

**Hampton St Mary
Academy Trust**

**Annual Report and Financial
Statements**

31 August 2016

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

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Reference and administrative information

Members	Rev Derek Winterburn Inigo Woolf (resigned 14 January 2016) London Diocesan Board for Schools Alan Jackson Yvonne Lincoln
Governors	Rev Derek Winterburn (Chair until November 2015 then Vice Chair) Lucia Apicella Norma Beresford Mary Collins Catherine Davis Alan Jackson (Vice Chair until November 2015 then co-Chair) Tiffany Jackson-Davy Mark Jalszynski Yvonne Lincoln (co-Chair w.e.f. November 2015) Vera Macrae Andrew Parish Emma Reynolds Jennifer Walker
Company Secretary	Amy Norton (appointed 1 November 2014)
Senior Management Team	
Headteacher	Catherine Davis (absent 14 April – 31 August 2016)
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

Reference and administrative information

Bankers Lloyds Bank
17 Heath Road
Strawberry Hill
Twickenham
TW1 4AW

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

Governors' report Year to 31 August 2016

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 2016. 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 26 to 31 of the attached financial statements and comply with the School's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

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 are 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.

Principal activities

The term started with a new intake into Reception of 30 children. This brought our school roll, to date, of 90 children across 3 classes, completing Key Stage 1 (KS1). Two new teachers joined the staff, one in Reception and one in Year 1 in September 2015.

Open Days held in October for 2016 were well attended by prospective parents, though it was noted that the number of siblings due to start in 2016 left very few spaces for other children. Curriculum evenings were well attended by parents.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Principal activities (continued)

Sharing assemblies were held throughout the school year. The end of term assemblies were held in St Mary's church. All were well attended by parents and other visitors. The children took the major part in these. Harvest celebration was held in school, with St Mary's congregation invited to Education Sunday. National Book Week was observed and a visiting illustrator worked with all classes for a day.

Attendance at training with AfC on governance by 6 Governors provided models and decisions to clarify strategy and Governor roles.

The series of 'streamlining' meetings was held across the year with the specific intention of cutting down on paperwork and in particular the duplication of work by the head teacher, and to provide a clearer school vision and a strategy for meeting this over the next 5 years.

A newly qualified teacher (NQT) was appointed in the Easter term to start Sept 2016, to teach our first class of Key Stage 2 (KS2) children (year 3).

Work on the outdoor learning was delayed as other priorities were considered, especially the planning and provision of KS2. The parents of prospective KS2 children attended an evening hosted jointly by the head teacher and our School Inspector.

In the spring term a new initiative was introduced – *Prayer Spaces*. A team of helpers, including members from St Mary's Church offered children a chance to contemplate, experience and write about spiritual concepts at their own level.

New assessment criteria and arrangements were particularly demanding on senior staff. But despite the new regime and uncertainties that all schools were having to face, and the head teacher absent on sick leave, the Deputy Head and staff worked exceedingly hard and well together to provide excellent results both in the end of KS1 National Standard Attainment Tests, but also in achieving 100% in the phonics testing, putting the school at the top of the Richmond and Kingston schools for phonics results and within the top schools for the KS1 SATS results. The Acting Head kept Governors well informed throughout the assessment processes.

In the summer term firmer plans were made for outdoor accessibility for learning, to be carried into the new academic year. The use of the field was utilised to the full and planning and costing for the refurbishing the hard surface courts was undertaken, with a view to their more extensive use next academic year. An excellent Health and Fitness week was organised by the newly promoted Higher Learning Teaching Assistant (HLTA) budgeted on a shoestring. Sports Day was a very successful event and the increase in the number of sports activities offered to children in after school clubs has proliferated throughout the year.

The Deputy Head, as Acting Head from mid-April was able to assure Governors that the planning and preparation for the beginning of the new term was in place, providing both a plan A and B, dependent upon the return, or not, of the head teacher in September.

