

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

Members

M Wheatley (resigned 10 November 2014)
G Hussey
W West
S Cotton

Trustees

S Boulton (resigned 5 November 2014)
J Mount
G Hussey, Chair of Trustees (appointed as Chair on 9 December 2014)
P Kent (resigned 8 March 2015)
S Cotton, Headteacher¹
P Price¹
W West, Vice Chair¹
K Colville (resigned 19 January 2015)
D Bartram, Vice Chair
K Leah¹
E Shabtay-White¹
A Kirk, Staff Trustee
A Johnson, Staff Trustee
K Skinner
R Sharpe (appointed 19 January 2015)
M Wheatley (resigned 10 November 2014)

¹ Finance and Audit Committee

Company registration number

08204075

Principal and registered office

School Lane
Barkby
Leicester
LE7 3QL

Senior management team

S Cotton, Headteacher
D Woolerton, School Business Manager
G Hussey, Chair of Governors
D Bartram, Vice Chair of Governors
W West, Vice Chair of Governors

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

Administrative details (continued)

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
11 Merus Court
Leicester
LE19 1RJ

Bankers

National Westminster Bank Plc
Loughborough Business Centre
Market Place
Loughborough
Leicestershire
LE11 3EA

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

THE POCHIN SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and auditors' reports of The Pochin School (the Academy) for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Barkby, Barkby Thorpe and Beeby, Leicestershire. It has a pupil capacity of 140 and had a roll of 137 in the school census on 22 May 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

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

The Trustees are also the directors and Governors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

MEMBERS' LIABILITY

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

GOVERNORS' INDEMNITIES

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1,243.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

Recruitment of Governors as outlined in the Articles of Association states there is no limit to the number of Governors that may be appointed, but it shall not be fewer than five. The appointment of Staff Governors is via a process of a staff ballot. Appointment of Parent Governors is made via parent ballot. Co-opted Governors are appointed by agreement of the Governing Body.

The subscribers to the Company's memorandum and such other persons as are admitted to membership in accordance with the Articles of Association shall be Members of the Company. No person shall be admitted as a Member of the Company unless he is approved by the Board. The Members may agree unanimously in writing to appoint such additional Members as they think fit.

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

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

The Governors' Induction Handbook has been adopted by the Governing Body and is issued to all newly appointed Governors. The Academy has a contract for training with the Local Authority Governor Development Service. All newly appointed Governors receive training as soon as possible after appointment. This is arranged by the Governor responsible for Training and Development.

ORGANISATIONAL STRUCTURE

The structure of the Academy consists of a Board of Governors, currently made up of 12 Governors. The Governors are responsible for setting general policies, approving the annual school development and improvement plan, annual budget plans, regularly monitoring the Academy's use of budgets and making major decisions about the direction of the Academy, its capital expenditure and senior staff appointments. The day-to-day running of the staff and school is delegated to the Headteacher, supported by the senior leadership team. The Headteacher, Stephen Cotton, is the Accounting Officer for the Academy. The Accounting Officer is supported by the School Business Manager and the Governing Body.

There are nine staff who provide classroom support and there are nine teachers at The Pochin School, each responsible for different areas of the curriculum:

- Jill Marvell-Stewart – Music, Science
- Andrew Johnson – Literacy, French and the School Garden
- Zoe Macefield – PSHCE and Numeracy
- Ann Cook – SEND and Assessment
- Julia Dodge – Design & Technology, PE, Art and Higher Attaining Pupils
- Louisa Cohen – EYFS
- Louise Cooledge – Geography and History
- Stephen Cotton – Computing
- Pete Randall – Religious Education

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Academy is part of the Syston and Thurmaston Education Partnership. The partnership has formed a Teaching Schools Alliance, which can only serve to benefit Academies within the group. A capital grant for the partnership has been received which will see purpose built accommodation for the alliance. This has no impact on the day-to-day running of the Academy.

The Academy has no other relationships with related parties or any other charities/organisations with which it cooperates in the pursuit of its charitable activities.

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

We are a small school that values high expectations. Our aim is to continue to improve the education of our pupils by nurture through:

- quality teaching and learning;
- opportunity for children to achieve their full potential;
- a caring, happy, secure learning environment in a rural setting;
- high expectations of behaviour and discipline;

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

- strong leadership and teamwork with all staff;
- valuing partnership with the wider community, especially parents; and
- providing equal opportunities for all.

