

**Hampton St Mary
Academy Trust**

**Annual Report and Financial
Statements**

31 August 2015

Company Limited by Guarantee
Registration Number
07956455 (England and Wales)

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Reference and administrative information

Members	Rev Derek Winterburn Inigo Woolf London Diocesan Board for Schools
Governors	Rev Derek Winterburn (Chair) Lucia Apicella Norma Beresford Mary Collins Catherine Davis Alan Jackson (Vice Chair) Tiffany Jackson-Davy (appointed July 2015) Mark Jaloszynski Yvonne Lincoln Vera Macrae Andrew Parish Emma Reynolds Jennifer Walker
Company Secretary	Amy Norton (appointed 1 November 2014)
Senior Management Team	
Headteacher	Catherine Davis
Deputy Headteacher	Lucia Apicella
Registered address	Diocesan House Causton Street London SW1P 4AU
Operating address	St Mary's Hampton CE Primary School Oldfield Road Hampton TW12 2HP
Company registration number	07956455 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Lloyds Bank 17 Heath Road Strawberry Hill Twickenham TW1 4AW

Reference and administrative information

Solicitors Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

Governors' report Year to 31 August 2015

The governors of Hampton St Mary Academy Trust ('the School') present their annual report together with the financial statements and the auditor's reports of the charitable company for the year to 31 August 2015. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 27 of the attached financial statements and comply with the School's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ('SORP 2005').

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The School is a company limited by guarantee with no share capital (07956455 (England and Wales)) and was incorporated on 20 February 2012. The charitable company is trading as St Mary's Hampton Church of England Primary School. The charitable company's articles of association is the primary governing document of the School.

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 cease to be a member.

Governors' indemnities

In accordance with normal commercial practice, the School has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. The insurance provided cover up to £5,000,000 for fraud and dishonesty and £5,000,000 for employment practices on any one claim and the cost for the year ended 31 August 2015 was £40 (2014 – £636).

Principal activities

In the year 1 September 2014 - 31 August 2015:

- ◆ Governors met throughout the year as a Full Governing Board, and in four committees. In this way the School's aims and objectives were set, policies were organised and progress was monitored and evaluated.
- ◆ Governors attended training courses held in School and with the Local authority or LDBS, these included areas such as Safeguarding, Special Educational needs, Understanding Data, Performance Management and Governor Visits.
- ◆ Governors offered appropriate personal support to the School including attended 'open' events including Shared Assemblies and Sports Day.
- ◆ Governors acted as representatives of the School in dealings with e.g. Achieving for Children and the Local Authority.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governors

The governors are directors of the charitable company for the purposes of the Companies Act 2006. The following trustees were in office at 31 August 2015 and served throughout the year except where shown.

Trustee	Appointed/Resigned	Appointing body
Rev Derek Winterburn (Vicar) (Chair)		PCC St Mary's Church
Alan Jackson (Vice Chair)		PCC St Mary's Church
Lucia Apicella		Elected by Staff
Norma Beresford		PCC St Mary's Church
Mary Collins		PCC St Mary's Church
Catherine Davis		Headteacher
Tiffany Jackson-Davey	Appointed July 2015	Co-opted
Mark Jalszynski		PCC St Mary's Church
Yvonne Lincoln		LDBS
Vera Macrae		PCC St Mary's Church
Andrew Parish		PCC St Mary's Church
Emma Reynolds		Elected by Parents
Jennifer Walker		Elected by Parents

Method of recruitment and appointment or election of governors

The articles of association provide for the appointment or election of governors as follows:

- ◆ 7 'community governors', nominated by The Parochial Church Council of the Parish of St Mary the Virgin, Hampton, including the Vicar;
- ◆ 1 London Diocesan Board for Schools (LDBS) representative;
- ◆ 2 elected parent governors;
- ◆ the Headteacher;
- ◆ 1 elected staff representative; and
- ◆ up to 3 co-opted governors.

In the year, one governor (who is a parent) was appointed by co-option. The Chair had appealed for nominations through the school newsletter for a parent who had expertise either in finance or HR. The individual came forward completed an application form and was interviewed by a small panel. It believed that she would be able to make an excellent contribution in the area of HR and was recommended to the Governing Board in July (after DBS clearance and receiving satisfactory references). She was duly appointed in July.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of governors

Together the governors are a committed group that bring a wide range of skills including legal, financial, buildings, HR and previous school governance and senior leadership experience.

