

**REGISTERED COMPANY NUMBER: 08484553 (England and Wales)**

**Report of the Governors and  
Financial Statements For The Year Ended 31st August 2016  
for  
ABBOTS HALL PRIMARY ACADEMY**



Wilkins Kennedy LLP  
Statutory Auditor  
Chartered Accountants  
1-5 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

# ABBOTS HALL PRIMARY ACADEMY

## Contents of the Financial Statements For The Year Ended 31st August 2016

---

	Page
Reference and Administrative Details	1 to 2
Report of the Governors	3 to 13
Governance Statement	14 to 17
Statement on Regularity, Propriety and Compliance	18
Statement of Governors Responsibilities	19
Report of the Independent Auditors	20 to 21
Independent Accountant's Report on Regularity	22 to 23
Statement of Financial Activities	24
Balance Sheet	25
Cash Flow Statement	26
Notes to the Cash Flow Statement	27
Notes to the Financial Statements	28 to 46

---

**ABBOTS HALL PRIMARY ACADEMY**

**Reference and Administrative Details  
For The Year Ended 31st August 2016**

<b>MEMBERS</b>	Mrs S C Garland Mrs R L Garner Mr M R J Trett
<b>GOVERNORS</b>	Mr A H Allison (resigned 27/6/2016) Mrs E A Brown Mrs S C Garland Mrs R L Garner (Chair of Governors) Mrs K A Jago Mr B P J Robins Mrs R M Steel Mr M R J Trett Mrs N J Tunbridge Miss G V Ward Miss L Fishleigh (Headteacher) Mrs S M George Mrs J Forkner (Academy Business Manager) Mrs L Wright (appointed 23/11/2015)
<b>COMPANY SECRETARY</b>	Mrs J Forkner
<b>SENIOR MANAGEMENT TEAM</b>	Mrs K Barlow-Kempster Mrs L Marrison Mr J Arnold Miss L Fishleigh Mrs J Forkner
<b>REGISTERED OFFICE</b>	Abbots Hall Primary Academy Abbots Drive Stanford Le Hope Essex SS17 7BW
<b>REGISTERED COMPANY NUMBER</b>	08484553 (England and Wales)
<b>AUDITORS</b>	Wilkins Kennedy LLP Statutory Auditor Chartered Accountants 1-5 Nelson Street Southend on Sea Essex SS1 1EG

**ABBOTS HALL PRIMARY ACADEMY**

**Reference and Administrative Details  
For The Year Ended 31st August 2016**

**BANKERS**

Barclays Bank PLC  
Leicester,  
Leicestershire,  
LE87 2BB

Lloyds Bank  
34 High Street,  
Grays,  
Essex,  
RM17 6LX



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

The Trust operates an Academy for pupils aged 4 to 11 servicing a catchment area in Stanford-Le-Hope, Essex. It has a pupil capacity of 210 and had roll of 211 in the Summer school census on 19th May 2016.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

Abbots Hall Primary Academy is currently a one-form entry Primary School with 211 pupils organised in seven classes.

The principal activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

### **Our vision**

- We discover and realise the 'genius' in everyone.
- We learn about and respect the people with whom we share our world.
- We constantly develop and acquire the skills needed to achieve personal success.
- We build up our confidence in ourselves.
- We learn to treat and respect others the way we like to be treated.

### **Our main curriculum aims are:**

- The National Curriculum provides pupils with an introduction to the essential knowledge that they need to be educated citizens. It introduces pupils to the best that has been thought and said; and helps to engender an appreciation of human creativity and achievement.
- The National Curriculum is just one element in the education of every child. There is time and space in the school day and in each week, term and year to range beyond the National Curriculum specifications. The National Curriculum provides an outline of core knowledge around which teachers can develop exciting and stimulating lessons to promote the development of pupils' knowledge, understanding and skills as part of the wider School Curriculum.

### **In order to achieve our aims we will base our own practices on a set of principles:**

- We will have high expectations of pupils in all areas of learning so that the pupils can reach their full potential.
- We will encourage the development of dynamic and enquiring minds in our pupils.
- We will encourage a sense of independence and of responsibility within and for both the local community and the wider world.
- We will get to know our children as individuals and treat all children fairly.
- We will provide an education designed for the development of the whole person: spiritual, social, emotional, physical, intellectual and moral.
- We will emphasise the positive achievements of pupils as individuals both in School and in their outside activities.
- We will encourage parents to be active partners in their children's education.