OBJECTIVES, STRATEGIES AND ACTIVITIES

Our objectives for the future are to continue with the excellent educational opportunities for our pupils through the continual improvement of teaching and learning in the school. One aim was for the school to be completely refurbished by the end of last year and this aim has been realised, providing even better surroundings for the pupils and staff to learn and work in.

We aim to achieve outstanding standards again next year, and ensure that value added continues to improve throughout the school. We have made significant improvements in engaging parents in their children's education. We will ensure this continues to improve over the year with additional opportunities for parents to interact with classroom activities. A number of successful strategies are in place, including inviting parents and carers into classes to assist with a number of activities.

PUBLIC BENEFIT

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

The activities undertaken to further the Academy Trust's purpose for the Public Benefit for the advancement of education includes the formation of a Teaching Schools Alliance in conjunction with the Syston and Thurmaston Education Partnership (STEP). This has tremendous future benefit for our school, as well as the other schools within the Alliance and will raise academic standards.

The Alliance assists with the training and support of both existing and student teachers. Outstanding teachers within the Alliance mentor those in other schools requiring improvement. The Alliance offers Continuing Professional Development (CPD) for teachers employed within the group.

The school has always achieved outstanding standards. Last year's Ofsted visit reported The Pochin School as being Outstanding in all areas; further evidence of the excellent teaching and management of the school. 60% of teaching in the Academy is consistently 'outstanding', 40% is 'good'.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Governing Body intends to continue its current strategies of maintaining the School's position by investing to provide high quality education for our pupils. Continually achieving a high standard of academic results is a constant aim whilst maintaining the breadth and depth of the education provided. Our continued academic achievement is supported by the Outstanding Ofsted report received in 2014.

The Headteacher and staff continue to review the curriculum to ensure that the education remains appropriate for all our pupils' development. Pupils' achievements are measured through the Raise On Line data, in addition to internal testing and assessment throughout the year.

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

KEY FINANCIAL PERFORMANCE INDICATORS

In line with the aspirations of the school, a range of Key Performance Indicators are used to regularly monitor the progress and success of the school:

- The school to continue to receive Outstanding reports in Ofsted inspections
- 100% of our teaching is good or outstanding
- 40% good or better teaching
- 60% outstanding teaching
- No student exclusions
- Student attendance at 96% plus
- 80% of children achieve level 4 in English and Maths
- No child at 11 to have a reading age more than 3 years behind chronological age
- All children have experienced a foreign language by the end of Key Stage 2
- Staff are encouraged to take vocational training where appropriate

GOING CONCERN

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

RESERVES POLICY

Reserves are held in the school budget to provide funding for unexpected expenditure, i.e. capital, staffing or curriculum requirements. The reserves are evaluated each term and adjusted as necessary by the Finance Committee.

At 31 August 2015 the total funds comprised:

	£'000's
Unrestricted	67
Restricted: Fixed asset funds	1,405
GAG	9
Pension reserve	(297)
Other	-
Total	<u>1,184</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 22. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors, and represent approximately 1 month's worth of Academy expenditure. The aim of the Governors is to increase this reserve to meet future working capital requirements.

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

INVESTMENTS POLICY

The Academy does not have any funds available for investment and the Governing Body agreed to review the writing of an investment policy in the next financial year.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the Academy are:

- Reputational risk – mitigated by good management of the Academy
- Performance risk – mitigated by excellent teaching and support
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by insurance to cover staff absence and buildings cover
- Risks associated with personnel – mitigated by good financial controls, robust financial policies and regular audit visits

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

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

PLANS FOR THE FUTURE

Key aims for the future are to continue with the excellent teaching and learning already established at the school. This will be through continued mentoring by outstanding teachers and external support where necessary.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

No funds are held as custodian Trustee on behalf of others.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

AUDITOR

The auditor, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

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

This report, incorporating the Strategic Report, was approved by order of the Governing Body, as the company directors, on 10 November 2015 and signed on the board's behalf by:

.....
G Hussey
Chair of Trustees

.....
S Cotton
Accounting Officer

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GOVERNANCE STATEMENT

The Governing Body of The Pochin School is made up of 2 Staff Governors, the Headteacher, 4 elected Parent Governors and 5 Community Governors. Community Governors are appointed by the Governing Body and are people who, in the opinion of the Governing Body, have the skills required to contribute to the effective governance and success of the school.