The school was invited to enter the scarecrow competition at Hampton Court Flower Show, in July. The exhibit was delightful. The theme was outer space. The school's scarecrow scientist was growing rocket. Tribute must be paid to the parents, children and the school premises manager and staff for the work.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Principal activities (continued)

At the end of term, the governor evaluation evening was held, at which the parent survey and one to one discussions held with parents by Governors was considered. Staff had also requested one to one interviews with the co-chairs of Governors and was seen as a valuable time of openness and trust and confidence building.

Governors

The Governors are directors of the charitable company for the purposes of the Companies Act 2006. The following Governors were in office at 31 August 2016 and served throughout the year except where shown.

Trustee	Appointed/Resigned	Appointing body
Rev Derek Winterburn (Vicar) (Chair then Vice Chair)		PCC St Mary's Church
Alan Jackson (Vice Chair then 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	Resigned 31 August 2016	Headteacher
Tiffany Jackson-Davey		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	Co-opted w.e.f. April 2016	Elected by Parents; co-opted
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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of Governors (continued)

Emma Reynolds resigned from her previous position as Parent Governor and Resources Committee member during the course of the year and was co-opted to the Personnel & Pastoral Care Committee in view of her experience in Safeguarding and knowledge of the Community. The process will be put in place to elect a new Parent Governor in the new school year.

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 Financial Awareness (Piers Winrow, school's Finance Officer) and some Governors attended Basic Safeguarding Training led by Catherine Davis (Headteacher). Governors have all taken on particular individual focus areas (e.g. safeguarding, inclusion, finance, Headteacher performance, data analysis) and further on-going training is planned, dependent on the needs of the role and the skills and background of each individual. Some Governors attended the 'Getting to Grips with Governance' facilitated by Achieving for Children in preparation for the 'Streamlining Governance' project undertaken during the year. Some Governors have also attended AfC training on Prevent Strategy.

The School is accessing governor training via SPARK (Richmond School Performance). Governors have also attended training courses run by the LDBS e.g. Headteacher Performance Review.

Each governor met the Chair (Derek Winterburn) in September 2015 and one of the co-Chairs in June 2016 to discuss their specific needs for development and training.

Organisational structure

The full Governing Board met six times in the year to 31 August 2016. All Governors are on at least one of the four committees.

The Resources Committee met seven times in the year to 31 August 2016. It leads on issues related to the buildings, finances and health and safety.

The School Evaluation and Development Committee met four times in the year to 31 August 2016. It leads on issues related to teaching and learning.

The Personnel and Pastoral Care Committee met three times in the year to 31 August 2016. It leads on issues related to staffing, wellbeing and safeguarding.

The Steering Committee met six times in the year to 31 August 2016. It takes an overview of the governance of the School and has the lead on Safeguarding, the Calendar and statutory policies especially HR ones. This committee was disbanded at the end of the school year and its responsibilities devolved to other committees.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

Each committee works to Terms of Reference ratified by the Governing Board at the first FGB of the academic year.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel comprise the Governors and the Head Teacher.

Head Teacher's remuneration is set following the Head Teacher's annual Performance Review, where the previous year's targets are reviewed and new targets set for the coming year. This is carried out by a small HTPR group of Governors assisted by a professional adviser. The Deputy Head teacher's performance review is carried out by the Head teacher who makes a recommendation on remuneration to the Governing Board. The total cost of SLT salaries is reported to the Governing Board. The head teacher also carries out the performance review of teaching Staff and makes decisions on remuneration. Academy Governors act in a voluntary capacity and receive no remuneration.

Risk management

The Governing Board maintains a risk register. The items are allocated to the most appropriate committee, which monitors risks and mitigations for regular reporting to the Governing Board.

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 2013).

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 provision.

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

Caretaking and building management was reviewed in May 2016 and the SLA reallocated to May Harris.

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 2016-2017.
- ◆ 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.