## **OBJECTIVES AND ACTIVITIES**

### **Objectives, Strategies and Activities**

The main objectives of Abbots Hall Primary Academy during the year ending 31st August 2016 -

#### **Leadership and Management**

- 1) To ensure new Senior Leaders have an accurate and comprehensive understanding of the quality of education at the school through effective monitoring of teaching over time which targets professional development and teacher self-review with impact.
- 2) Senior leaders and Governors utilize effective strategic and operational processes to improve outcomes for pupils.
- 3) To embed the new PSHE curriculum and collect and collate evidence of how it contributes to pupils' behaviour and welfare, including their physical, mental and personal well-being, safety and spiritual, moral, social and cultural development (including the understanding of fundamental British values).
- 4) To ensure that the school learning environment is of a high standard and provides an excellent learning resource in all areas of the curriculum.

#### **Teaching and Learning and Assessment**

- 1) To adopt the Singapore Approach to teaching mathematics enabling teachers to develop, consolidate and deepen pupils' knowledge, understanding and skills and improve outcomes.
- 2) To further embed the policy of providing pupils with time and opportunities to review what they are learning and to develop further. [Review and update marking policy].
- 3) Teachers identify and support effectively those pupils who need pre-intervention to successfully access core learning. [Review intervention plans and deployment of support staff].
- 4) Teachers and assistants have the necessary subject and pedagogical knowledge to plan learning that sustains pupils' interest and challenges their thinking. (Using on-going CPD sessions).
- 5) Learning is increasingly horizontal rather than vertical and pupils are given time to apply their knowledge and understanding in new ways (e.g. being challenged through being offered rich and sophisticated problems) and to practise key skills across the curriculum.

#### **Pupils' Outcomes**

- 1) All pupils make strong progress from their starting points attaining outcomes which prepare them well for secondary education.

#### **Personal Development, Behaviour and Welfare:**

- 1) Pupils are increasingly able to take responsibility for their own and others' actions, actively promoting school values.
- 2) Pupils and parents' views are central to the development of the school.
- 3) Longer-term aspiration is raised for all pupils who are presented with information about careers and future life choices.
- 4) All pupils are self-regulating in their behaviour and display independent learning skills.
- 5) Attendance improves with a marked reduction in persistent absence.

#### **Safeguarding**

- 1) Ensure that any incidents of bullying are correctly categorized and recorded.
- 2) Work with parents to increase understanding of effective e-safety wherever the child is.
- 3) New staff understand their roles in risk assessment.
- 4) All staff receive updated training in the care and protection of learners.

#### **Activities during this report period have included:**

• During the year much of the Academy's work has focused on the development of adults' high expectations. The Academy has developed its own Teaching and Learning Frameworks where these expectations are shared clearly with all staff using online monitoring forms. These frameworks also form the basis for the Academy's monitoring approach which has supported leaders of the core subjects in particular, to lead the improvement in standards. A key area of focus has been to improve the standard of pupils' outcomes. Improvements, predominantly within the core curriculum, has been led by subject leads but supported by the Academy's leadership team monitoring arrangements.



---

## OBJECTIVES AND ACTIVITIES

### Objectives, Strategies and Activities

- During 2015-16, the Academy adopted an innovative maths pedagogical approach which blends Singapore Maths with the Effective maths approach. This has had a significant impact on our quality of teaching and learning as pupils are able to build strategies that supports them securing a 'number sense'. The development of the Academy's approach to 'intelligent variation' has further led to teachers' ability to shape their approach to maths teaching to ensure all pupils are able to move through the curriculum at broadly the same pace with challenge provided for those able to achieve greater depth.
- The change to the leadership structure of the Academy has had a significant impact on the overall standard of teaching and learning. The development of specialist Phase Leaders has enabled the Academy's Leadership team to directly impact standards leading to teaching across the Academy now being good with outstanding features. Integral to the development of this area has been the enhancement of teachers' questioning and how this shapes learning and provides pupils with opportunities to learn at a greater depth.
- Another priority for the Academy in 2015-16 was to reduce absence and persistent absence which in 2014-15 was within the lowest 10% when compared nationally. The Academy appointed a Family Support Officer who, as part of their other pastoral support role, took a lead monitoring absence and acting as the First Day Contact. During this period the Academy also adopted a new Attendance Policy and used this to ensure all stakeholders were clear on the expectations for attendance. Clear policy and a consistent approach has led to the Academy's attendance figures now being above the national average.
- A priority for the Academy has been the development of the school environment. This has been managed in two forms; rationalisation of the school communal areas and the enhancement of the teaching areas. This on-going investment has ensured that the Academy's environment is both functional and all spaces in the school are effectively utilised. During 2015-16, the Academy also secured the funding from the EFA to update the building's roof.