The full Governing Body meets at least once each term, and we also have a number of committees to consider different aspects of the school in detail. At The Pochin School we have a Finance Committee, which focuses on finance and audit, Health & Safety Committee which focuses on safeguarding, premises and health & safety; an Education Committee which focuses on the curriculum; a Performance Management Committee which focuses on the Headteacher's performance and a Human Resources Committee which focuses on staffing matters. We also have individual Governors responsible for areas such as SEND and training.

The Governing Body has had a very busy year, focusing on both school and governance improvement.

During the summer term the Finance Committee approved the 2015/16 budget plan for the school. We are pleased to report that the school is in a healthy position financially with further premises improvement planned.

The Education Committee has spent time considering the introduction of the new curriculum and Governors also discuss key data giving the results of pupil achievement and progress, so that we can be sure that the school is on track to fulfil its ambitious targets for all pupils. We are also concerned about our vulnerable groups of children and focus on how the Pupil Premium grant is being spent by the school and what impact this has on their outcomes.

The Health & Safety Committee looks at the maintenance and development of the school premises. This year has been very busy with the new kitchen and corridor/toilet refurbishment projects. The committee carries out termly checks of the premises with Mr Cotton, the Headteacher.

Governors are also particularly concerned about safeguarding and we have a Nominated Governor for Safeguarding who gives a termly report to the Governors about any safeguarding matters.

One of the roles of Governors is to review and agree school policies on a regular basis. This year we have considered a number of key policies, including a new policy, Promoting British Values, and a revised Health & Safety Policy. Listed below are other policies which were reviewed and approved during the year:

Anti-bullying	Educational Visits
Decision Planner	First Aid
Anti-Fraud Policy and Fraud Response Plan	Intimate Care
Art	Pay Policy
Design & Technology	Positive Handling
Geography	Workplace Alcohol
History	Whistleblowing
P.E.	SEN Policy, Vertical Grouping
Curriculum	PSHCE Policy
Monitoring and Evaluation	Science
EYFS	LGPS Discretionary Pension Policy
Religious Education	Computing
Crisis and Emergency Planning	

SCOPE OF RESPONSIBILITY

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

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GOVERNANCE STATEMENT (continued)

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

GOVERNANCE

Governors have excellent attendance at meetings and we have never cancelled a meeting because it was not quorate. See below details of individual Governors' attendance at meetings. The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
G Hussey	6	6
S Boulton	0	1
J Mount	5	6
P Kent	4	4
S Cotton, Headteacher	6	6
P Price	3	6
W West, Vice Chair	6	6
K Colville	3	4
D Bartram, Vice Chair	6	6
K Leah	6	6
E Shabtay-White	4	6
A Kirk, Staff Trustee	6	6
A Johnson, Staff Trustee	6	6
K Skinner	5	6
R Sharpe	3	3
M Wheatley	1	1

The resignation of the Chair of Governors early in the financial year, and the resignation of 3 other Governors due to work commitments, resulted in the Governing Body and new Chair reviewing committee structures and terms of reference. This review led to a new structure of four committees, each with a new chair. This has resulted in more efficient committee meetings which produce effective outcomes.

A review of the structure of the Governing Body was undertaken, with the outcome that the Governing Body should consist of between 10 and 14 Governors. The Governing Body agreed not to actively seek new Governors and remain with the 12 currently in office. Should anyone approach the school with a view to becoming a Governor, their application would be considered by the full Governing Body.

A new Governor has taken on the role of overseeing training and development of the Governing Body. Increased training opportunities for Governors are now available within STEP and have been taken up whenever possible.

