		*17,026*
CURRENT ASSETS					
Debtors	15	392		*649*	
Cash at bank and in hand		890		*2,180*	
		1,282		*2,829*	
CREDITORS: amounts falling due within one year	16	(612)		*(1,374)*	
NET CURRENT ASSETS			670		*1,455*
TOTAL ASSETS LESS CURRENT LIABILITIES			19,397		*18,481*
Defined benefit pension scheme liability	21		(2,472)		*(1,553)*
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			16,925		*16,928*
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	11		*246*	
Restricted fixed asset funds	17	18,996		*17,774*	
Restricted funds excluding pension asset		19,007		*18,020*	
Pension reserve		(2,472)		*(1,553)*	
Total restricted funds			16,535		*16,467*
Unrestricted funds	17		390		*461*
TOTAL FUNDS			16,925		*16,928*

The financial statements were approved by the Governors, and authorised for issue, on 8 December 2016 and are signed on their behalf, by:

Stephen Butcher
Chair of Trustees

Dr Anthony Evans
Accounting Officer

The notes on pages 35 to 56 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £000	*2015* *£000*
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	**(466)**	*2,140*
Cash flows from investing activities:			
Dividends, interest and rents from investments		**(10)**	*(8)*
Purchase of tangible fixed assets		**(1,959)**	*(1,098)*
Capital grants from DfE/EFA		**1,129**	*52*
Net cash used in investing activities		**(840)**	*(1,054)*
Change in cash and cash equivalents in the year		**(1,306)**	*1,086*
Cash and cash equivalents brought forward		**2,346**	*1,260*
Cash and cash equivalents carried forward	20	**1,040**	*2,346*

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

The Prince Henry's High School Academy Trust constitutes a public benefit entity as defined by FRS 102.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy alone as permitted by section 408 of the Companies Act 2006.

First time adoption of FRS 102

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Governors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'

Reconciliations to previous UK GAAP for the comparative figures are included in note 25.

1.2 Fund accounting

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

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

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

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

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All resources expended are inclusive of irrecoverable VAT.

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

The Governors 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 Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements..

1.6 Basis of consolidation

The financial statements consolidate the accounts of The Prince Henry's High School Academy Trust and all of its subsidiary undertakings ('subsidiaries').

The Academy has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the Academy was £316,000 *(2015 - £206,000).*

1.7 Turnover

Turnover comprises revenue recognised by the Academy in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

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

1. ACCOUNTING POLICIES (continued)

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

Freehold property	-	120 Years Straight Line (Buildings) & 10 Years Straight Line (Temporary Structures)
Plant and machinery	-	7 Years Straight Line
Fixtures and fittings	-	5 Years Straight Line
Computer equipment	-	4 Years Straight Line

1.9 Interest receivable

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

1.10 Operating leases

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

1.11 Debtors

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

1.12 Cash at Bank and in hand

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

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1. ACCOUNTING POLICIES (continued)

1.14 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.

1.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	*Total funds 2015 £000*
Donations	-	79	-	79	*67*
Capital Grants	-	-	1,129	1,129	*52*
Total donations and capital grants	-	79	1,129	1,208	*119*

In 2015, of the total income from donations and capital grants, £ *NIL* was to unrestricted funds and *£120,000* was to restricted funds

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	*Total funds 2015 £000*
DfE/EFA grants				
General Annual Grant	-	5,893	5,893	*5,971*
Other DfE/YPLA/EFA grants	-	304	304	*267*
Local Authority Grants	-	173	173	*19*
NCTL Income	-	97	97	*-*
Teaching School Income	-	45	45	*12*
	-	6,512	6,512	*6,269*

In 2015, of the total income from charitable activities, *£ NIL* was to unrestricted funds and *£6,269* was to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	*Total funds 2015 £000*
Music Fees Income	-	46	46	*51*
Sports co-ordinator and other staff recharges	-	55	55	*63*
Examination Fees	-	14	14	*11*
Other Income	-	77	77	*57*
Education Welfare Officer	-	26	26	*23*
ACE Sales	-	1	1	*-*
	-	219	219	*205*

In 2015, of the total income from other trading activities, *£52,000* was to unrestricted funds and *£153,000* was to restricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	*Total funds 2015 £000*
Investment income - local cash	10	-	10	*8*

In 2015, of the total investment income, *£8,000* was to unrestricted funds and *£ NIL* was to restricted funds.