### Disabled persons

The Academy complies fully with DDA regulations and is equipped to welcome and/or teach any child or adult with a disability. Reasonable adjustments will be made to ensure access for pupils, staff and visitors (including parents, carers) with disabilities (this not only includes physical access, but takes account wider access to school information and activities).

### PUBLIC BENEFIT

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy admits 30 pupils in to 1 Reception class on the basis of the following criteria in priority order:

1. SEND (pupils with EHC Plans) and Looked After Children- automatically offered a place
2. Exceptional medical grounds
3. Siblings in catchment - automatically offered a place
4. Siblings
5. Catchment
6. Parental preference

### Equal opportunities policy

The Governors believe that equality at our school should permeate all aspects of school life and is the responsibility of every member of the school and wider community. Every member of the school community should feel safe, secure, valued and of equal worth. At Abbots Hall Primary Academy equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs/faith tradition, sexual orientation, age or any other of the protected characteristics.



**Report of the Governors  
For The Year Ended 31st August 2016**

**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

Year 6 - Children's achievement and progress is shown by their scores in the tests and teacher assessments and by the amount of progress made in Key Stage 2. There are two measures of achievement, the percentage of pupils reaching the national standard in Reading, Writing, Mathematics, Reading/Writing/Maths combined and English grammar, punctuation and spelling.

Reading %		Writing %		Maths %		Combined Reading, Writing and Maths %		English grammar punctuation and spelling %	
All	Nat	All	Nat	All	Nat	All	Nat	All	Nat
53	66	70	74	50	70	47	53	67	72

The progress indicators across all areas were below national average due to on-going turbulence within the cohort and a significant percentage of the children with SEN whose end of key stage 2 achievement was Pre-Key Stage.

The performance of different groups:

Groups	No.	Maths %		Reading %		Writing %		Combined Reading, Writing and Maths %		English grammar, punctuation and spelling	
		All	Nat	All	Nat	All	Nat	All	Nat	All	Nat
Boys	19	68	62	71	68	63	70	63	49	68	67
Girls	11	27	70	64	81	27	70	18	57	64	78
Disadvantaged pupils	9	22	71	33	79	22	75	22	60	44	78
Other	21	67	71	86	79	62	75	57	60	76	78
SEN (EHCP)	1	100	66	100	74	100	70	100	53	100	72
SEN Support	4	0	66	0	74	0	70	0	53	0	72

Gender - girls attained lower than boys in all areas, this is due to the fact that a significant percentage of the girls had specific learning issues. Boys attainment was higher than national in reading, writing and English grammar, punctuation and spelling.

Disadvantage pupils, or pupils in receipt of Pupil Premium funding in 2015-16, was significantly affected as five out of nine pupils had been identified with special educational needs. This group of pupils achieved significantly below the national average.

SEN - Pupils in receipt of SEN support achievement at the end of Key Stage 2 was lower than their peers nationally due to the significant need of the pupils identified with additional needs. However, the pupil with an ECH plan achieved above the national average in all areas.

Year 2 - Children's attainment and progress is evidenced using Teacher Assessment against a national standard. This process is supported by formal testing and the outcomes from these are shared with parents.

Reading %		Writing %		Maths %		Science %	
All	Nat	All	Nat	All	Nat	All	Nat
73	74	70	65	77	73	93	82



## ACHIEVEMENT AND PERFORMANCE

### Key financial performance indicators

The main Key Performance Indicators (KPI) is the Ofsted Framework for Inspection and the Academy evaluates each area on a regular basis.