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'
- ◆ Provisional assessment results were excellent across the school. Details were as follows:

Early Years results for Reception class children showed that 86.7% of children expected or exceeded a Good Level of Development and this was significantly above both the National Average and the higher Average for the London Borough of Richmond. Yr1 children achieved 100% success in the National Phonics Test. Yr 2 children took the KS1 SATs towards the end of the school year. Their provisional results exceeded the projected Richmond borough results in all 4 curriculum areas assessed.
- ◆ The Headteacher was absent throughout much of the summer 2016 term (14 April to 31 August 2016) and subsequently resigned her post with effect from 31st August 2016.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

- ♦ The Deputy Headteacher took up her post in September 2015. She managed the school effectively as Acting Head throughout the Headteacher's absence. She will continue to work as Acting Head with executive support from an experienced Headteacher from a local C of E school with an outstanding Ofsted rating.
- ♦ The school has recruited an NQT and promoted a Teaching Assistant to Higher Level Teaching Assistant (after a thorough internal selection process) both for start date September 2016.

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 23.

The School's income in the year ended 31 August 2016 was £718,000 (2015 - £603,000), which included £77,000 in capital grant funding.

Total expenditure for the year was £759,000 (2015 - £581,000).

The net movement in funds was an decrease of £68,000 (2015 – increase of £22,547).

Reserves policy

The Governors are aware of the requirement to balance current and future needs. The Governors always aim to set a balanced budget with annual income balancing annual expenditure. As such, the Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £46,000. The cash balance of the Academy has improved during the year, ending the year with a balance of £179,000. The Academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure.

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 2016-2017 include:

- ♦ Budgets and the financial constraints that the annual budget imposes on the Academy;
- ♦ Staff recruitment and retention;
- ♦ Site (inc. road safety) and lettings;
- ♦ ICT provision;
- ♦ Pupil applications; and
- ♦ Pupil progress.

PLANS FOR FUTURE PERIODS (2016-2017)

- ♦ Streamlining the Governing process and renewing the vision.
- ♦ Establishing the new staff team with 1 new class teacher and 1 new teaching assistant.
- ♦ Maintaining the high standard of teaching and learning, with particular attention to the achievement of SEND, PP and the more able children.
- ♦ Continuing to establish the new system of assessment.
- ♦ Progressing the development of the site, especially of the Outdoor Learning Environment.
- ♦ Ensuring the Christian distinctiveness of the school, and strengthening the enriched curriculum and the school specialism.

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 15 December 2016 and signed on its behalf by:

Co-Chairs of the Governing Board



Alan Jackson



Yvonne Lincoln

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	5	6
Norma Beresford	4	6
Mary Collins	6	6
Catherine Davis	2	6
Alan Jackson	6	6
Tiffany Jackson-Davey	6	6
Mark Jalszynski	4	6
Yvonne Lincoln	6	6
Vera Macrae	4	6
Andrew Parish	6	6
Emma Reynolds	4	6
Jennifer Walker	6	6
Rev Derek Winterburn	6	6

Governance reviews

In summer 2015 the Governing Board conducted a self-evaluation. Individual Governors met with the Chair to discuss their experience of being a governor, their particular responsibilities and training needs at the start of the academic year (September 2015) and also at the end of the academic year with either of the co-Chairs (in June 2016). The GB continue to expect every governor to attend at least one training event in the year and they are regularly reminded of this; completed training is recorded on the GB agenda.

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 reviews (continued)

The Committee met 7 times 2015-2016. Particular issues dealt with were:

- ♦ Finances: approving budgets and monitoring expenditure;
- ♦ IT: reviewing and changing the school's IT supplier;
- ♦ Community use: monitoring community use of the school building and planning which facilities will be available for future use; and
- ♦ Premises: giving attention to the ongoing issues of road / traffic safety, the condition of the roof 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
Lucia Apicella *	2	2
Catherine Davis	5	7
Yvonne Lincoln	7	7
Mark Jalszynski	5	7
Andrew Parish	7	7
Emma Reynolds **	2	5
Rev Derek Winterburn	6	7

* Attended in the headteacher's absence.

** Emma Reynolds was a member of Resources committee until March 2016; from April 2016 joined PPCC.

The School Evaluation and Development Committee (SEDC). This committee, with responsibility for the monitoring, evaluation and development of standards of achievement in all aspects of teaching and learning, met 4 times during the academic year 2015-2016. Areas of monitoring included:

The Governors with responsibility for children with Special Educational Needs/Disability (SEND) monitored the children's achievements as well as the quality of the provision and enlisted specialist support during the prolonged absence of the Head Teacher. The Maths Mastery programme, observed several times by a governor, continued to produce successful outcomes for the children. Another governor was shown how the READWRITEINC programme developed children's literacy skills and the value the Teaching Assistants' (TAS) training, who played a crucial part in the process, was recognised. Other Governors noted the development and success of the handwriting programme seen in the children's books and on the displays around the school which are of a very high standard. A comprehensive sports programme was established by the Higher Level Teaching Assistant (HLTA) and is recognised as a particular strength of the school.