The Governing Board as a whole received training on the interpretation of data (Graham Mariner from LDBS). Governors have all taken on particular individual focus areas (e.g. safeguarding, inclusion, finance, Headteacher performance, data analysis) and further ongoing training is planned, dependent on the needs of the role and the skills and background of each individual. Some new governors have been to the 'New Governor' training run by Achieving for Children.

The School is accessing governor training via SPARK (Richmond School Performance). Governors have also attended training courses run by the LDBS e.g. Pay Policy. Additionally some governors have completed DfE online training in safer recruitment.

Each governor met the Chair in September and discussed their specific needs for development and training.

Organisational structure

The full Governing Board met six times in the year to 31 August 2015. All governors are on at least one of the four committees.

The Resources Committee met six times in the year to 31 August 2015. It leads on issues related to the buildings, finances and health and safety.

The School Evaluation and Development Committee met five times in the year to 31 August 2015. It leads on issues related to teaching and learning.

The Personnel and Pastoral Care Committee monitors issues of wellbeing in the school. This is a new committee formed in May 2015 to lighten the excessive load of the Resources Committee and respond to the Governing Board's awareness of the pressures involved in founding a new school with a small staff and limited leadership capacity over the past two years.

The Steering Committee met six times in the year to 31 August 2015. It takes an overview of the governance of the School and has the lead on Safeguarding, the Calendar and statutory policies especially HR ones. Each committee works to an agreed Terms of Reference.

Risk management

The Governing Board maintains a risk register and the Steering Committee regularly monitors risks and mitigations.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Connected organisations, including related party relationships

In order to pursue its objects, the School has entered into a formal agreement with the Secretary of State for Education regarding the funding of the School and the management of affairs of the School.

The School and the London Borough of Richmond have signed a peppercorn lease of the school land and buildings for 125 years (dated 5 April 2012).

The School has purchased some Service Level Agreement (SLA) support from LDBS where that represents best value: payroll, HR, legal support, finance officer, governor support, and school improvement.

The School has purchased some SLA support from the London Borough of Richmond where that represents best value: for example staff training, SENCO support, FSM entitlement, H&S advice and broadband.

The School has purchased some SLA support from South-West London YMCA where that represents best value: for example catering, caretaking and building management.

The School has purchased some SLA support from SAS where that represents best value: for example staff absence insurance.

The School retains a close relationship with St Mary's Church, Hampton.

OBJECTIVES AND ACTIVITIES

Objects and aims

The School's object is to advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character. This includes offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England, having regard to the advice of the LDBS.

Objectives, strategies and activities

- ◆ To operate a financially sound strategy for the running of the School 2015-2016.
- ◆ To offer a school experience to our children that is happy, safe, challenging and enriching and to operate the school so effectively that it is judged at least *Good* by Ofsted.
- ◆ To build on the foundations laid for a school ethos that will serve well for the school's future – and establish that within the growing staff team.
- ◆ To continue to develop an effective and responsible Governing Board.
- ◆ To communicate the good news of the school to future parents, so that registrations for future years are strong.
- ◆ To develop an enriched curriculum and establish the school's specialism.

OBJECTIVES AND ACTIVITIES (continued)

Public Benefit

The governors have considered the advice published by the Charity Commission in relation to Public Benefit and are satisfied that the School meets the requirements through the provision of state-funded education for local children.

STRATEGIC REPORT

Achievements and performance

- ◆ Ofsted Inspection in May 2015 assessed school as 'good'.
- ◆ Early Years result for Reception class children showed that 76.7% of children expected or exceeded a Good Level of Development and was above the National Average.
- ◆ Yr1 children achieved high rate of success (29/30) in the National Phonics Test.
- ◆ Celebrated the opening of school library including an online interactive library programme.
- ◆ Recruited Deputy Headteacher for start date September 2015.
- ◆ Recruited two experienced teachers and one NQT for start date September 2015.

Going concern

The 7-year revenue budget is set on the basis of income that is anticipated under the funding agreement and using the 'income calculator' provided by the DfE for this purpose. The assumption that the School is a going concern is therefore a reasonable one.

Financial review

Financial report for the year

A summary of the results for the year are included on page 21.

The majority of the School's income in the year ended 31 August 2015 was obtained from the DfE in the form of capital and revenue grants. The grants received during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

Total income for the year was £602,976 (2014 - £1,127,732), which included £72,408 in capital grant funding (see note 3).

Total expenditure for the year was £581,429 (2014 - £389,109), of which £564,569 related to educational operations and £16,860 to governance costs.

The net movement in funds was an increase of £22,547 (2014 - £738,623).

