

Registered number: 08168510 (England and Wales)

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

Members	K Harrup (resigned 27 October 2016) S Atkins A Allison
Trustees	K Harrup, Chair (resigned 27 October 2016) ¹ S Atkins, Chair from 27 October 2016 ¹ A Allison, Headteacher ¹ J Knaggs (resigned 1 October 2015) L Jex V Bates A Green (resigned 10 February 2016) D Aston T Day ¹ S Strong R Weale D Sargent (appointed 26 November 2015) ¹ 1 Finance & Personnel committee
Company registered number	08168510
Company name	Broomfield Primary School
Principal and registered office	Ploughmans Lea East Goscote Leicester Leicestershire LE7 3ZQ
Company secretary	R Thompson
Senior management team	A Allison, Headteacher B Bramley, Deputy Headteacher (resigned 31 August 2016) L Jex, Assistant Headteacher (appointed 1 September 2016) T Rowley, Assistant Headteacher (appointed 1 September 2016) N Clay, Business Manager
Independent auditors	Clear & Lane Limited Chartered Accountants 340 Melton Road Leicester LE4 7SL
Bankers	NatWest Bank Market Place Loughborough Leicestershire LE11 3NZ

BROOMFIELD PRIMARY SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a 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 East Goscote. It has a pupil capacity of 268 and had a roll of 218 in the school census on 15 January 2016.

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 charitable company was incorporated on 6 August 2012. The school converted to Academy status on 1 October 2012 when its operations, assets and liabilities were transferred to the Academy from the Local Authority. On 1 September 2016 all assets, liabilities and operations were transferred to Bradgate Educational Partnership, a Multi Academy Trust.

The Governors act as Trustees for the charitable activities of Broomfield Primary School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Broomfield Primary School. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

• Members' liability

Every member of the Academy Trust undertake to contribute such amount as may be required (not exceeding £10) to the Academy Trust's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Academy Trust's debts and liabilities before he or she ceased to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.

• Trustees' indemnities

A Trustee may benefit from any indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees 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. In accordance with normal practice the school has purchased insurance to protect the Trustees and Officers from claims arising from negligent acts, errors or omissions whilst on school business. The cover under the policy is £3 million and in the period under review the sum of £1,101 was paid.

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

- **Method of recruitment and appointment or election of Trustees**

Parent Trustees are appointed by open election for all eligible parents or guardians of children who attend Broomfield Primary School.

Staff Trustees are appointed through open election for all eligible members of staff working at Broomfield Primary School.

Community Trustees are recruited through nomination by the Board of Trustees of Broomfield Primary School.

We would seek to appoint Trustees with relevant background and experience to complement the existing Trustees qualifications.

The members: K Harrup, S Atkins, A Allison.

- **Policies and procedures adopted for the induction and training of Trustees**

All new Trustees will be allocated a "Mentor Trustee" and receive an induction following their appointment. This will provide an opportunity to recognise, develop and use the knowledge and skills they need to function effectively, meet legal obligations and act strategically to best support the School. All Trustees will be encouraged to attend training made available to the Academy through the Governor Development Service and in house training as deemed necessary to their role.

- **Organisational structure**

The Trustees are responsible for the overall management and control of the School and meet at least six times per year.

The work of reviewing and monitoring most of their policies is delegated to the members of the sub committees and work under the chairmanship of a Trustee appointed at the first Full Trustees General Meeting each calendar year. Terms of Reference of these committees are agreed annually at this meeting. The Clerk to Trustees is responsible for co-ordinating the work of the Trustees and their committees, preparation of agendas and papers and review of matters arising.

The Headteacher acts as the Accounting Officer for the Academy, is an ex officio Trustee and with the assistance of the Senior Leadership Team, makes decisions on the day to day management of the school and its resources. The School Business Manager ensures all the financial decisions made by the Trustees and Senior Leadership Team are procured in line with charity and company law and in line with the school's policies. The Business Manager is invited to attend Trustees meetings as appropriate.

- **Pay policy for key management personnel**

Key management personnel pay is recommended by the Finance & Personnel Committee to the Full Governing Body for approval.