During the summer term the Deputy Head reported on working with other professionals in the preparation of a detailed KS2 curriculum.

Governance reviews (continued)

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

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

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.

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

Member	Meetings attended	Out of a possible
Lucia Apicella	2	2
Catherine Davis	4	6
Alan Jackson	6	6
Yvonne Lincoln *	4	4
Vera McRae	6	6
Andrew Parish	6	6
Derek Winterburn	6	6

* Joined the committee from January 2016 after election as co-Chair in November 2015.

The Personnel & Pastoral Care Committee (PPCC) completed its first full year with three meetings, focussing on the areas of staffing structure, HR procedures, staff wellbeing and safeguarding.

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

Member	Meetings attended	Out of a possible
Mary Collins	3	3
Catherine Davis	2	3
Alan Jackson (Chair)	3	3
Tiffany Jackson-Davey	2	3
Yvonne Lincoln (Vice Chair)	3	3
Emma Reynolds *	1	1
Jennifer Walker	2	3

* Joined committee in the summer term.

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:

The Local Governing Board 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 three committees – Resources Committee, School Evaluation & Development Committee, and Personnel and Pastoral Committee - and the Local Governing Board Meetings are held each half-term with recommendations sent for approval by the Governing Board 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 Board 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.

Review of value for money (continued)

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 Board 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.

Moving Forward

The School is still relatively new and will be growing over the next three 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 2016 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;

The risk and control framework (continued)

- ◆ 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 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.

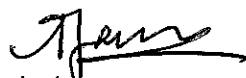
Review of effectiveness

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:

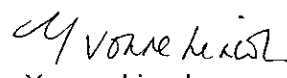
- ◆ the work of the external auditor;
- ◆ the visit of the RO;
- ◆ the financial management and governance self-assessment process; and
- ◆ her own work as Headteacher, being responsible for the development and maintenance of the internal control framework.

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 on 15 December 2016 and signed on their behalf by:



Alan Jackson
(co-Chairs of Governing Board)



Yvonne Lincoln

Statement on regularity, propriety and compliance 31 August 2016

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 2015.

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 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 Governors and EFA.

Lucia Apicella
Accounting Officer



15 December 2016

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' SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) 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.

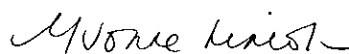
The Governors are responsible for ensuring that in its conduct and operation the School applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied 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 15 December 2016 and signed on its behalf by:



Alan Jackson
Co-Chairs of the Governing Board



Yvonne Lincoln

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 2016 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, 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 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 2016 and of 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 Charities SORP 2015 and Academies Accounts Direction 2015 to 2016.

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.



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

21 December 2016

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 3 October 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 Hampton St Mary Academy Trust during the period from 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 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 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 period from 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.

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 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP
Reporting Accountants
130 Wood Street
London
EC2V 6DL

21 December 2016

Statement of financial activities Year to 31 August 2016
(including income and expenditure account)

	Notes	Un- restricted general fund £000	Restricted funds		2016 Total funds £000	2015 Total funds £000
			General £000	Fixed asset £000		
Income from:						
Donations and capital grants	1	—	—	77	77	72
Charitable activities						
. Funding for the School's educational operations	3	—	620	—	620	516
Other trading income	2	18	3	—	21	15
Total income		18	623	77	718	603
Expenditure on:						
Charitable activities						
. School's educational operations	4	—	703	56	759	581
Total expenditure		—	703	56	759	581
Net (expenditure) income		18	(80)	21	(41)	22
Transfers between funds	13	—	20	(20)	—	—
Other recognised gains and losses						
. Actuarial (losses) gains on defined benefit pension scheme	17	—	(27)	—	(27)	1
Net movement in funds		18	(87)	1	(68)	23
Reconciliation of funds						
Total fund balances brought forward at 1 September 2015		28	72	1,503	1,603	1,580
Total fund balances carried forward at 31 August 2016		46	(15)	1,504	1,535	1,603

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

All gains and losses are included in the Statement of Financial Activities.