STRATEGIC REPORT (continued)

Financial review (continued)

Reserves policy

As a School, a sensible approach to contingencies has enabled the capital project to be kept within budget. In 2012/13, a 7-year revenue budget was drawn up, to take the School from its opening in September 2013, with just one year group, to 2019 when the School reaches its full capacity. This budget includes a modest annual reserve.

As at 31 August 2015 the School held total funds of £1,602,289 (2014 - £1,579,742) which includes £1,503,215 (2014 - £1,485,369) in the restricted fixed asset fund, £72,607 (2014 - £80,753) within restricted general reserves, and £26,467 (2014 - £13,620) in unrestricted funds.

Investment policy

The governors' investment powers are governed by the articles of association, which permit the School's funds, not immediately required, to be invested in furtherance of its objects after obtaining expert financial advice. The School did not engage in any investment of surplus funds during the year under review.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties that governors will monitor in 2015-2016 include:

- ◆ budget;
- ◆ site (inc. road safety) and lettings;
- ◆ ICT provision;
- ◆ pupil applications; and
- ◆ pupil progress.

PLANS FOR FUTURE PERIODS (2015-2016)

- ◆ Streamlining the Governing process and renewing the vision.
- ◆ Establishing the new staff team (3 new class teachers).
- ◆ Maintaining the high standard of teaching and learning, with particular attention to the achievement of SEND, PP and the more able children.
- ◆ Introducing the new system of assessment.
- ◆ Progressing the development of the site, especially of the Outdoor Learning Environment.
- ◆ Ensuring the Christian distinctiveness, and strengthening the enriched curriculum and the school specialism.

Governors' report Year to 31 August 2015

AUDITOR

In so far as the governors are aware:

- ◆ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Governors' report, incorporating a strategic report, approved by order of the members of the board of governors on 26 November 2015 and signed on its behalf by:



Rev Derek Winterburn
Chair of the Governing Board

Scope of responsibility

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

The governing board have 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 School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Governing Board any material weaknesses or breakdowns in internal control.

Governance

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

Governor	Meetings attended	Out of a possible
Lucia Apicella	6	6
Norma Beresford	4	6
Mary Collins	6	6
Catherine Davis	6	6
Alan Jackson	6	6
Tiffany Jackson-Davey	3	3
Mark Jalszynski	2	6
Yvonne Lincoln	5	6
Vera Macrae	5	6
Andrew Parish	4	6
Emma Reynolds	1	6
Jennifer Walker	5	6
Rev Derek Winterburn	6	6

Governance reviews:

In the summer 2014 the Governing Board conducted a Skills Audit, and then individual governors met with the Chair to discuss their experience of being a governor, their particular responsibilities and training needs. The GB decided in July that every governor must attend at least one training event in the year, and that completed training would be logged in the minutes of the GB.

The Resources Committee is a sub-committee of the main Governing Board. Its purpose is to support the full Governing Board in setting the School's strategic direction within a financially viable framework, secure accountability and best value for the School in matters of finance; to ensure all health and safety matters relating to the physical premises are compliant.

Governance (continued)

Particular issues dealt with in 2014-2015 were:

- ◆ Finances: approving budgets and monitoring expenditure; and
- ◆ Premises: giving attention to the ongoing issues of road / traffic safety, the condition of the kitchen and the development of the Outdoor Learning Environment.

Attendance during the year at the meetings of the Resources Committee was as follows:

Member	Meetings attended	Out of a possible
Catherine Davis	6	6
Yvonne Lincoln	3	6
Mark Jaloszynski	3	6
Andrew Parish	4	6
Emma Reynolds	2	6
Rev Derek Winterburn	5	6

The School Evaluation and Development Committee (SEDC) focussed on the areas of evaluation of data, monitoring progress in phonics and maths, and the outline curriculum for KS1 and KS2.

Attendance during the year at the meetings of the SEDC was as follows:

Member	Meetings attended	Out of a possible
Lucia Apicella	4	5
Norma Beresford	2	5
Mary Collins	5	5
Catherine Davis	4	5
Yvonne Lincoln	4	5
Vera McRae	5	5
Alan Jackson	5	5
Jennifer Walker	3	5
Derek Winterburn	4	5

The Steering Committee is a sub-committee of the main Governing Board. Its purpose is to support the full Governing Board in co-ordinating the work of the governors. It takes the lead in drafting the school calendar, Safeguarding and HR.