Leadership pay scales are set within the limits of the 'school group' pay range in accordance with STPCD recommendations. Pay scales/remuneration rates are benchmarked against similar schools in the area.

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

● **Connected organisations, including related party relationships**

The Academy Trust is part of an umbrella trust of 10 Academies known as Syston and Thurmaston Educational Partnership "STEP". Representatives from each Trust form the Board of STEP which seeks to provide expert support and guidance so that each Academy within our family becomes an outstanding place for learning and teaching. Trustees review working policies in partnership with STEP.

The school has a connected charity, Friends of Broomfield, which was established for the purpose of supporting the school in a manner as determined by its own independent board. These funds are under the control of this independent board, not the Academy. In line with the Academies Accounts Direction 2015 to 2016 (SORP 2015) some summary details of this charity's activities are included in note 23 to the financial statements.

OBJECTIVES AND ACTIVITIES

● **Objects and aims**

The Academy Trust's key aims are to: provide exciting and challenging opportunities to further raise the standards already achieved; develop a stimulating, broad and rich curriculum through which children achieve excellence and enjoyment; create a stimulating learning environment that maximises and promotes learning; provide a safe community where all children and adults are valued and the wider community work in close partnership to support the future developments of the school; and develop staff at all levels to continue to increase capacity and widen the skills of all.

● **Objectives, strategies and activities**

The Academy's main strategy is to:

"Create and promote a challenging learning environment that inspires children to achieve high standards and become lifelong learners. The school has high expectations and ensures success for all."

The Academy's key objectives are outlined below:

- To deliver high quality education and care to all pupils within the Academy.
- Improve standards of PE through effective use of Sports Funding.
- Raise standards of achievement for those pupils entitled to Pupil Premium funding.
- Improve the quality of teaching, particularly in writing and maths.
- Make leadership and management more effective in improving the school.
- To work successfully in partnership with all stakeholders that support the Academy's high expectations.

● **Public benefit**

Broomfield Primary School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

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

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

● **Key academic performance indicators**

The Academy continues to achieve results in line with National expectations at Key Stage 1 but attainment and progress has dipped in Key Stage 2.

Working at the expected standard in Key Stage 1

75% Reading
64% Writing
61% Maths

Key Stage 2 Statutory Results - meeting the expected standard

61% SPaG
61% Reading
50% Maths
83% Writing (Teacher assessed)

To ensure that standards are maintained year on year the Academy operates a system of target setting, and curriculum monitoring and review that feeds into the school improvement plan. The Academy also ensures that there are opportunities to share good practice and receive good CPD matched the needs of the staff and the Academy.

● **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.

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

● **Financial review**

The Academy had a net movement in funds for the year ended 31 August 2016 of £246,304 including fixed assets movements. As at 31 August 2016 the Academy held £98,910 of unrestricted reserves plus £28,892 of unspent (non-fixed asset) restricted funds. The Academy therefore held combined unrestricted and non-fixed asset restricted funds, being its available reserves of £127,802.

The Academy Trust had a pension deficit on their Local Government Pension Scheme of £615,000 at 31 August 2016 and a fixed asset reserve of £1,423,714 (being the book value of past purchases £1,416,541 plus £7,173 of unspent capital grants.)

There are no significant factors going forward that are expected to impact on the normal continuing operation of the Academy. The principle financial management policies adopted in the period are included in the Academy's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year.

The principal sources of funding for the Academy are the General Annual Grant (GAG) and other EFA/DfE grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

● **Reserves policy**

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The Academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately 5% of the annual budget, being approximately £40,000.

Actual free reserves plus unspent GAG as at 31 August 2016 were £127,802, being higher than the target level set by the Trustees by approximately £88,000. This will be retained for the purposes of future planned capital projects, including a classroom furniture replacement program, investment in ICT provision and other curriculum priorities as identified by the School Improvement Plan. The Academy held no other available restricted funds at the year end. Cash at bank at 31 August 2016 was £233,947 higher than total available reserves due principally to £182,175 of capital income received in advance of works, £22,178 of Universal Infant Free School Meals income received in advance plus other accruals timing differences.

At 31 August 2016 the Academy's fixed asset reserve of £1,423,714 represented £1,416,541 of funds which could only be realised if the assets were sold, plus £7,173 of unspent capital grants.