6. DIRECT COSTS

	Educational Operatio £000	Total 2016 £000	*Total 2015 £000*
Pension income	59	59	*54*
Educational supplies	260	260	*225*
Examination Fees	194	194	*181*
Staff Development	30	30	*25*
Other Direct Costs	62	62	*49*
Wages and salaries	3,774	3,774	*3,749*
National insurance	321	321	*283*
Pension cost	593	593	*516*
Depreciation	259	259	*247*
	5,552	5,552	*5,329*

In 2015, the Academy incurred the following Direct costs:

£5,329,000 in respect of Educational Operations Direct

7. SUPPORT COSTS

	Educational Operatio £000	Total 2016 £000	*Total 2015 £000*
Other Direct Costs	144	144	*300*
Recruitment and Support	7	7	*13*
Cleaning	113	113	*129*
Rates and Rent	51	51	*50*
Insurance	47	47	*43*
Security and Transport	38	38	*35*
Other Support Costs	160	160	*148*
IT Equipment	97	97	*134*
Heat and Light	114	114	*112*
Catering	22	22	*18*
Audit and accountancy fees	10	10	*20*
Legal and Professional	23	23	*10*
Wages and salaries	390	390	*539*
National insurance	35	35	*27*
Pension cost	320	320	*129*
	1,571	1,571	*1,707*

7. SUPPORT COSTS (continued)

During the year ended 31 August 2016, the Academy incurred the following Support costs:

£1,561,000 *(2015 - £1,687,000)* included within the table above in respect of Educational Operations Direct.

£33,000 *(2015 - £30,000)* included within the table above in respect of Governance.

In 2015, the Academy incurred the following Support costs:

£1,707,000 in respect of Educational Operations Direct

8. EXPENDITURE

	Staff costs 2016 £000	Premises 2016 £000	Other costs 2016 £000	Total 2016 £000	*Total 2015 £000*
Expenditure on fundraising trading	-	15	47	62	*63*
Educational Operatio:					
Direct costs	4,688	266	598	5,552	*5,329*
Support costs	746	92	733	1,571	*1,707*
	5,434	373	1,378	7,185	*7,099*

In 2016, of the total expenditure, £5,614,000 *(2015 - £5,392,000)* was to unrestricted funds and £1,571,000 *(2015 - £1,707,000)* was was to restricted funds.

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £000	*2015 £000*
Depreciation of tangible fixed assets:		
- owned by the charitable group	258	*247*
Auditors' remuneration - audit	7	*7*
Auditors' remuneration - other services	3	*13*
Operating lease rentals	24	*26*

10. STAFF COSTS

Staff costs were as follows:

	2016 £000	2015 £000
Wages and salaries	4,110	4,288
Social security costs	356	310
Operating costs of defined benefit pension schemes	913	645
	5,379	5,243
Agency Supply	55	-
Compensation payments	-	55
	5,434	5,298

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

	2016 No.	2015 No.
Teachers	78	81
Administration and support	43	38
Management	7	6
	128	125

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

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

The above members of staff were included in the pension scheme. The total contributions for the year were £26,189 (2015: £31,920). The above bandings include the individuals total gross salary and employers pension contributions.

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £472,407.

11. GOVERNORS' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 3 Governors *(2015 - 3)* in respect of defined benefit pension schemes.

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

		2016 £000	*2015* *£000*
Dr Anthony Evans, Staff Governor /	Remuneration	95-100	*95-100*
Head Teacher / Accounting Officer	Pension contributions paid	15-20	*10-15*
Michael Thompson, Staff Governor	Remuneration	40-45	
	Pension contributions paid	5-10	
Linda Walker, Staff Governor	Remuneration	45-50	*40-45*
	Pension contributions paid	5-10	*5-10*
Sophie Thorner, Staff Governor	Remuneration	0	*40-45*
	Pension contributions paid	0	*5-10*

During the year, Governors received reimbursement of expenses totalling £617 (2015 - £NIL).