The Finance Committee is a sub-committee of the main Governing Body and its purpose is to:

- Provide guidance and assistance to the Headteacher and Governing Body in all matters relating to finance, budgeting and audit
- Consider all policies and procedures relating to financial systems and review and amend where appropriate
- Contribute to the School Development Plan

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GOVERNANCE STATEMENT (continued)

- Identify the priorities in the School Development Plan and present an annual budget to the Governing Body at the beginning of the academic year
- Confirm the statement of internal control is adhered to
- Review the potential risks to internal financial control at the Academy Trust and agree a programme of work that will address these risks, inform the statement of internal control and provide assurance to the external auditors
- Ensure insurance arrangements are appropriate and sufficient
- Consider any other matters where requested to do so by the Governing Body
- Report annually to the Governing Body on the discharge of the above duties
- Consider all policies and procedures relating to staff salaries, and review and amend where appropriate
- Have the delegated power to make decisions relating to staff salaries
- Apply the Whole School Pay Policy and review annually, recommending any changes to the full Governing Body

During the year K Leah was appointed to the Finance Committee. K Leah attended the Governor Finance Training course and, along with the Chair, checked the Finance Committee's Statement of Internal Control was being adhered to. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Cotton, Headteacher	3	3
P Price, Chair	3	3
E Shabtay-White	2	3
W West	3	3
K Leah	1	2

REVIEW OF VALUE FOR MONEY

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

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

- Regular monitoring of the Academy's budget and cashflow forecast.
- Continuing to improve the teaching in school to a level where at least 60% of the teaching is outstanding, which is an increase from 40% in the previous year. In addition, the remaining 40% of the teaching is good. This is done through the monitoring of teaching and learning, and continuing professional development opportunities for all staff.
- A review of the value for money of staffing arrangements in Key Stage 1 and rendering the role of Nursery Nurse redundant at a cost saving of £25,000 per annum. This post was replaced with a part-time Learning Support Assistant post at a cost of £4,000. This cost saving will be used to enhance the education of pupils throughout the entire school.
- Two successful capital projects have been completed during the year; to rebuild the school's kitchen and refurbish the children's toilets and main school corridor. This has resulted in a more efficient working environment for the catering staff and a new and inviting entrance to the school for both parents and pupils.

GOVERNANCE STATEMENT (continued)

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 Pochin School for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance 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; and
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council Internal Audit Services as internal auditor.

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

- examination of finance policies and procedures
- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations

On an annual basis, the internal auditor reports to the Governing Body through the Chair of Governors on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The Pochin School confirms that the internal auditor has delivered their schedule of work as planned and no major material control issues arose as a result of the internal auditor's work.

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GOVERNANCE STATEMENT (continued)

The internal auditor recommended:

- a review of the decision not to implement an investment policy
- that the Finance Committee review the risk register at each Finance Committee meeting as a standard agenda item
- that the Governing Body have a bad debt policy

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process (statement of internal control);
- 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 Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 10 November 2015 and signed on its behalf, by:

.....
G Hussey
Chair of Trustees

.....
S Cotton
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Pochin School I have considered my responsibility to notify the Academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy 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.

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

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

.....
S Cotton
Accounting Officer

10 November 2015

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2005;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 10 November 2015 and signed on its behalf by:

.....
G Hussey
Chair of Trustees

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POCHIN SCHOOL

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE POCHIN SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Robert Nelson BA FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditor

11 Merus Court
Leicester
LE19 1RJ
15 December 2015

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 7 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Pochin School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

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

APPROACH

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

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

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

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

The work undertaken to draw our conclusions includes:

- reviewing the information in the Financial Management and Governance Self-assessment (FMGS) return and making appropriate enquiries of the Headteacher Accounting Officer;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of grants received and other income streams;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of payroll payments to staff;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.

CONCLUSION

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

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Leicester
LE19 1RJ

15 December 2015

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	5	-	5	-
Activities for generating funds	3	41	-	-	41	47
Funding for the Academy Trust's educational operations	4	-	646	134	780	791
TOTAL INCOMING RESOURCES		41	651	134	826	838
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary and other income	5	38	-	-	38	33
Charitable activities:	6					
Academy Trust's educational operations		-	649	25	674	610
Governance costs	7	-	9	-	9	7
TOTAL RESOURCES EXPENDED	8	38	658	25	721	650
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS, CARRIED FORWARD		3	(7)	109	105	188

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, BROUGHT FORWARD		3	(7)	109	105	188
Transfers between funds	17	-	(97)	97	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		3	(104)	206	105	188
Actuarial gains/(losses) on defined benefit pension schemes		-	5	-	5	(87)
NET MOVEMENT IN FUNDS FOR THE YEAR		3	(99)	206	110	101
Total funds at 1 September 2014		64	(189)	1,199	1,074	973
TOTAL FUNDS AT 31 AUGUST 2015		67	(288)	1,405	1,184	1,074

All activities relate to continuing operations.