Review of value for money

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

Review of value for money (continued)

Governance (continued)

The Local Governing Body is comprised of experienced, committed individuals, who have implemented robust procedures to ensure that best value is achieved with respect to all aspects of the Trust.

There are two committees – Resources Committee and the School Evaluation & Development Committee – and the Local Governing Body. Meetings are held each half-term with recommendations sent for approval by the Governing Body so actions can be taken quickly and decisively when necessary.

The School is committed to enriching pupil's learning in order to develop rounded members of the community, within a strong Christian ethos. It aims to achieve this by ensuring that:

- ◆ Standards throughout the School are continually improving. Through adopting an appropriate tracking system for the school to use. As a growing school we wish to maintain the standards and expectations established when we first opened for others to follow as they join.
- ◆ Staffing structures, and the quality and qualifications of the staff employed at the school, meet the needs of the children. With being a growing school there is an opportunity to employ staff who will add value to the education of the pupils as well as the school community. There will be a better opportunity for time to be spent on achieving and passing on best practice.
- ◆ The School liaises, and works on joint initiatives with other local schools, and becomes an active member of the Richmond schools community. The school actively engages with the local authority in order not to become isolated.
- ◆ The Governing Body gives clear direction, and communicates regularly with the school, so that objectives are met and progress is maintained.
- ◆ The School engages qualified and highly experienced professionals to provide quality assurance on standards and progress in every aspect of the school.

Financial Governance

Policies and Procedures have been adopted to ensure that the principles of best value are adhered to in the purchasing of goods and services. Where possible the school will look to work with other schools and organisations in order to try and obtain economies of scale. Contracts are reviewed on a regular basis to ensure that quality and price are maintained. As part of the school growing, the Governing Body will be able to ensure that contracts are reviewed to ensure that the right contract for the school is obtained and also that best value is achieved.

The Governing Body receives regular financial reports in order to review the current financial position, as well as out-turn projections which assist with planning for the coming year.

Review of value for money (continued)

Moving Forward

The School is still relatively new and will be growing over the next four years, with attention being given to ensuring that growth is achieved in a carefully managed way to create least disruption to the School, and provide a secure induction for new staff and pupils.

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 the School's 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.

Capacity to handle risk

The Governing Board has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the School'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 Board.

The risk and control framework

The School'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 Board;
- ◆ regular reviews by the Resources 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 risk and control framework (continued)

The Governing Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor as the governors have close day to day involvement and as this was the first year of operations. The governors have appointed Michael Spraggs as responsible officer (RO) and he attended the school in July and afterwards reported to governors only minor concerns.

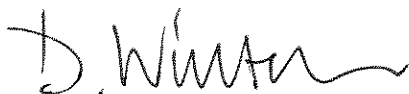
Review of effectiveness

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 external auditor;
- ◆ the visit of the RO;
- ◆ the financial management and governance self assessment process; and
- ◆ her own work as Headteacher, being responsible for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Resources Committee of the implications of her review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governing Board and signed on their behalf by:



Rev Derek Winterburn
(Chair of Governing Board)



Catherine Davis
(Accounting Officer)

Approved on: 26 November 2015

Statement on regularity, propriety and compliance 31 August 2015

As Accounting Officer of Hampton St Mary Academy Trust, I have considered my responsibility to notify the academy trust governing board 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the School Governing Board 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.

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 governors and EFA.



Catherine Davis
Accounting Officer

Date: 26 November 2015

Statement of governors' responsibilities 31 August 2015

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' Statement of Recommended Practice (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

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

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

The governors are responsible for the maintenance and integrity of the charity and financial information included on the School'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 governors on 26 November 2015 and signed on its behalf by:



Rev Derek Winterburn
Chair of the Governing Board

Independent auditor's report on the financial statements to the members of Hampton St Mary Academy Trust

We have audited the financial statements of Hampton St Mary Academy Trust for the year ended 31 August 2015 which comprise the statement of financial activities, the balance sheet, the cash flow statement, the principal accounting policies 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

The governors act as trustees for the charitable activities of Hampton St Mary Academy Trust and are also the directors of the charitable company for the purpose of company law.

As explained more fully in the statement of governors' responsibilities set out in the governors' report, the governors 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 (APB'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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the governors' report, including the strategic report to identify material misstatements or 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

In our opinion:

- ◆ the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ the financial statements have been prepared in accordance with the Companies Act 2006; and
- ◆ the financial statements have been prepared in accordance with the Annual 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 Governors' report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Buzzacott LLP

Catherine Biscoe, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

21 December 2015

Independent reporting accountant's assurance report on regularity to Hampton St Mary Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 2 May 2013 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 Hampton St Mary Academy Trust during the period from 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 Hampton St Mary Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Hampton St Mary Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Hampton St Mary Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hampton St Mary Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Hampton St Mary Academy Trust's funding agreement with the Secretary of State for Education dated 28 March 2013 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 period from 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 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.