Balance sheet 31 August 2016

	Notes	2016 £000	2016 £000	2015 £000	2015 £000
Fixed assets					
Tangible fixed assets	10		1,483		1,503
Current assets					
Debtors	11	23		76	
Cash at bank and in hand		179		152	
		<u>202</u>		<u>228</u>	
Liabilities					
Creditors: amounts falling due within one year	12	(100)		(112)	
Net current assets			102		116
Net assets excluding pension liability			1,585		1,619
Pension scheme liability	17		(50)		(16)
Total net assets			<u>1,535</u>		<u>1,603</u>
Restricted funds					
Fixed assets fund	13	1,504		1,503	
Restricted income fund	13	35		88	
Pension reserve	13	(50)		(16)	
Total restricted funds			1,489		1,575
Unrestricted income funds					
General fund	13		46		28
Total funds			<u>1,535</u>		<u>1,603</u>

The financial statements on page 23 to 42 were approved by the Governors, and authorised for issue on 15 December 2016 and are signed on their behalf by:



Alan Jackson
Co-Chair



Yvonne Lincoln
Co-Chair

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

Statement of cash flows Year to 31 August 2016

		2016 £000	2015 £000
Net cash flows from operating activities			
Net cash (used in) operating activities	A	(14)	(31)
Cash flows from investing activities	B	41	32
Change in cash and cash equivalents in the year		<u>27</u>	<u>1</u>
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2015		152	151
Cash and cash equivalents at 31 August 2016	C	<u>179</u>	<u>152</u>

A Reconciliation of (expenditure) income to net cash flow from operating activities

	2016 £000	2015 £000
Net (expenditure) income for the year (as per the statement of financial activities)	(41)	22
Adjusted for:		
Depreciation charges	56	56
Capital grants from DfE and other capital income	(77)	(72)
Defined benefit pension scheme cost less contributions payable	11	11
Defined benefit pension scheme finance (income) cost	(4)	—
Decrease (increase) in debtors	53	(36)
Decrease in creditors	(12)	(12)
Net cash provided by (used in) operating activities	<u>(14)</u>	<u>(31)</u>

B Cash flows from investing activities

	2016 £000	2015 £000
Purchase of tangible fixed assets	(36)	(69)
Capital grants from DfE/EFA	77	101
Net cash provided by investing activities	<u>41</u>	<u>32</u>

C Analysis of cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	179	152
Total cash and cash equivalents	<u>179</u>	<u>152</u>

Statement of 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.

Basis of preparation

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.

Hampton St Mary Academy Trust meets the definition of a public benefit entity under FRS 102.

Transition to FRS 102

First time adoption of FRS 102

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

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

Explanation of transition to 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.

No restatement of comparative figures.

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

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

The General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other trading income

Other trading income is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

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.

Expenditure (continued)

Charitable activities

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

All resources expended are stated net of recoverable VAT.

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.

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.

Liabilities

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 trust 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

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.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Taxation

The academy trust 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 trust 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 academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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 trust 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 17, 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.

Pensions benefits (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 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.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust 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.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Critical accounting estimates and areas of judgement (continued)

Critical accounting estimates and assumptions (continued)

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 17, 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.

1 Donations and capital grants

	Unrestricted funds £000	Restricted fixed assets funds £000	Total funds 2016 £000	Total funds 2015 £000
Capital grants	—	77	77	72

2 Other trading income

	Unrestricted funds £000	Restricted funds £000	Total funds 2016 £000	Total funds 2015 £000
Hire of facilities/lettings income	3	—	3	5
Trip income	—	2	2	3
Catering income	—	1	1	—
Insurance receipts	8	—	8	—
Miscellaneous income	7	—	7	7
	18	3	21	15