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £2,660 *(2015 - £2,310).*

13. OTHER FINANCE INCOME

	2016 £000	*2015* *£000*
Interest income on pension scheme assets	39	*29*
Interest on pension scheme liabilities	(98)	*(83)*
	(59)	*(54)*

14. TANGIBLE FIXED ASSETS

Group	Freehold property £000	Fixtures and fittings £000	Plant and machinery £000	Computer equipment £000	Other fixed assets £000
Cost					
At 1 September 2015	16,502	125	149	219	907
Additions	1,554	298	-	27	80
Disposals	-	(3)	-	-	-
Transfer between classes	907	-	-	-	(907)
At 31 August 2016	18,963	420	149	246	80
Depreciation					
At 1 September 2015	605	67	28	176	-
Charge for the year	162	42	21	33	-
On disposals	-	(3)	-	-	-
At 31 August 2016	767	106	49	209	-
Net book value					
At 31 August 2016	18,196	314	100	37	80
At 31 August 2015	*15,897*	*58*	*121*	*43*	*907*

Group	Total £000
Cost	
At 1 September 2015	17,902
Additions	1,959
Disposals	(3)
Transfer between classes	-
At 31 August 2016	19,858
Depreciation	
At 1 September 2015	876
Charge for the year	258
On disposals	(3)
At 31 August 2016	1,131
Net book value	
At 31 August 2016	18,727
At 31 August 2015	*17,026*

Included in land and buildings is freehold land at cost of £2,480,000 (*2015 - £2,480,000*), which is not depreciated.

Academy	Freehold property £000	Fixture and fittings £000	Plant and machinery £000	Computer equipment £000	Other fixed assets £000
Cost					
At 1 September 2015	16,502	125	149	219	907
Additions	1,554	298	-	27	80
Disposals	-	(3)	-	-	-
Transfer between classes	907	-	-	-	(907)
At 31 August 2016	18,963	420	149	246	80
Depreciation					
At 1 September 2015	605	67	28	176	-
Charge for the year	162	42	21	33	-
On disposals	-	(3)	-	-	-
At 31 August 2016	767	106	49	209	-
Net book value					
At 31 August 2016	18,196	314	100	37	80
At 31 August 2015	*15,897*	*58*	*121*	*43*	*907*

Academy	Total £000
Cost	
At 1 September 2015	17,902
Additions	1,959
Disposals	(3)
Transfer between classes	-
At 31 August 2016	19,858
Depreciation	
At 1 September 2015	876
Charge for the year	258
On disposals	(3)
At 31 August 2016	1,131
Net book value	
At 31 August 2016	18,727
At 31 August 2015	*17,026*

Included in land and buildings is freehold land at cost of £2,480,000 (*2015 - £2,480,000*), which is not depreciated.

15. DEBTORS

	Group		Academy	
	2016	*2015*	**2016**	*2015*
	£000	*£000*	**£000**	*£000*
Trade debtors	22	*19*	18	*14*
Amounts owed by group undertakings	-	-	152	*133*
Other debtors	18	*79*	17	*77*
Prepayments and accrued income	205	*425*	205	*425*
	245	*523*	392	*649*

16. CREDITORS:
Amounts falling due within one year

	Group		Academy	
	2016	*2015*	**2016**	*2015*
	£000	*£000*	**£000**	*£000*
Trade creditors	208	*336*	208	*322*
Other taxation and social security	100	*89*	100	*89*
Other creditors	96	*83*	98	*81*
Accruals and deferred income	208	*894*	206	*882*
	612	*1,402*	612	*1,374*

	Group		Academy	
	£000	**£000**	**£000**	**£000**
Deferred income				
Deferred income at 1 September 2015	639	17	639	17
Resources deferred during the year	67	639	67	639
Amounts released from previous years	(639)	(17)	(639)	(17)
Deferred income at 31 August 2016	67	639	67	639

Deferred income related to the Teaching School Grant, Multi-Academy Trust funding and charitable trading activities paid in advance.