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

The notes on pages 24 to 43 form part of these financial statements.

THE POCHIN SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08204075

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Tangible assets	14		1,405		1,199
CURRENT ASSETS					
Debtors	15	11		23	
Cash at bank		108		184	
				<u>207</u>	
		119			
CREDITORS: amounts falling due within one year					
	16	(43)		(41)	
				<u>(41)</u>	
NET CURRENT ASSETS					
			76		166
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined benefit pension scheme liability	22		1,481		1,365
			(297)		(291)
				<u>(291)</u>	
NET ASSETS INCLUDING PENSION SCHEME LIABILITY					
			1,184		1,074
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	9		102	
Restricted fixed asset funds	17	1,405		1,199	
				<u>1,301</u>	
Restricted funds excluding pension liability		1,414		1,301	
Pension reserve	17	(297)		(291)	
				<u>(291)</u>	
Total restricted funds			1,117		1,010
Unrestricted funds	17		67		64
				<u>67</u>	
TOTAL FUNDS					
			1,184		1,074
			<u><u>1,184</u></u>		<u><u>1,074</u></u>

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

.....
G Hussey
Chair of Trustees

.....
S Cotton
Accounting Officer

The notes on pages 24 to 43 form part of these financial statements.

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £000	2014 £000
Net cash flow from operating activities	19	(46)	59
Capital expenditure and financial investment	20	(30)	-
(DECREASE)/INCREASE IN CASH IN THE YEAR		(76)	59

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

	2015 £000	2014 £000
(Decrease)/Increase in cash in the year	(76)	59
MOVEMENT IN NET FUNDS IN THE YEAR	(76)	59
Net funds at 1 September 2014	184	125
NET FUNDS AT 31 AUGUST 2015	108	184

The notes on pages 24 to 43 form part of these financial statements.

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 Trustees.

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

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

1.3 Incoming resources

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

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

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

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

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.

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

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

Assets transferred at conversion have been included at the estimated depreciated replacement cost.

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 and fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

Long leasehold property	-	2% Straight line
Leasehold property improvements	-	2% Straight line
Fixtures and fittings	-	15% Reducing balance
Computer equipment	-	25% Reducing balance

The land included in long leasehold property is not being depreciated.

1.7 Operating leases

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

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 22, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Donations	-	5	5	-

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Other income	1	-	1	1
Catering income	40	-	40	46
	41	-	41	47

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	551	551	551
Pupil Premium	-	10	10	6
Capital grants	-	134	134	189
Other EFA/DfE grants	-	47	47	9
	-	742	742	755
Other government grants				
High Needs Top Up	-	7	7	5
Local Authority grant	-	3	3	-
	-	10	10	5
Other funding				
Parental contributions and trip income	-	23	23	21
Contributions to other educational activities	-	2	2	5
Supply teacher insurance claims	-	3	3	5
	-	28	28	31
	-	780	780	791

5. COSTS OF GENERATING VOLUNTARY AND OTHER INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Catering costs	17	-	17	14
Kitchen staff costs	21	-	21	19
	38	-	38	33

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

6. CHARITABLE ACTIVITIES

	Total funds 2015 £000	Total funds 2014 £000
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	350	322
National insurance	21	19
Pension costs	65	54
Depreciation	25	21
Educational supplies	9	4
Staff development	2	2
Other direct costs	21	22
Insurance	6	2
	<u>499</u>	<u>446</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	62	57
National insurance	3	3
Pension costs	12	11
Pension finance costs (note 13)	17	7
Travel and subsistence	5	5
Maintenance	9	21
Cleaning	1	1
Rent and rates	13	14
Energy costs	4	3
Insurance	12	12
Legal and professional	8	3
Other support costs	28	27
Bank charges and interest	1	-
	<u>175</u>	<u>164</u>
Total direct and support costs	<u><u>674</u></u>	<u><u>610</u></u>