3 Funding for School's educational operations

	Unrestricted funds £000	Restricted funds £000	Total funds 2016 £000	Total funds 2015 £000
DfE/EFA revenue grants				
. General Annual Grant (GAG)	—	483	483	385
. Start Up Grants	—	62	62	75
. Universal Infant Free School Meals	—	38	38	31
. Pupil premium	—	9	9	6
. Other DfE/EFA grants	—	14	14	19
	—	606	606	516
Other Government grants				
Special educational projects	—	14	14	—
	—	14	14	—
	—	620	620	516

4 Expenditure

	Staff costs £000	Non pay expenditure		2016 £000	2015 £000
		Premises £000	Other costs £000		
Academy's educational operations					
. Direct costs	377	56	46	479	279
. Allocated support costs	78	63	139	280	302
	455	119	185	759	581
Net income for the year includes:				2016 £000	2015 £000
Operating lease rentals				4	1
Depreciation				56	56
Fees payable to auditor:					
. Audit				6	6
. Other services				3	3

5 Charitable activities – School's education operations

	2016 Total funds £000	2015 Total funds £000
Direct costs	479	279
Support costs	280	302
	759	581
Analysis of support costs		
	2016 Total funds £000	2015 Total funds £000
Support staff costs	78	67
Technology costs	23	8
Premises costs	45	69
Other support costs	101	117
Governance costs	33	41
Total support costs	280	302

6 Comparative information

Analysis of income and expenditure in the year ended 31 August 2015 between restricted and unrestricted funds:

	Un-restricted general fund £000	Restricted funds		2015 Total funds £000
		General £000	Fixed asset £000	
Income from:				
Donations and capital grants	—	—	72	72
Charitable activities				
. Funding for the School's educational operations	—	516	—	516
Other trading activities	15	—	—	15
Total income	15	516	72	603
Expenditure on:				
Charitable activities				
. School's educational operations	2	523	56	581
Total expenditure	2	523	56	581
Net income (expenditure)	13	(7)	16	22
Transfers between funds	—	(1)	1	—
Other recognised gains and losses				
. Actuarial gains on defined benefit pension scheme	—	1	—	1
Net movement in funds	13	(7)	17	23

7 Staff costs

(a) Staff costs

Staff costs during the year were:

	2016 £000	2015 £000
Wages and salaries	308	218
Social security costs	27	16
Pension costs	62	43
	397	277
Supply staff costs	37	19
Staff severance payments	21	—
	455	296

(b) Non-contractual staff compromise payments

Included within staff severance payments is a non-contractual compromise payment of £21,101 that was made to one employee during the year (2015: £nil).

(c) Staff numbers

The average number of persons employed by the charitable company during the year ended 31 August 2016 expressed as full-time equivalents was as follows:

Charitable activities	2016 No	2015 No
Teachers	5	4
Administration and support	5	5
	10	9

(d) Higher paid staff

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

	2016 No	2015 No
£80,001 – £90,000	1	—
	1	—

(e) Key management personnel

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 employee pension contributions) received by key management personnel for their services to the academy trust was £133,186 (2015: £109,965).

8 Governors' remuneration and expenses

One or more Governors have been paid remuneration or has received other benefits from an employment with the academy trust. The head teacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff members under their contracts of employment.

	2016 £'000	2015 £'000
Catherine Davis (Headteacher)		
. Remuneration	£55 - £60	£55 - £60
. Severance compensation	£20 - £25	£0
. Employer's pension contributions	£5 - £10	£5 - £10
Lucia Apicella (Staff governor)		
. Remuneration	£45 - £50	£40 - £45
. Employer's pension contributions	£5 - £10	£5 - £10

9 Governors' and Officers' insurance

As at 1 April 2016, the Academy entered into the RPA scheme. The Department for education's risk protection arrangement (RPA) is a voluntary arrangement for academies and free schools. It is an alternative to insurance through which the cost of risks that materialise will be covered by government funds. This covers Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

10 Tangible fixed assets

	Leasehold land and buildings £'000	Furniture and equipment £'000	Computers £'000	Total funds £'000
Cost/valuation				
At 1 September 2015	1,430	47	128	1,605
Additions	—	36	—	36
At 31 August 2016	1,430	83	128	1,641
Depreciation				
At 1 September 2015	55	14	33	102
Charged in year	28	13	15	56
31 August 2016	83	27	48	158
Net book value				
At 31 August 2016	1,347	56	80	1,483
At 31 August 2015	1,375	33	95	1,503