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 period from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Buzzacott LLP

Buzzacott LLP
Reporting Accountants
130 Wood Street
London
EC2V 6DL

21 December 2015

Statement of financial activities (including income and expenditure account and statement of total recognised gains and losses) Year to 31 August 2015

	Notes	Un-restricted general fund £	Restricted funds		2015 Total funds £	2014 Total funds £
			General £	Fixed asset £		
Incoming resources						
Incoming resources from generated funds						
. Voluntary income		6,770	—	—	6,770	—
. Investment income	1	112	—	—	112	161
. Activities for generating funds	2	7,686	—	—	7,686	9,996
Incoming resources from charitable activities						
. Funding for the School's educational operations	3	—	516,000	72,408	588,408	1,114,697
Other income		—	—	—	—	2,878
Total incoming resources		14,568	516,000	72,408	602,976	1,127,732
Resources expended						
Charitable activities						
. School's development		—	—	—	—	6,000
. School's educational operations	5	1,721	506,873	55,975	564,569	368,099
Governance costs	6	—	16,860	—	16,860	15,010
Total resources expended	4	1,721	523,733	55,975	581,429	389,109
Net incoming (outgoing) resources before transfers						
		12,847	(7,733)	16,433	21,547	738,623
Transfers between funds						
		—	(1,413)	1,413	—	—
Net income (expenditure) for the period						
		12,847	(9,146)	17,846	21,547	738,623
Other recognised gains and losses						
. Actuarial gains (losses) on defined benefit pension scheme	20	—	1,000	—	1,000	(4,000)
Net movement in funds		12,847	(8,146)	17,846	22,547	734,623
Reconciliation of funds						
Total fund balances brought forward at 1 September 2014	12	13,620	80,753	1,485,369	1,579,742	845,119
Total fund balances carried forward at 31 August 2015		26,467	72,607	1,503,215	1,602,289	1,579,742

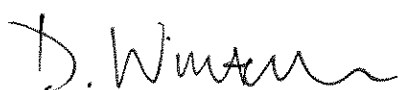
All of the Academy's activities derive from continuing operations during the above financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Balance sheet 31 August 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible fixed assets	9		1,503,215		1,485,369
Current assets					
Debtors	10	74,978		68,754	
Cash at bank and in hand		152,254		150,844	
		<u>227,232</u>		<u>219,598</u>	
Liabilities					
Creditors: amounts falling due within one year	11	(112,158)		(119,225)	
Net current assets			<u>115,074</u>		<u>100,373</u>
Net assets excluding pension liability					
			<u>1,618,289</u>		<u>1,585,742</u>
Pension scheme liability	20	(16,000)		(6,000)	
Net assets			<u>1,602,289</u>		<u>1,579,742</u>
Funds					
Restricted income funds					
. Fixed assets fund	12	1,503,215		1,485,369	
. General fund	12	88,607		86,753	
. Pension reserve	12	(16,000)		(6,000)	
			<u>1,575,822</u>	<u>1,566,122</u>	
Unrestricted funds					
. General fund	12		26,467		13,620
Total funds			<u>1,602,289</u>		<u>1,579,742</u>

The financial statements on page 21 to 39 were approved by the governors, and authorised for issue on 26 November 2015 and are signed on their behalf by:



Rev Derek Winterburn
Chair

Hampton St Mary Academy Trust
Company Limited by Guarantee
Registration Number: 07956455 (England and Wales)

Cash flow statement Year to 31 August 2015

	Notes	2015 £	2014 £
Net cash (outflow) inflow from operating activities	15	(31,081)	66,314
Returns on investment and servicing of finance	16	112	161
Capital income (expenditure)	17	32,379	(12,932)
Increase in cash in the year		1,410	53,543
Reconciliation of net cash flow to movement in net funds:			
Net funds at 1 September 2014		150,844	97,301
Net funds at 31 August 2015	18	152,254	150,844

Basis of preparation

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

Going concern

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

Incoming resources

All incoming resources are recognised when the School has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

◆ **Grants receivable**

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 year 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.

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

◆ **Donations**

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

◆ **Other income**

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

Resources expended

All expenditure is recognised in the year 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**

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

◆ **Charitable activities**

These are costs incurred on the school's educational operations.