7. GOVERNANCE COSTS

	Total funds 2015 £000	Total funds 2014 £000
Internal audit costs	1	1
Auditors' remuneration	7	6
Governors development	1	-
	<u>9</u>	<u>7</u>

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

8. TOTAL RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	Total
	2015	2015	2015	2015	2014
	£000	£000	£000	£000	£000
Costs of generating voluntary income	21	-	17	38	33
Costs of generating funds	21	-	17	38	33
Educational operations	415	20	64	499	446
Support costs	115	22	38	175	164
Charitable activities	530	42	102	674	610
Governance	-	-	9	9	7
	551	42	128	721	650

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015	2014
	£000	£000
Depreciation of tangible fixed assets	25	21
Auditors' remuneration	7	6
Internal audit costs	1	1
Operating lease rentals:		
- plant and machinery	1	4
- other operating leases	6	-
	39	32

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£000	£000
Wages and salaries	399	388
Social security costs	24	22
Other pension costs	81	68
	<hr/>	<hr/>
	504	478
Supply teacher costs	9	7
Restructuring costs	21	-
Pension finance costs	17	7
	<hr/>	<hr/>
	551	492
	<hr/> <hr/>	<hr/> <hr/>

b. Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £20,694 (2014: £Nil). This was a single payment of £20,694.

c. Staff numbers

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

	2015	2014
	No.	No.
Teachers	7	7
Administration and support	8	8
Management	1	1
	<hr/>	<hr/>
	16	16
	<hr/> <hr/>	<hr/> <hr/>

d. Higher paid staff

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

	2015	2014
	No.	No.
In the band £60,001 - £70,000	1	0
	<hr/> <hr/>	<hr/> <hr/>

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

11. TRUSTEES' REMUNERATION AND EXPENSES

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

	2015	2014
	£000	£000
S Cotton (Headteacher)	60-65	55-60
S Cotton's (Headteacher) Pension	5-10	5-10
A Johnson	35-40	35-40
A Johnson's Pension	5-10	5-10
A Kirk	5-10	5-10
A Kirk's Pension	0-5	0-5
X Kent	-	0-5
X Kent's Pension	-	0-5

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

Other related party transactions involving the Trustees are set out in note 24.

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,243 (2014 - £1,452). The cost of this insurance is included in the total insurance cost.

13. PENSION FINANCE COSTS

	2015	2014
	£000	£000
Expected return on pension scheme assets	15	11
Interest on pension scheme liabilities	(21)	(18)
Losses on curtailments	(11)	-
	(17)	(7)

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

14. TANGIBLE FIXED ASSETS

	Long leasehold property £000	Leasehold property improvements £000	Computer equipment £000	Fixtures and fittings £000	Total £000
Cost					
At 1 September 2014	965	241	31	1	1,238
Additions	-	210	4	17	231
At 31 August 2015	<u>965</u>	<u>451</u>	<u>35</u>	<u>18</u>	<u>1,469</u>
Depreciation					
At 1 September 2014	21	5	13	-	39
Charge for the year	11	8	5	1	25
At 31 August 2015	<u>32</u>	<u>13</u>	<u>18</u>	<u>1</u>	<u>64</u>
Net book value					
At 31 August 2015	<u><u>933</u></u>	<u><u>438</u></u>	<u><u>17</u></u>	<u><u>17</u></u>	<u><u>1,405</u></u>
At 31 August 2014	<u><u>944</u></u>	<u><u>236</u></u>	<u><u>18</u></u>	<u><u>1</u></u>	<u><u>1,199</u></u>

Included in long leasehold property is leasehold land at a valuation of £420,000 (2014: £420,000) which is not depreciated.

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

15. DEBTORS

	2015	2014
	£000	£000
VAT repayable	1	3
Prepayments and accrued income	10	20
	<u>11</u>	<u>23</u>
	<u><u>11</u></u>	<u><u>23</u></u>

16. CREDITORS:
Amounts falling due within one year

	2015	2014
	£000	£000
Taxation and social security	6	7
Other creditors	9	9
Accruals and deferred income	28	25
	<u>43</u>	<u>41</u>
	<u><u>43</u></u>	<u><u>41</u></u>
		£000
Deferred income		
Deferred income at 1 September 2014		20
Resources deferred during the year		16
Amounts released from previous years		<u>(20)</u>
Deferred income at 31 August 2015		<u><u>16</u></u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals income for the 2015/16 academic year.