Inspectors use key judgements. These are the:

- Overall effectiveness
- Effectiveness of Leadership and Management
- Quality of teaching, learning and assessment
- Personal development, behaviour and welfare
- Outcomes for children and learners
- The effectiveness of early years and sixth form provision, where applicable

In addition, inspectors must also consider:

- the spiritual, moral, social and cultural development of pupils at the school (this includes British Values);
- the extent to which the education provided by the school meets the needs of the range of pupils at the school, and in particular the needs of:
  - o pupils who have a disability for the purposes of the Equality Act 2010;
  - o pupils who have special educational needs.

In March 2016, the Academy was inspected by Ofsted as part of its section 8 evaluation schedule. A key outcome from this inspection was that there was judged to have been a 'significant improvement in teaching, learning and assessment' since the current Headteacher had taken up post. The subsequent letter published identified the following strengths:

- pupils enjoy school, attend regularly and develop good attitudes to learning
- the quality of teaching, learning and assessment is typically good
- pupils make good progress in reading, writing and mathematics
- disadvantaged pupils are well supported, make good progress and achieve well.

Next steps for the Academy Leaders and Governors should ensure that:

1. greater challenge is provided for all pupils in subjects such as science, geography, art and history
2. regular and rigorous checks are made on the quality of teaching and learning in all curriculum areas.



---

## FINANCIAL REVIEW

### Financial position

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2016, total expenditure of £1,155k (2015: £1,125k) was met by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £23k (2015: £34k).

At 31 August 2016 the net book value of fixed assets was £1,601k (2015: £1,561k). Movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Pension Fund, in which the Academy participates, The Academy's share of the fund's assets and liabilities shows a deficit of £798k (2015: £402k) at 31 August 2016. Of this sum, £360k was inherited by Abbots Hall Primary Academy from Thurrock Council on 1 May 2013, the date the local authority's staff transferred to employment with the Academy.

### Financial and Risk Management Objectives and Policies

The financial risks to which Abbots Hall Primary Academy is exposed to relate primarily to a shortfall in pupil numbers, cash flow, government funding changes and policy.

### Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should whenever possible be equivalent to four weeks' expenditure, approximately £90k. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Academy's current level of free reserves is £153k (2015: £166k) (total funds less the amount held in fixed assets and restricted funds). The Academy will review the reserves policy on an annual basis. The Academy have higher free reserves due to saving £30k which was originally needed for the capital roof works, however, this should all be covered by CIF income. The Academy are also saving for future years budgets.

### Investment policy

Under the Memorandum and Articles of Association, the Academy has the power to invest in the name of the Academy Trust such part of the funds as they may see fit. The Academy aims to have a positive cash balance to cover eventualities and unforeseen expenses not budgeted for and hence not included in the cash flow. It is the responsibility of the School Management to generate as much bank interest as possible from any cash balances that the school may have. Investments though must guarantee complete integrity of funds and be consistent with the ethos, aims and objectives of the school. Investments other than bank deposits must be approved by the Governing Board before being entered into.

### Financial position

The Academy held fund balances at 31 August 2016 of £1,561k (2015: £1,325k) comprising £1,436k (2015: £1,246k) of restricted funds and £125k (2015: £79k) of unrestricted general funds. Of the restricted funds, £1,810k (2015: £1,561k) is represented by tangible fixed assets. The pension reserve which is considered part of restricted funds was £798k (2015: £402k) in deficit.



---

**FINANCIAL REVIEW**

**Going concern**

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



### **FUTURE PLANS**

Abbots Hall Primary Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils are well prepared for secondary school when they leave the Academy.

Abbots Hall Primary Academy has a very clear understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning combined with working with external advisors.

The School Improvement Plan (SIP) has all the correct areas identified for improvement and is based on regular analysis of data which is carefully analysed by the Head Teacher and the senior staff with the support of external advisors and experienced Governors. The SDP is regularly monitored and amended annually by the SLT and Governors. It is underpinned by appropriate budget links. The priorities for the 2016-17 academic year are:

### **Leadership and Management**

1. Greater challenge is provided for all pupils in subjects such as Science, Geography, Art and History:
  - Clarity about the non-core curriculum so subject content is taught progressively and teachers constantly demand more of pupils.
  - Developing middle leadership including that of non-core subjects (use of Survey Monkey).
  - Regular and rigorous checks are made on the quality of teaching and learning in all curriculum areas and there is clarity about key aspects of teaching such as questioning.
2. Developing partnership working through mechanisms such as The Big Question.