17. STATEMENT OF FUNDS

	Brought Forward £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Unrestricted funds						
General Funds - all funds	473	107	(85)	(102)	-	393

Restricted funds

General Annual Grant (GAG)	233	5,892	(5,875)	(250)	-	-
Other DfE/ EFA Grants	-	304	(304)	-	-	-
Donations	-	79	(79)	-	-	-
LA Grants	-	173	(173)	-	-	-
Other	-	220	(209)	-	-	11
Teaching School	13	142	(155)	-	-	-
Pension reserve	(1,553)	-	(46)	-	(873)	(2,472)
	(1,307)	6,810	(6,841)	(250)	(873)	(2,461)

Restricted fixed asset funds

Fixed Asset Fund	17,026	-	(259)	1,960	-	18,727
ACMF Grant - Language Block	648	-	-	(648)	-	-
Devolved Formula Capital (DFC)	-	27	-	(27)	-	-
Science Block Contribution	100	1,102	-	(1,033)	-	169
Future CIF contributions	-	-	-	100	-	100
	17,774	1,129	(259)	352	-	18,996
Total restricted funds	16,467	7,939	(7,100)	102	(873)	16,535
Total of funds	16,940	8,046	(7,185)	-	(873)	16,928

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

The restricted general fund includes grants receiveable from the DfE/ EFA, Local Authority and other governement grants to be used for the primary activitiy of the charitable company.

The restricted fixed asset fund relates to the grants received and assets transferred in and are held for the charitable company's primary activity.

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	*Total funds 2015 £000*
Tangible fixed assets	-	-	18,727	18,727	*17,026*
Current assets	393	626	269	1,288	*2,868*
Creditors due within one year	-	(615)	-	(615)	*(1,401)*
Provisions for liabilities and charges	-	(2,472)	-	(2,472)	*(1,553)*
	393	(2,461)	18,996	16,928	*16,940*

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £000	*2015 £000*
Net income/(expenditure) for the year (as per Statement of financial activities)	861	*(422)*
Adjustment for:		
Depreciation charges	258	*246*
Dividends, interest and rents from investments	10	*8*
Decrease in debtors	278	*1,404*
(Decrease)/increase in creditors	(790)	*907*
Capital grants from DfE and other capital income	(1,129)	*(52)*
LGPS Adjustments	46	*49*
Net cash (used in)/provided by operating activities	(466)	*2,140*

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £000	*2015 £000*
Cash in hand	1,040	*2,346*
Total	1,040	*2,346*

21. PENSION COMMITMENTS

The group'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 Worcestershire County Council. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

21. PENSION COMMITMENTS (continued)

Contributions amounting to £84,287 were payable to the schemes at 31 August 2016 (2015 - £77,646) 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.

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £544,000 *(2015 - £464,000).*

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

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

21. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £231,000 *(2015 - £215,000)*, of which employer's contributions totalled £188,000 *(2015 - £172,000)* and employees' contributions totalled £43,000 *(2015 - £43,000)*. The agreed contribution rates for future years are 21.2% for employers and 6% for employees.

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

	2016	*2015*
Discount rate for scheme liabilities	**2.10 %**	*4.00 %*
Rate of increase in salaries	**3.30 %**	*3.80 %*
Rate of increase for pensions in payment / inflation	**1.90 %**	*2.30 %*
Inflation assumption (CPI)	**1.80 %**	*2.30 %*
Commutation of pensions to lump sums	**50.00 %**	*50.00 %*

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

	2016	*2015*
Retiring today		
Males	**23.5**	*23.4*
Females	**25.9**	*25.8*
Retiring in 20 years		
Males	**25.8**	*25.6*
Females	**28.2**	*28.1*

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

	Fair value at 31 August 2016 £000	*Fair value at 31 August 2015 £000*
Equities	**1,093**	*739*
Government Bonds	**-**	*1*
Property	**59**	*-*
Bonds	**83**	*51*
Cash	**30**	*8*
Other	**46**	*29*
Total market value of assets	**1,311**	*828*

The actual return on scheme assets was £194,000 *(2015 - £3,000 loss)*.