THE POCHIN SCHOOL
(A Company Limited by Guarantee)

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

17. STATEMENT OF FUNDS

	Brought forward £000	Incoming resources £000	Resources expended £000	Transfers in/out £000	Gains/(losses) £000	Carried forward £000
Unrestricted funds						
General funds	64	41	(38)	-	-	67
Restricted funds						
General Annual Grant (GAG)	35	551	(549)	(30)	-	7
Other DfE/EFA grants	-	47	(47)	-	-	-
Pupil Premium	-	10	(8)	-	-	2
Other income	-	43	(43)	-	-	-
Capital grants	67	-	-	(67)	-	-
Pension reserve	(291)	-	(11)	-	5	(297)
	(189)	651	(658)	(97)	5	(288)
Restricted fixed asset funds						
Transfer from Local Authority	958	-	-	-	-	958
Capital grant	198	134	(25)	67	-	374
PTA Donation	33	-	-	-	-	33
Capital expenditure from GAG	10	-	-	30	-	40
	1,199	134	(25)	97	-	1,405
Total restricted funds	1,010	785	(683)	-	5	1,117
Total of funds	1,074	826	(721)	-	5	1,184

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

General Annual Grant (GAG)

Funds from the Education Funding Agency for the provision of education, in line with the funding agreement.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Transfers of £30,000 from GAG funding to the restricted fixed asset fund represents contributions towards the kitchen and corridor capital projects carried out during the year.

Other DfE/EFA grants

Other funds provided by the DfE/EFA for particular purposes within the Academy's educational operations.

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

Pupil Premium

Additional funds from the Education Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

Capital grants

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education Funding Agency. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

Transfers of £67,000 from restricted funds capital grants to restricted fixed asset funds capital grants represents deferred capital grant specific to the Kitchen capital project which has been completed during the year.

Other grants

These are funds and grants received from the Local Authority and other institutions for use on specific educational projects.

Other income

These consist of income from all other sources to be used primarily for the Academy's educational operations.

Pension reserve

Being the fund in relation to the defined benefit pension scheme liability included in the balance sheet. The fund is in deficit, given the nature of the liability, however, this is not payable immediately.

Restricted fixed asset funds

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion to an Academy from the Local Authority following the transfer of assets. It includes further amounts invested in fixed assets.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	2015	2015	2015	2015	2014
	£000	£000	£000	£000	£000
Tangible fixed assets	-	-	1,405	1,405	1,199
Current assets	67	52	-	119	207
Creditors due within one year	-	(43)	-	(43)	(41)
Pension reserve	-	(297)	-	(297)	(291)
	<u>67</u>	<u>(288)</u>	<u>1,405</u>	<u>1,184</u>	<u>1,074</u>

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19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015	2014
	£000	£000
Net incoming resources	105	188
Depreciation of tangible fixed assets	25	21
Capital grants	(201)	(122)
Decrease in debtors	12	2
Increase/(decrease) in creditors	2	(43)
FRS 17 pension cost less contributions payable	(6)	6
FRS 17 pension finance income (note 13)	17	7
	<hr/>	<hr/>
Net cash (outflow)/inflow from operations	(46)	59
	<hr/> <hr/>	<hr/> <hr/>

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

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

	2015	2014
	£000	£000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(231)	(122)
Capital grants	201	122
	<u>(30)</u>	<u>-</u>
Net cash outflow capital expenditure	<u><u>(30)</u></u>	<u><u>-</u></u>

21. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £000	Cash flow £000	Other non-cash changes £000	31 August 2015 £000
Cash at bank and in hand:	184	(76)	-	108
	<u>184</u>	<u>(76)</u>	<u>-</u>	<u>108</u>
Net funds	<u><u>184</u></u>	<u><u>(76)</u></u>	<u><u>-</u></u>	<u><u>108</u></u>

22. PENSION COMMITMENTS

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

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

Contributions amounting to £7,871 were payable to the scheme at 31 August 2015 (2014 - £7,129) 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.