◆ **Governance costs**

These include the costs attributable to the school's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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 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 trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than land, at rates calculated to write off the cost/valuation of each asset on a straight-line basis over its expected useful economic life, as follows:

- | | |
|------------------------------------|---------------|
| ◆ Leasehold buildings | 2% per annum |
| ◆ Fixtures, fittings and equipment | 20% per annum |
| ◆ Computers | 20% per annum |

Depreciation is charged from the month of acquisition.

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 (continued)

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.

No value has been given to the land as the lease would cease on termination of the funding agreement and therefore has no open market value. No value has been assigned to the original buildings leased from the London Borough of Richmond Upon Thames as they were over 50 years old and required significant work to bring them in to a usable state. The work carried out to bring them into use since they were leased has been capitalised.

Taxation

The School 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 School 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.

Pensions benefits

Retirement benefits to employees of the School 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 trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School 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 20, the TPS is a multi employer scheme and the School 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.

Pensions benefits (continued)

The LGPS is a funded scheme and the assets are held separately from those of the School 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 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 until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses. The LGPS deficit has been included for the first time this year; in the prior year the LGPS scheme was immaterial to these financial statements and was therefore treated as a defined contribution scheme.

Fund accounting

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

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

Restricted general funds comprise all other grants received from the Education Funding Agency.

Notes to the Financial Statements Year to 31 August 2015

1 Investment Income

	Unrestricted funds £	Restricted funds £	Total funds 2015 £	Total funds 2014 £
Interest receivable	112	—	112	161

2 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total funds 2015 £	Total funds 2014 £
School trips income	3,041	—	3,041	618
Hire of facilities	4,577	—	4,577	—
Catering income	68	—	68	9,378
	7,686	—	7,686	9,996

3 Funding for School's educational operations

	Unrestricted funds £	Restricted funds £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
. General Annual Grant (GAG)	—	384,673	384,673	277,352
. Start Up Grants	—	75,000	75,000	88,000
. Universal Infant Free School Meals	—	30,781	30,781	—
. Pupil premium	—	6,063	6,063	881
	—	496,517	496,517	366,233
Other government grants	—	19,483	19,483	—
	—	516,000	516,000	366,233
DfE/EFA Capital grant				
. Capital grants	—	72,408	72,408	748,464
	—	588,408	588,408	1,114,697

4 Resources expended

	Staff costs £	Non pay expenditure		2015 £	2014 £
		Premises £	Other costs £		
Charitable activities					
. School's development					
.. Direct costs	—	—	—	—	6,000
. School's educational operations					
.. Direct costs	228,982	—	49,526	278,508	170,188
.. Allocated support costs	67,141	144,505	74,415	286,061	197,911
	296,123	144,505	123,941	264,569	374,099
Governance costs	—	—	16,860	16,860	15,010
	296,613	144,505	140,801	581,429	389,109
Net Incoming resources for the year include:				2015 £	2014 £
Fees payable to auditor					
. Statutory audit				6,250	6,000
. Non statutory audit				2,000	2,000
. Other services				1,000	1,000

5 Charitable activities – School's education operations

	2015 £	2014 £
Direct costs		
Teaching and educational support staff costs	228,982	141,945
Educational supplies	40,119	25,898
Staff development	7,047	2,345
Other direct costs	2,360	—
	278,508	170,188
Allocated support costs		
Support staff costs	67,141	41,611
Depreciation	55,975	46,359
Legal and professional costs	24,275	16,912
Recruitment and support	2,605	3,671
Maintenance of premises and equipment	26,113	18,151
Cleaning	23,867	22,695
Premises costs	18,158	6,543
Heat and light	14,903	11,752
Security and transport	8,844	928
Catering	27,376	11,669
Equipment costs	1,125	7,279
Insurance	5,450	4,093
Bank interest and charges	57	60
Other support costs	10,172	6,188
	286,061	197,911
	564,569	368,099

6 Governance costs

	2015 £	2014 £
Legal and professional fees	7,610	6,010
Auditor's remuneration:		
. Audit of financial statements	6,250	6,000
. Non – statutory audit	2,000	2,000
. Other services	1,000	1,000
	16,860	15,010

7 Staff costs

(a) Staff costs

Staff costs during the year were:

	2015 £	2014 £
Wages and salaries	217,618	140,528
Social security costs	15,900	9,598
Pension costs	43,221	22,662
	276,739	172,788
Supply teacher costs	6,410	1,820
Agency costs	12,974	8,948
	296,123	183,556

(b) Staff numbers

The average numbers of persons (including senior management team) employed by the School during the year expressed as a full time equivalents was as follows:

Charitable activities	2015 £	2014 £
Teachers	4	3.0
Administration and support	5	0.8
	9	3.8

There are no employees who were paid in excess of £60,000 in the year (2014 – none).