21. PENSION COMMITMENTS (continued)

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

	2016 £000	2015 £000
Current service cost (net of employee contributions)	(172)	*(164)*
Net interest cost	(59)	*(54)*
Administration expenses	(3)	*(3)*
Total	(234)	*(221)*
Actual return on scheme assets	194	*(3)*

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

	2016 £000	2015 £000
Opening defined benefit obligation	2,381	*2,043*
Current service cost	172	*164*
Interest cost	98	*83*
Contributions by employees	43	*43*
Actuarial losses	1,029	*51*
Benefits paid	60	*(3)*
Closing defined benefit obligation	3,783	*2,381*

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

	2016 £000	2015 £000
Opening fair value of scheme assets	828	*619*
Return on plan assets (excluding net interest on the net defined pension liability)	39	*29*
Actuarial gains and (losses)	156	*(29)*
Contributions by employer	188	*172*
Contributions by employees	43	*43*
Administration expenses	(3)	*(3)*
Benefits paid	60	*(3)*
Closing fair value of scheme assets	1,311	*828*

22. OPERATING LEASE COMMITMENTS

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

	2016	*2015*
Group	**£000**	*£000*
Amounts payable:		
Within 1 year	**24**	*25*
Between 1 and 5 years	**26**	*6*
Total	**50**	*31*

At 31 August 2016 the Academy had annual commitments under non-cancellable operating leases as follows:

Academy		
Amounts payable:		
Within 1 year	**24**	*25*
Between 1 and 5 years	**26**	*6*
Total	**50**	*31*

23. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust 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 transactions took place in the period of account:

St Egwin's C of E Middle School - in which Rev E Pillar a trustee is also a school governor.
Staff services for IT and EWO were invoiced for £6,650 (2015: £17,544) and other transactions £23,506 (2015: £3,473) totalling £30,156 (2015: £21,017). There were no amounts outstanding at 31 August 2016. The services were invoiced at the normal commercial rate.

Westacre Middle School - in which the wife of trustee Dr A Evans is a governor.
Staff services for IT and EWO were invoiced for £3,400 (2015: £3,400) and other transactions £100 (2015: £1,325) totalling £3,500 (2015: £4,725). There were no amounts outstanding at 31 August 2016. The services were invoiced at the normal commercial rate.

Bredon Hill School - in which Ginny Getting, a trustee is also a school governor.
Staff services for EWO were invoiced for £6,650 (2015: £6,552) and other transactions £422 (2015: £Nil) totalling £7,072 (2015: £7,072). There were no amounts outstanding at 31 August 2016. The services were invoiced at the normal commercial rate.

Cropthorne with Charlton First School - in which Ginny Getting, a trustee is also a school governor.
Staff costs were invoiced for £680 (2015: £3,000). There were no amounts outstanding at 31 August 2016. The services were invoiced at the normal commercial rate.

25. FIRST TIME ADOPTION OF FRS 102

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

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not materially impacted on balance sheet funds or net income/expenditure.

However, adjustments have been made to comparative disclosures for the Local Government Pension Scheme in note 25. The closing balance of the pension provision has not changed, but the movement within the year has been altered from the following:

Change in benefit obligation to 31 August 2015	
Benefit obligation at beginning of period	2,043
Current service costs	161
Interest on pension liabilties	86
Member contributions	43
Actuarial losses on liabilities	51
Benefits paid	(3)
Benefit obligation at end of period	2,381
Change in plan assets to 31 August 2015	
Fair value of plan assets at beginning of period	619
Expected return on plan assets	44
Actuarial losses on assets	(47)
Employer contributions	172
Member contributions	43
Fair value of plan assets at end of period	828

The net book value of land and buildings disclosed in the accounts are not considered to be materially different from their fair value, as required to be disclosed per the accounting standards under FRS102, and as such no revaluation has been required in these accounts. This is based on depreciated replacement cost remaining appropriate for the fair value.

26. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
PHHS Trading Company Limited	UK	100	Trading Subsidiary

The Prince Henry's High School Academy Trust owns 1 £1 ordinary share in the trading subsidiary, donation made in the year totalled £23,887 (2015: £9,617).