The only reserve in deficit at the year end was the pension reserve (deficit of £615,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

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

● **Investment policy and performance**

The School's Investment Strategy is:

1. Regularly monitor cash flow current account balances to ensure immediate financial commitments can be met and that the accounts have adequate balances to meet forthcoming commitments. In practice a working balance of between £80,000 and £150,000 is likely to be maintained.
2. Identify funds surplus to immediate cash requirements and transfer to a deposit account bearing interest.
3. Periodically review interest rates and compare with other investment opportunities.
4. The school's current policy is to only invest funds in risk free and short term deposit accounts only.

Any change in policy requires the approval of Trustees via the Finance Committee.

● **Principal risks and uncertainties**

The risks faced by the Academy are outlined in the Risk Register agreed by the Academy and the Trustees are continually aware and are monitoring any risks associated with the operation of the Academy.

The Trustees are responsible for the overseeing of the risks faced by the School. Detailed considerations of risk are delegated to the Senior Leadership Team of the school. Risks are identified, assessed and controls established throughout the period. A formal review of the School's risk management processes will be undertaken on an annual basis. Risk is managed under the headings of: strategic and reputational; physical; infrastructure; governance; staffing; pupils; and financial. Through the risk management processes established for the school, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

At 31 August 2016 the pension deficit on the Local Government Pension Scheme stood at £615,000. The Academy has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health. Changes in contributions rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known, when they are updated every three years.

Parliament has agreed, at the request of the Secretary of State for Education, to 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.

PLANS FOR FUTURE PERIODS

● **Future developments**

The Trustees intend to continue their current strategies of maintaining the school's position in a competitive market by providing outstanding education for all pupils by striving to achieve a 'Good' judgment by Ofsted.

Our future plans are financed from income direct from the EFA/DfE, related to pupil numbers and other lump sum factors. Trustees will ensure funding is invested appropriately for the next generation of pupils as they have done in the past for current pupils. The Trustees will also plan ahead for any reduction in funding and to ensure expenditure is adjusted to ensure the school's financial position is not jeopardised.

The Headteacher and senior staff continue to review the curriculum to ensure that the educational achievements remain appropriate for our pupil's development. External demands include setting of targets to pupil levels of achievement.

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

Funds held as custodian

The Academy Trust does not hold any funds on behalf on any other charities.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, Clear & Lane Limited, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating the Strategic Report, was approved by order of the Board of Trustees as the company directors, on 1 December 2016 and signed on the board's behalf by:

S Atkins
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
K Harrup, Chair	6	7
S Atkins	7	7
A Allison, Headteacher	7	7
J Knaggs	0	0
L Jex	7	7
V Bates	3	7
A Green	4	4
D Aston	7	7
T Day	7	7
S Strong	6	7
R Weale	4	7
D Sargent	5	6

The key changes in the year are that A Green's term of office ended on 10 February 2016, J Knaggs was disqualified and D Sargent was appointed 26 November 2015.

Governance reviews:

A review was carried out in February 2016 to ascertain how the External Review of Governance was successful in holding the school to account.

The actions taken so far have had a positive impact on the school as evidenced in the latest Ofsted report.

- Governors make a strong contribution to the vision and rigour that is moving the school forward.
- Governors has a secure understanding of the school's strengths and areas of development.
- Minuted from Governor's meetings and monitoring visit reports illustrate their ability to ask school leaders searching and challenging questions.

The Board of Trustees intends to conduct another self-evaluation review during the forthcoming year.

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure that all funds receivable are only used as described and to make decisions as to the spending within the delegated powers given to it.

The Finance Committee has continued to play a large part in the success of the school's finances by using a prudent planning approach since conversion to Academy culminating in a healthy amount of retained earnings which has exceeded the planned expenditure.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K Harrup, Chair	3	4
A Allison, Accounting officer	4	4
S Atkins	3	4
T Day	3	4
D Sargent	2	3

Review of Value for money

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the 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:

- Restructuring the leadership team
- Re-tendering for staff absence insurance

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 Broomfield Primary School for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

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 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 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 to appoint

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GOVERNANCE STATEMENT (continued)

Leicestershire County Council 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. On an annual basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The latest internal audit visit was in September 2016. No material control issues were identified as a result of the internal auditor's review work.

Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the 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 address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 1 December 2016 and signed on their behalf, by:

S Atkins
Chair of Trustees

A Allison
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

A Allison
Accounting Officer

Date: 1 December 2016

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

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

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

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

The 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 1 December 2016 and signed on its behalf by:

S Atkins
Chair of Trustees

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BROOMFIELD PRIMARY SCHOOL**

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

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

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' responsibilities, 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 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BROOMFIELD PRIMARY 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.

Luke Turner ACA FCCA (Senior statutory auditor)

for and on behalf of

Clear & Lane Limited

Chartered Accountants
Statutory Auditors

340 Melton Road
Leicester
LE4 7SL
13 December 2016

BROOMFIELD PRIMARY SCHOOL
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**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO BROOMFIELD
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 8 February 2016 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 Broomfield Primary School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

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

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- On a sample basis testing transactions and balances.
- Making enquiries of the Academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO BROOMFIELD
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 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.

Luke Turner ACA FCCA (Senior statutory auditor)

for and on behalf of

Clear & Lane Limited

Chartered Accountants
Statutory Auditors

340 Melton Road
Leicester
LE4 7SL

13 December 2016

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	675	-	37,864	38,539	186,473
Other trading activities	3	7,305	-	-	7,305	8,739
Charitable activities	4	2,550	922,045	-	924,595	880,619
TOTAL INCOME		<u>10,530</u>	<u>922,045</u>	<u>37,864</u>	<u>970,439</u>	<u>1,075,831</u>
EXPENDITURE ON:						
Raising funds		6,019	-	-	6,019	4,749
Charitable activities		-	956,958	120,766	1,077,724	996,359
TOTAL EXPENDITURE	5	<u>6,019</u>	<u>956,958</u>	<u>120,766</u>	<u>1,083,743</u>	<u>1,001,108</u>
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES		4,511	(34,913)	(82,902)	(113,304)	74,723
Actuarial losses on defined benefit pension schemes	20	-	(133,000)	-	(133,000)	(7,000)
NET MOVEMENT IN FUNDS		4,511	(167,913)	(82,902)	(246,304)	67,723
RECONCILIATION OF FUNDS:						
Total funds brought forward		94,399	(418,195)	1,506,616	1,182,820	1,115,097
TOTAL FUNDS CARRIED FORWARD		<u><u>98,910</u></u>	<u><u>(586,108)</u></u>	<u><u>1,423,714</u></u>	<u><u>936,516</u></u>	<u><u>1,182,820</u></u>

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08168510

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	11		1,416,541		1,506,616
CURRENT ASSETS					
Stocks	12	2,504		-	
Debtors	13	32,897		35,238	
Cash at bank and in hand		361,749		323,975	
			397,150	359,213	
CREDITORS: amounts falling due within one year	14	(262,175)		(233,009)	
NET CURRENT ASSETS			134,975		126,204
TOTAL ASSETS LESS CURRENT LIABILITIES			1,551,516		1,632,820
Defined benefit pension scheme liability	20	(615,000)		(450,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			936,516		1,182,820
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted income fund	15	28,892		31,805	
Fixed asset fund	15	1,423,714		1,506,616	
Restricted funds excluding pension liability		1,452,606		1,538,421	
Pension reserve		(615,000)		(450,000)	
Total restricted funds			837,606		1,088,421
Unrestricted income funds	15		98,910		94,399
TOTAL FUNDS			936,516		1,182,820

The financial statements were approved by the Trustees, and authorised for issue, on 1 December 2016 and are signed on their behalf, by:

S Atkins
Chair of Trustees

The notes on pages 21 to 42 form part of these financial statements.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	17	30,601	168,601
Cash flows from investing activities:			
Purchase of tangible fixed assets		(30,691)	(209,190)
Capital grants from DfE and other capital income		37,864	185,973
Net cash provided by/(used in) investing activities		7,173	(23,217)
Change in cash and cash equivalents in the year			
Cash and cash equivalents at 1 September 2015		37,774	145,384
		323,975	178,591
Cash and cash equivalents at 31 August 2016		361,749	323,975

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

First time adoption of FRS 102

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees 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 26.