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

22. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer pension costs paid to Teachers' Pension Scheme in the period amounted to £36,000 (2014 - £35,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £60,000, of which employer's contributions totalled £51,000 and employees' contributions totalled £9,000. The agreed contribution rates for future years are 21.4% for employers and between 5.5% and 12.5% for employees.

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

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

22. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000
Equities	3.80	206	6.30	172
Bonds	3.80	66	3.30	41
Property	3.80	34	4.50	24
Cash	3.80	6	3.30	7
Total market value of assets		<u>312</u>		<u>244</u>
Present value of scheme liabilities		<u>(609)</u>		<u>(535)</u>
Deficit in the scheme		<u><u>(297)</u></u>		<u><u>(291)</u></u>

The expected rates of return are set equal to the discount rate.

The amounts recognised in the Balance Sheet are as follows:

	2015 £000	2014 £000
Present value of funded obligations	(609)	(535)
Fair value of scheme assets	312	244
Net liability	<u>(297)</u>	<u>(291)</u>

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

	2015 £000	2014 £000
Current service cost	(45)	(33)
Interest on pension liabilities	(21)	(18)
Expected return on pension scheme assets	15	11
Losses on curtailments and settlements	(11)	-
Total	<u>(62)</u>	<u>(40)</u>
Actual return on scheme assets	<u>(11)</u>	<u>(24)</u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

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

	2015	2014
	£000	£000
Opening defined benefit obligation	535	372
Current service cost	45	33
Interest cost	21	18
Contributions by scheme participants	9	8
Actuarial (gains)/losses	(9)	110
Losses on curtailments	11	-
Estimated benefit paid	(3)	(6)
	<hr/>	<hr/>
Closing defined benefit obligation	609	535
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£000	£000
Opening fair value of scheme assets	244	181
Expected return on assets	15	11
Actuarial (losses)/gains	(4)	23
Contributions by employer	51	27
Contributions by employees	9	8
Benefit paid	(3)	(6)
	<hr/>	<hr/>
	312	244
	<hr/> <hr/>	<hr/> <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £112,000 loss (2014 - £117,000 loss).

The Academy expects to contribute £30,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Equities	66.00 %	70.00 %
Bonds	21.00 %	17.00 %
Property	11.00 %	10.00 %
Cash	2.00 %	3.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.60 %	2.90 %

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

22. PENSION COMMITMENTS (continued)

Sensitivity analysis:

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2015:	Approximate percentage increase to Employer Liability (%)	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	13	78
1 year increase in member life expectancy	3	18
0.5% increase in the Salary Increase Rate	7	40
0.5% increase in the Pension Increase Rate	6	35

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

	2015	2014
Retiring today		
Males	22.2	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	24.2	24.2
Females	26.6	26.6

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

Defined benefit pension schemes

	2015	2014	2013
	£000	£000	£000
Defined benefit obligation	(609)	(535)	(372)
Scheme assets	312	244	181
Deficit	(297)	(291)	(191)
Experience adjustments on scheme liabilities	9	(110)	(40)
Experience adjustments on scheme assets	(4)	23	10

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

23. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2015 £000	2014 £000	2015 £000	2014 £000
Expiry date:				
Within 1 year	-	-	1	-
Between 2 and 5 years	-	-	-	1
After more than 5 years	6	6	-	-
	<u>6</u>	<u>6</u>	<u>-</u>	<u>-</u>

24. RELATED PARTY TRANSACTIONS

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

The following related party transactions took place during the period:

B D Mount & Sons, is a company in which J Mount, Trustee has a minority interest. Transactions totalling £1,720 (2014: £1,776) for the purchase of kitchen produce took place during the year. The contract with B D Mount & Sons was entered into after 7 November 2013 and followed correct procurement procedures. J Mount neither participated in, nor influenced the decision for the procurement of these goods. There was no amount outstanding at 31 August 2015 (2014: £Nil).

25. CONTROLLING PARTY

The Academy is ultimately controlled by the Governing Body, which includes the Headteacher.

26. 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.

27. COMPANY LIMITED BY GUARANTEE

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