### **Teaching, Learning and Assessment**

1. All adults enable pupils to be confident learners who are able to articulate their learning journey and next steps across the whole curriculum and:
  - Adults check pupils' understanding systematically and effectively in all lessons, offering clearly directed and timely support.
  - Children are provided with incisive feedback and pupils use this feedback effectively.
  - There are assessment structures which enable pupils to check their progress and start to identify misconceptions and next steps.
2. Assessment systems are used consistently across the school:
  - Teachers make accurate and timely judgements about pupils' progress and attainment, underpinned by robust tracking and moderation.
  - Parents are provided with clear and timely information and are given guidance about how to support their child to improve.
3. To move good teaching to outstanding so adults are skilled, autonomous professionals:
  - Utilising coaching and mentoring; Developing action research;
  - Promoting teacher self-review and reflection (use of Iris Connect).
  - Reviewing the Teaching and Learning Framework and Teaching over Time criteria and developing the use of Survey Monkey.
4. To ensure that all pupils make excellent progress in Reading, Writing and Maths.

### **Pupils' Outcomes**

1. Pupils progress well from their different starting points and achieve and exceed standards expected for their age nationally (at the end of a key stage), or within the school's own curriculum.

### **Pupils' personal development and welfare**

1. Ensure that all staff and pupils are aware of the high expectations the school has for behaviour including learning behaviour, individual and collective responsibility, and developing resilience.

### **Safeguarding**

1. Ensure that parents understand the importance of e-safety.



---

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration no. 08484553) and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Governors act as the Trustees for the charitable activities of Abbots Hall Primary Academy and are also Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Abbots Hall Primary Academy. Details of the Governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Abbots Hall Primary Academy was incorporated on 12th April 2013 and obtained Academy status from 1st May 2013.

### 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 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.

### Governors' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 in any one period.

### Principal activities

The principal activity of the Abbots Hall Primary Academy is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

### Method of Recruitment and Appointment or Election of Governors

The members of the Academy Trust shall comprise the signatories to the Memorandum, 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, the Chairman of the Governors and any person appointed under Article 16.

The number of Governors shall not be less than 3, but shall not be subject to a maximum. The first Governors were those named in the initial Memorandum. The Abbots Hall Primary Academy Trust shall have the following Governors;

- up to 14 Governors and 1 Associate member
- 4 Co-opted Governors;
- 1 Partnership Governors (1 vacancy);
- 5 Parent Governors;
- 1 Staff Governors (1 vacancy);
- the Headteacher, any Additional Governors if appointed under Article 62,62A or 68A; and any Further Governors if appointed under Article 63 or Article 68A.

A Co-opted Governor can be appointed as a Governor by being co-opted by Governors who themselves are not co-opted. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Head Teacher).

Each of the persons entitled to appoint members above shall have the right, from time to time by written notice delivered to the Office, to remove any Member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.



---

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Organisational structure

The Structure consists of three levels: the Governors, the Senior Leadership Team, and the Curriculum Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting a School Improvement Plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. During the year under review the Governors held 3 Full Governing Board Meetings. The Governing Board also appointed four standing sub-committees; Standards Committee, the Resources Committee, the Every Child Matters Committee and the Premises Committee (the functions of which are referred to in the Governance Statement on page 14). The Governing Board also appoints other sub-committees as required. The Governing Board has also appointed a Clerk who attends at Governing Board meetings and who assists and advises Governors as appropriate.

The Senior Leadership Team comprises the Headteacher (The Accounting Officer), the Deputy Headteacher, the Academy Business Manager and Acting Assistant Headteachers. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for senior leader posts will contain at least one Governor. Some spending control is devolved to Curriculum Team Leaders, which a Senior Leader must countersign.

### Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors depends on their existing experience. All new Governors are given a tour of the School and the chance to meet with staff and pupils. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. Induction tends to be done informally and is tailored specifically to the individual.

During their terms of office all Governors receive additional training, including from external training providers. Governors also undertake Governor visits to the School and meet with staff on a regular basis to keep themselves informed and updated.