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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 Education Funding Agency.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

Grants are included in the statement of financial activities incorporating income and expenditure account 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 incorporating income and expenditure account 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.

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

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

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

1.4 EXPENDITURE

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

Expenditure on raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities costs are those 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.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of 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 TANGIBLE FIXED ASSETS AND DEPRECIATION

Individual assets costing £1,000 or more are capitalised.

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

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

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. 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:

Leasehold buildings	-	6% Straight line
Leasehold land (125 year lease)	-	over 125 years
Motor vehicles	-	20% Straight line
Fixtures and fittings	-	15% Straight line
Fixtures and fittings - windows	-	10% Straight line
Computer equipment	-	25% Straight line

1.7 OPERATING LEASES

Rentals under operating leases are charged to the statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 STOCKS

Stocks are valued at the lower of cost and value in use.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 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.

1.10 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 recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. 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.

1.11 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.

1.12 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 20, 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.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

1.13 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.

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.

Defined benefit pension scheme

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 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	675	-	-	675	500
Capital Grants	-	-	37,864	37,864	185,973
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	675	-	37,864	38,539	186,473
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2015, of the total income from donations and capital grants, £ *NIL* was to unrestricted funds and £186,473 was to restricted funds.

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	5,438	-	5,438	5,214
Other income	-	-	-	1,655
Consultancy income	1,867	-	1,867	1,870
	<hr/>	<hr/>	<hr/>	<hr/>
	7,305	-	7,305	8,739
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2015, of the total income from other trading activities, £8,739 was to unrestricted funds and £ *NIL* was to restricted funds.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	834,764	834,764	796,182
Other DfE/EFA grants	-	82,190	82,190	82,058
Other grants	2,550	-	2,550	2,379
	<u>2,550</u>	<u>916,954</u>	<u>919,504</u>	<u>880,619</u>
Other government grants				
Local Authority grants	-	5,091	5,091	-
	<u>-</u>	<u>5,091</u>	<u>5,091</u>	<u>-</u>
	<u>2,550</u>	<u>922,045</u>	<u>924,595</u>	<u>880,619</u>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £880,619 was to restricted funds.

5. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising funds	3,367	1,202	1,450	6,019	4,749
Educational Operations:					
Direct costs	634,031	90,575	44,746	769,352	697,566
Support costs	117,034	73,110	118,228	308,372	298,793
	<u>754,432</u>	<u>164,887</u>	<u>164,424</u>	<u>1,083,743</u>	<u>1,001,108</u>

In 2015, of the total fundraising expenditure, £4,749 was to unrestricted funds and £NIL was to restricted funds.

In 2015, of the total educational operations expenditure, £NIL was to unrestricted funds, £908,638 was to restricted funds and £87,721 was to restricted fixed asset funds.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

6. CHARITABLE ACTIVITIES

	Total funds 2016 £	Total funds 2015 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs - salaries	471,005	444,950
Teaching and educational support staff costs - NI	32,249	26,049
Teaching and educational support staff costs - pensions	97,742	81,275
LGPS pension interest cost (£34,000) less return on assets (£17,000)	17,000	16,000
Teaching and educational agency costs	33,035	17,291
Educational supplies	23,897	31,164
Staff development	2,680	7,269
Other direct costs	301	678
Depreciation	90,575	65,791
Technology costs	868	3,169
	769,352	693,636
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Staff support costs - salaries	88,187	80,739
Staff support costs - NI	4,973	4,488
Staff support costs - pensions	17,436	14,521
Apprenticeship costs	6,438	-
Educational consultancy	1,850	2,400
Recruitment	4,651	600
Maintenance of premises	17,322	41,462
Cleaning	5,821	4,969
Rates	6,371	7,757
Insurance	10,066	19,887
Depreciation	30,191	21,930
Catering	38,767	38,384
Bank interest and charges	721	763
Other support costs	40,104	34,874
Technology costs	13,224	10,252
Energy costs	14,208	13,035
Governance	8,042	6,662
	308,372	302,723
	1,077,724	996,359