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

Notes to the Financial Statements Year to 31 August 2016

11 Debtors

	2016 £'000	2015 £'000
VAT recoverable	6	2
Other debtors	12	71
Prepayments and accrued income	5	3
	23	76

12 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	15	4
Taxation and social security	8	5
Accruals and deferred income	77	103
	100	112

13 Funds

	Balance at 1 September 2015 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2016 £'000
Restricted general funds					
. General Annual Grant (GAG)	88	485	(558)	20	35
. Start Up Grant	—	62	(62)	—	—
. Pupil Premium	—	9	(9)	—	—
. Other grants	—	67	(67)	—	—
. Pension reserve	(16)	—	(7)	(27)	(50)
	72	623	(703)	(7)	(15)
Restricted fixed asset funds					
. DfE/EFA capital grants	1,503	77	(56)	(20)	1,504
	1,503	77	(56)	(20)	1,504
Total restricted funds	1,575	700	(759)	(27)	1,489
Unrestricted funds					
. General funds	28	18	—	—	46
Total unrestricted funds	28	18	—	—	46
Total funds	1,603	718	(759)	(27)	1,535

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 2016.

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

13 Funds (continued)

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.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	—	—	1,483	1,483
Current assets	46	135	21	202
Current liabilities	—	(100)	—	(100)
Pension scheme liability	—	(50)	—	(50)
Total net assets	46	(15)	1,504	1,535

15 Capital commitments

	2016 £	2015 £
Contracted for, but not provided in the financial statements	—	—

16 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

17 Pension and similar obligations

The academy trust'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 [name]. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

17 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

17 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Valuation of the Teachers' Pension Scheme (continued)

The employer's pension costs paid to TPS in the period amounted to £34,607 (2015: £19,221).

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

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 (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 2016 was £21,000, of which employer's contributions totalled £15,000 and employees' contributions totalled £6,000. The agreed contribution rates for future years are 15.9% of employers and an average of 5.55% 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 2016	At 31 August 2015
Rate of increase in salaries	3.2%	3.6%
Rate of increase for pensions in payment / inflation	2.3%	2.7%
Discount rate for scheme liabilities	2.2%	3.8%
Inflation assumption (CPI)	2.3%	2.7%

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 2016	At 31 August 2015
<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

17 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

	Fair value at 31 August 2016 £'000	Fair value at 31 August 2015 £'000
Equities	34	18
Bonds	17	5
Property	5	3
Cash	1	4
Total market value of assets	57	30
Present value of scheme liabilities		
. Funded	(107)	(46)
Deficit in the scheme	(50)	(16)

The actual return on scheme assets was £6,000 (2015: £1,000).

	2016 £'000	2015 £'000
Amounts recognised in statement of financial activities		
Current service costs (net of employee contributions)	26	24
Net interest income	(4)	—
Total operating charge	22	24
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	6	1
Interest on pension liabilities	(2)	(1)
Pension finance income	4	—

17 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Changes in the present value of defined benefit obligations were as follows:	2016 £'000	2015 £'000
At 1 September 2015	46	17
Current service cost	26	24
Interest cost	2	1
Employee contributions	6	5
Actuarial loss (gain)	27	(1)
At 31 August 2016	107	46

Changes in the fair value of the Academy's share of scheme assets:	2016 £'000	2015 £'000
At 1 September 2015	30	11
Interest income	6	1
Employer contributions	15	13
Employee contributions	6	5
At 31 August 2016	57	30

18 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 £33,325 (2015 – £27,390) in the year for core support services. At the 31 August 2016 no amount was unpaid (2015 – £nil).

Inigo Woolf, a Member of the Hampton St Mary Academy Trust, is also a director of Grow Education Partners Ltd, with whom the School transacts. During the year the School paid fees of £5,808 (2015 – £5,309) to Grow Education Partners Ltd. There were no balances outstanding as at 31 August 2016 (2015 – £nil).