7 Governors' remuneration and expenses (continued)

(c) Governors' remuneration and expenses

Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments from the academy trust in respect of their role as governors. The value of governors' remuneration and other benefits on a pro rata basis since they became a governor was as follows:

	2015 £'000	2014 £'000
Catherine Davis Headteacher		
. Remuneration	£55 - £60	£55 - £60
. Employer's pension contributions	£5 - £10	£5 - £10
Lucia Apicella Other staff/governor		
. Remuneration	£40 - £45	£25 - £30
. Employer's pension contributions	£5 - £10	£0 - £5

During the year ended 31 August 2015, there were no expenses reimbursed to governors (2014 - £nil).

Other related party transactions involving are set out in note 21.

8 Governors' and Officers' insurance

In accordance with normal commercial practice the School has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2015 was £40 (2014 – £636).

9 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computers £	Total funds £
Cost/valuation				
At 1 September 2014	1,406,427	23,389	101,912	1,531,728
Additions	23,142	24,146	26,533	73,821
At 31 August 2015	1,429,569	47,535	128,445	1,605,549
Depreciation				
At 1 September 2014	27,499	4,678	14,182	46,359
Charged in year	27,962	9,507	18,506	55,975
31 August 2015	55,461	14,185	32,688	102,334
Net book value				
At 31 August 2015	1,374,108	33,350	95,757	1,503,215
At 31 August 2014	1,378,928	18,711	87,730	1,485,369

For the purposes of these financial statements, the land is deemed to have no commercial value.

10 Debtors

	2015 £	2014 £
Due from DfE	70,592	62,450
Recoverable VAT	1,586	6,304
Prepayments	2,800	—
	74,978	68,754

11 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	912	1,716
Accruals	103,305	101,972
Taxation and social security	5,197	3,395
Amounts due to the DfE	2,744	12,142
	112,158	119,225

12 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
EFA revenue grant fund					
. GAG	86,753	384,673	(381,406)	(1,413)	88,607
. Start Up grants	—	75,000	(75,000)	—	—
. Pupil Premium grant	—	6,063	(6,063)	—	—
. Universal Infant Free School Meals	—	30,781	(30,781)	—	—
. Other grants	—	19,483	(19,483)	—	—
. Pension reserve	(6,000)	—	(11,000)	1,000	(16,000)
	80,753	516,000	(523,733)	(413)	72,607
Fixed assets fund					
. EFA capital grants	1,485,369	72,408	(55,975)	1,413	1,503,215
Total restricted funds	1,566,122	588,408	(579,708)	1,000	1,575,822
Unrestricted funds					
. Unrestricted funds	13,620	14,568	(1,721)	—	26,467
Total unrestricted funds	13,620	14,568	(1,721)	—	26,467
Total funds	1,579,742	602,976	(581,429)	1,000	1,602,289

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

EFA revenue grant fund and other restricted funds

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Other funds relate to monies received for specific purposes such as pupil premium funding.

Fixed asset fund

Restricted fixed assets funds were funded by government grants or donations. When capital expenditure is incurred a transfer is made from the fund which funded the acquisition to the restricted fixed asset fund. That asset is then depreciated through the restricted fixed asset fund over the lifetime of that asset.

Pension reserve

The pension reserve relates to the local government pension scheme liability.

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2015 £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	—	—	1,503,215	1,503,215
Current assets	26,467	133,398	67,367	227,232
Current liabilities	—	(44,791)	(67,367)	(112,158)
Pension scheme liability	—	(16,000)	—	(16,000)
Total net assets	26,467	72,607	1,503,215	1,602,289

14 Capital commitments

	2015 £	2014 £
Contracted for, but not provided in the financial statements	—	86,992

15 Reconciliation of net income to net cash (outflow) inflow from operating activities

	2015 £	2014 £
Net income	21,547	738,623
Depreciation (note 9)	55,975	46,360
Capital grants from DfE and other capital income	(72,408)	(748,464)
FRS 17 pension cost less contribution payable	11,000	2,000
Interest receivable (note 1)	(112)	(161)
(Increase) decrease in debtors	(35,099)	202,749
Decrease in creditors	(11,984)	(174,793)
Net cash (outflow) inflow from operating activities	(31,081)	66,314