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets: - capitalised by the charity	120,766	87,721
Auditors' remuneration - audit	5,650	4,265
Auditors' remuneration - other services	750	834
Operating lease rentals	1,240	953
	<u>128,406</u>	<u>93,773</u>

8. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	562,559	529,209
Social security costs	37,222	30,537
Operating costs of defined benefit pension schemes	115,178	95,796
	<u>714,959</u>	<u>655,542</u>
Supply teacher costs	33,035	13,146
Other costs - apprenticeship	6,438	-
	<u>754,432</u>	<u>668,688</u>

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

	2016	2015
	No.	No.
Teachers	11	11
Administration and support	21	20
Management	1	1
	<u>33</u>	<u>32</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £210,587 (2015: £174,291). These figures include salary costs of an Trustees employed by the academy, even where they have no management role within their employment.

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

9. TRUSTEES' REMUNERATION AND EXPENSES

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

One or more Trustees has been paid remuneration from an employment with the academy trust. The Principal and other staff Trustees 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 Trustees.

The value of Trustees' remuneration was as follows:

A Allison (Headteacher and Trustee)

Remuneration £55,000 - £60,000 (2015: £55,000 - £60,000)

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

L Jex (Staff Trustee)

Remuneration £40,000 - £45,000 (2015: £40,000 - £45,000)

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

V Bates (Staff Trustee)

Remuneration £10,000 - £15,000 (2015: £10,000 - £15,000)

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

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

10. 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 2016 was £270 (2015 - £1,101).

BROOMFIELD PRIMARY SCHOOL
(A company limited by guarantee)

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

11. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST					
At 1 September 2015	1,457,000	3,904	251,210	40,996	1,753,110
Additions	-	-	27,399	3,292	30,691
At 31 August 2016	<u>1,457,000</u>	<u>3,904</u>	<u>278,609</u>	<u>44,288</u>	<u>1,783,801</u>
DEPRECIATION					
At 1 September 2015	205,681	2,278	16,988	21,547	246,494
Charge for the year	72,132	781	36,895	10,958	120,766
At 31 August 2016	<u>277,813</u>	<u>3,059</u>	<u>53,883</u>	<u>32,505</u>	<u>367,260</u>
NET BOOK VALUE					
At 31 August 2016	<u>1,179,187</u>	<u>845</u>	<u>224,726</u>	<u>11,783</u>	<u>1,416,541</u>
At 31 August 2015	<u>1,251,319</u>	<u>1,626</u>	<u>234,222</u>	<u>19,449</u>	<u>1,506,616</u>

The land and buildings are held on a 125 year lease with the Local Authority. The cost of the land and buildings was arrived at in the period ended 31 August 2013 using the EFA standard valuation on a depreciated replacement cost basis provided to the Academy. This provided a value for the land and buildings as at the date of conversion.

12. STOCKS

	2016 £	2015 £
Classroom and other materials	<u>2,504</u>	<u>-</u>

13. DEBTORS

	2016 £	2015 £
Trade debtors	140	44
VAT recoverable	6,227	11,413
Prepayments and accrued income	26,530	23,781
	<u>32,897</u>	<u>35,238</u>

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14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Other taxation and social security	12,984	9,006
Other creditors	16,834	15,764
Accruals and deferred income	232,357	208,239
	262,175	233,009
	262,175	233,009
	2016 £	2015 £
DEFERRED INCOME		
Deferred income at 1 September 2015	42,249	19,961
Resources deferred during the year	209,095	42,249
Amounts released from previous years	(42,249)	(19,961)
	209,095	42,249
	209,095	42,249

The closing balance of deferred income mainly consists of Universal Infant Free School Meals received in advance of the 2016/17 academic year, rates income in relation to the post year end period and capital grants received matched in line with the progress of work.

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15. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS					
General Funds	94,399	10,530	(6,019)	-	98,910
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	31,805	834,764	(837,677)	-	28,892
Pupil Premium	-	35,251	(35,251)	-	-
Other DfE/EFA grants	-	46,939	(46,939)	-	-
Local Authority grants	-	5,091	(5,091)	-	-
Pension reserve	(450,000)	-	(32,000)	(133,000)	(615,000)
	<u>(418,195)</u>	<u>922,045</u>	<u>(956,958)</u>	<u>(133,000)</u>	<u>(586,108)</u>
RESTRICTED FIXED ASSET FUNDS					
DfE/EFA capital grants	15,211	6,475	(3,699)	-	17,987
Transfer from Local Authority	1,262,662	-	(79,668)	-	1,182,994
Capital expenditure from GAG	45,918	-	(9,280)	-	36,638
Condition Improvement Fund	179,487	29,389	(26,923)	-	181,953
Other capital grants	3,338	2,000	(1,196)	-	4,142
	<u>1,506,616</u>	<u>37,864</u>	<u>(120,766)</u>	<u>-</u>	<u>1,423,714</u>
Total restricted funds	<u>1,088,421</u>	<u>959,909</u>	<u>(1,077,724)</u>	<u>(133,000)</u>	<u>837,606</u>
Total of funds	<u><u>1,182,820</u></u>	<u><u>970,439</u></u>	<u><u>(1,083,743)</u></u>	<u><u>(133,000)</u></u>	<u><u>936,516</u></u>

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

Restricted general funds

The General Annual Grant (GAG) relates to the school's development and operational activities.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. All funds have been spent in full within the year.

The DfE/EFA restricted funds grants consists of PE sports grant and Universal Infant Free School Meals income which were both spent in full within the year.

Local Authority grants consists of Special Educational Needs Allowance (SENA) which was fully spent in the year.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

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15. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DfE/EFA capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned plus unspent Devolved Formula Capital (DFC) funding of £5,183.

The transfer from Local Authority relates to the value of £1,490,549 (leasehold land and buildings plus moveable assets) transferred from the Local Authority to the Academy on conversion. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms.

The Condition Improvement Fund (CIF) relates to funding received in relation to the kitchen refurbishment and replacement windows and external doors. The closing balance consists of the net book value of the assets concerned plus an unspent balance on the kitchen project of £1,990, to be spent on future capital works.

Other capital grants consists of donations from Friends of Broomfield School (FOBS) towards the purchase of fixed assets. The closing balance relates to the book value of the assets concerned.

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.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	1,416,541	1,416,541	1,506,616
Current assets	98,910	291,067	7,173	397,150	359,212
Current liabilities	-	(262,175)	-	(262,175)	(233,008)
Pension scheme liability	-	(615,000)	-	(615,000)	(450,000)
	98,910	(586,108)	1,423,714	936,516	1,182,820

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

	2016	2015
	£	£
Net (expenditure)/income for the year (as per statement of financial activities)	(113,304)	74,723
Adjustment for:		
Depreciation charges	120,766	87,721
(Increase)/decrease in stocks	(2,504)	525
Decrease/(increase) in debtors	2,341	(9,947)
Increase in creditors	29,166	170,552
Capital grants from DfE and other capital income	(37,864)	(185,973)
Defined benefit pension scheme cost less contributions payable	15,000	15,000
Defined benefit pension scheme finance cost	17,000	16,000
	<hr/>	<hr/>
Net cash provided by operating activities	30,601	168,601
	<hr/> <hr/>	<hr/> <hr/>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016	2015
	£	£
Cash in hand	361,749	323,975
	<hr/>	<hr/>
Total	361,749	323,975
	<hr/> <hr/>	<hr/> <hr/>

19. CAPITAL COMMITMENTS

At 31 August 2016 the Academy had capital commitments as follows:

	2016	2015
	£	£
Contracted for but not provided in these financial statements	180,416	-
	<hr/> <hr/>	<hr/> <hr/>

20. 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 pension 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 £13,396 were payable to the schemes at 31 August 2016 (2015 - £10,003) 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

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20. PENSION COMMITMENTS (continued)

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 £61,711 (2015 - £40,127).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £46,000 (2015 - £43,000), of which employer's contributions totalled £36,000 (2015 - £33,000) and employees' contributions totalled £10,000 (2015 - £10,000). The agreed contribution rates for future years are 21.4 - 22.4% for employers and 5.5 - 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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20. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	3.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %
Inflation assumption (CPI)	2.10 %	2.60 %
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	22.2	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	24.2	24.2
Females	26.6	26.6

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20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	409,000	282,000
Debt instruments	102,000	90,000
Property	51,000	47,000
Cash	6,000	9,000
	<hr/> 568,000 <hr/>	<hr/> 428,000 <hr/>
Total market value of assets		

The actual return on scheme assets was £17,000 (2015 - £14,000).