16 Returns on investment and servicing of finance

	2015 £	2014 £
Interest received	112	161
Net cash inflow from returns on investment and servicing of finance	112	161

17 Capital expenditure and financial investment

	2015 £	2014 £
Capital grants from DfE / EFA	(68,904)	686,014
Purchase tangible fixed assets	101,283	(698,946)
Net cash inflow (outflow) from capital expenditure and financial investments	32,379	(12,932)

18 Analysis of changes in net funds

	At 1 September 2014 £	Cashflows £	At 31 August 2015 £
Cash in hand and at bank	150,844	1,410	152,254

19 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

20 Pension and similar obligations

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Richmond. Both are defined-benefit schemes.

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

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.

20 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £19,221 (2014 - £13,662).

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 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.

20 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £18,000, of which employer's contributions totalled £13,000 and employees' contributions totalled £5,000. The agreed contribution rates for future years are 15.9% of employers and 5.5-5.6% of employees.

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

Principal Actuarial Assumptions	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	3.6%	3.5%
Rate of increase for pensions in payment / inflation	2.7%	2.7%
Discount rate for scheme liabilities	3.8%	3.7%
Inflation assumption (CPI)	2.7%	4.0%

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

	At 31 August 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.2 years	22.2 years
Females	24.4 years	24.4 years
<i>Retiring in 20 years</i>		
Males	24.3 years	24.3 years
Females	26.9 years	26.9 years

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

	Fair value at 31 August 2015 £	Expected return at 31 August 2014*	Fair value at 31 August 2014 £
Equities	18,000	6.3%	6,000
Bonds	5,000	3.5%	4,000
Property	3,000	4.5%	1,000
Cash	4,000	3.3%	—
Total market value of assets	30,000		11,000
Present value of scheme liabilities	(46,000)		(17,000)
Deficit in the scheme	(16,000)		(6,000)

20 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

*No long-term expected rate of return at 31 August 2015 has been provided, as for accounting periods beginning on or after 1 January 2015, the expected rate and interest cost will be replaced with a single net interest cost. This will effectively set the expected return at a level equal to the discount rate of 3.8%.

Amounts recognised in statement of financial activities	2015 £	2014 £
Current service costs (net of employee contributions)	24,000	9,000
Contributions received by scheme	(13,000)	(7,000)
Total operating charge	11,000	2,000

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a loss of £3,000.

Movements in the overall deficit were as follows:	2015 £	2014 £
Deficit at 1 September 2014	(6,000)	—
Current service cost	(24,000)	(9,000)
Expected return on assets	1,000	—
Interest cost	(1,000)	—
Employer contributions	13,000	7,000
Actuarial gains (losses)	1,000	(4,000)
At 31 August 2015	(16,000)	(6,000)

Movements in the present value of defined benefit obligations were as follows:	2015 £	2014 £
Deficit at 1 September 2014	17,000	—
Interest cost	1,000	—
Current service costs	24,000	9,000
Employee contributions	5,000	3,000
Actuarial (gains) losses	(1,000)	5,000
At 31 August 2015	46,000	17,000

Movements in the fair value of Academy's share of scheme assets:	2015 £	2014 £
At 1 September 2014	11,000	—
Actuarial gain	—	1,000
Employer contributions	13,000	7,000
Expected return on assets	1,000	—
Employee contributions	5,000	3,000
At 31 August 2015	30,000	11,000

The estimated value of the employer contributions for the year ended 31 August 2015 is £13,000.

20 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The two year history of experience adjustments are as follows:

	2015 £	2014 £
Present value of defined benefit obligations	(46,000)	(17,000)
Fair value of share scheme assets	30,000	11,000
Deficit on the scheme	(16,000)	(6,000)
Experience adjustments on share of scheme assets		
Amount	—	1,600
Experience adjustments on scheme liabilities		
Amount	—	—

21 Related party transactions

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

The following related party transactions took place in the period of account:

The London Diocesan Board of Schools (LDBS) is a member of the School. The School paid LDBS £27,390 (2014 – £7,158) in the year for core support services.

At the 31 August 2015 £nil (2014 – £6,000) was due to LDBS.

Inigo Woolf, who is a member is also a director of Grow Education Partners Ltd, with whom the School transacts. During the year the School paid fees of £5,309, (2014 – £2,952) to Grow Education Partners Ltd. There were no balances outstanding as at 31 August 2015 (2014 - £nil).