Expected returns on assets are calculated as follows:-

The figures shown in the standard FRS 102 report for Fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

Asset model

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2015 for the year to 31 August 2016, or date of joining the fund if later).

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

The amounts recognised in the statement of financial activities incorporating income and expenditure account are as follows:

	2016	2015
	£	£
Current service cost	(51,000)	(48,000)
Net interest cost	(17,000)	(16,000)
	<hr/>	<hr/>
Total	(68,000)	(64,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	2016	2015
	£	£
At 1 September	878,000	783,000
Current service cost	51,000	48,000
Interest cost	34,000	30,000
Employee contributions	10,000	10,000
Actuarial losses	212,000	9,000
Benefits paid	(2,000)	(2,000)
	<hr/>	<hr/>
At 31 August	1,183,000	878,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2016	2015
	£	£
At 1 September	428,000	371,000
Return on plan assets (excluding net interest on the net defined pension liability)	17,000	14,000
Actuarial gains and (losses)	79,000	2,000
Employer contributions	36,000	33,000
Employee contributions	10,000	10,000
Benefits paid	(2,000)	(2,000)
	<hr/>	<hr/>
At 31 August	568,000	428,000
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
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Sensitivity analysis

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

Change in assumptions as at 31 August 2016:	Approximate % increase to Employer Liability	Approximate monetary amount £
0.5% decrease in Real Discount Rate	12 %	148,000
1 year increase in member life expectancy	3 %	35,000
0.5% increase in the Salary Increase Rate	5 %	56,000
0.5% increase in the Pension Increase Rate	7 %	87,000

21. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
AMOUNTS PAYABLE:		
Within 1 year	1,240	1,240
Between 1 and 5 years	302	1,543
Total	<u>1,542</u>	<u>2,783</u>

22. RELATED PARTY TRANSACTIONS

Belinda Merriman (The School Business Manager of the Academy to May 2015) had the following interests:

- The Academy purchased sports coaching services from Darren Merriman (Belinda Merriman's husband) totalling £4,300 during the period from September 2014 to May 2015 in which Belinda Merriman was employed as School Business Manager. There were no amounts outstanding at 31 August 2015.
- The Academy made the purchases at arms' length in accordance with its financial regulations.
- In entering into the transactions the academy has complied with the requirements of EFA's Academies Financial Handbook.

The wife of Mr Sargent, a Trustee of the Academy, is employed by the Academy as a School Business Manager and is paid at a standard level for this role.

The son of Mr Harrup, a Trustee of the Academy, is employed by the Academy as a midday supervisor and is paid at a standard level for this role.

No other related party transactions took place in either the current or prior period.

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23. CONNECTED CHARITIES

The Friends of Broomfield School (FOBS) raises money for the school and then, in line with its own board decisions, donates funds for particular projects, or assets for the benefit of the Academy. The charity's net assets as at 31 August 2016 were £2,418 (2015: £924). The charity's gross income for the year to 31 August 2016 was £3,396 (2015: £4,356), its expenditure was £1,391 (2015: £3,792) and its surplus was £2,005 (2015: £564).

24. 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.

25. POST BALANCE SHEET EVENTS

On 1 September 2016 all assets, liabilities and operations were transferred to Bradgate Educational Partnership, a Multi Academy Trust.

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26. FIRST TIME ADOPTION OF FRS 102

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

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

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

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		1,115,097	1,182,820
Total funds reported under FRS 102		<u>1,115,097</u>	<u>1,182,820</u>

Reconciliation of net income	Notes	31 August 2015 £
Net income previously reported under UK GAAP		82,723
Change in recognition of LGPS interest cost	A	<u>(8,000)</u>
Net income reported under FRS 102		<u>74,723</u>

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

A - Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income. Under FRS102 a net interest expense, based on the net defined benefit liability, is recognised in expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to income by £8,000 and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.