### Arrangements for setting pay and remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of a report entity, directly or indirectly, including any director. This definition includes Academy trustees and those staff who are the senior management personnel to whom the trustees have delegated significant authority or responsibility in the day to day running of the Academy trust.

The Academy has a rigorous appraisal system in place which is monitored by the trustees. The Academy adheres to the national School Teachers Pay and Conditions document and Local Government pay scales.

### Connected Organisations including Related Party Relationships

1. Abbots Hall Primary Academy is part of a collaborative working group known as the Inspirational Learning Trust (ILT).

This year the group has worked together in the following ways:

- The ILT has worked with Ofsted to develop effective Peer to Peer monitoring across the Academies.
- Academies across the ILT have moderated teacher assessments for accuracy.
- We have shared performance information openly to promote common expertise, quality assure and share expertise for the benefit for all the pupils attending an ILT institution.
- We have shared professional development opportunities.
- Schools have explored opportunities for cost savings through joint procurement of goods and services ensuring best financial values are upheld.

2. Abbots Hall Primary Academy works together with parents to provide children with resources and experiences that will enrich their education and enjoyment of learning. The Abbots Hall Primary Academy PTA is a charitable group who organise fund raising opportunities for the whole school community. Last year these included; Summer and Christmas Fairs, Discos and many other events that raised funds for the school community.

---

## PRINCIPAL RISKS AND UNCERTAINTIES



### PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties that Abbots Hall Primary Academy faces are mitigated by the risk management process that the Academy Trust has in place reviewing the school's risk register on a regular basis.

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. By creating and maintaining a Risk Register that covers operations, governance, reputation, finance, IT and staffing risk, the Governors have introduced systems including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on pages 16/17.

#### Key Areas of Risk Identified:

##### • Central Funding

The Academy has recognised that central funding for the foreseeable future will be under pressure due to the increasing funding responsibilities i.e. pension/NI increases. The Board of Governors has identified the financial implications and have developed a staffing structure that will limit the need for redundancies in the future. The school has also built a healthy Reserves Policy to ensure that all future commitments will be met in the medium term.

##### • Recruitment

The South-East has been particularly affected by a shortage of teachers and currently recruitment is a significant area for concern. The Academy has worked closely with its partners, including the Local Authority, to develop longer term recruitment strategies that include supporting a LA Recruitment website and supporting initiatives such as the Apprentice Teacher Scheme to negate this issue.

##### • Fabric of the building

The Academy recognises the need for continued and on-going works to ensure the fabric of the building is safe and fit for purpose. For all works, including our current CIF funded roof-replacement project, the Academy is subject to strict tendering procedures. The Academy recognised the requirement for external expertise and sought professional property management support to ensure that all Health and Safety requirements were adhered to throughout the tendering and build process. Value for money is key and the Academy are ensuring that any risks of potential over-spend are negated by the use of regular meetings with the professionals and roofing contractors.

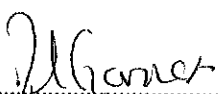
### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Governors confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

### AUDITORS

The auditors, Wilkins Kennedy LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

Approved by order of the board of governors on 12<sup>th</sup> December 2016 and signed on its behalf by:



Mrs R L Garner - Chair of Governors

# ABBOTS HALL PRIMARY ACADEMY

## Governance Statement For The Year Ended 31st August 2016



### Scope of Responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Abbots Hall Primary Academy and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Governor	Meetings attended	Out of a possible
R Garner	3	3
M Trett	3	3
L Fishleigh	3	3
N Tunbridge	2	3
G Ward	3	3
L Wright	3	3
A Alison	1	3
E Brown	3	3
S Garland	3	3
R Steel	3	3
B Robins	2	3
K Jago	3	3
S George	2	3
J Forkner	3	3

A. Alison resigned his post from June 2016. L. Wright was appointed to post in November 2015.

An annual review of governance was completed in the Spring term 2015 and since has been continuously reviewed, generating important improvements to the Academy's committee structure. This followed a whole Academy review of its leadership structure including governance, adapting the structure to ensure the Academy was able to address the Academy's priorities. From this review, the Standards Committee was formed.

The Standards Committee membership is made up with all the other committee's chairs and its key focus is on standard of teaching and learning across the school. This committee has access to all external and internal data/evidence that the Academy leadership team uses to judge the effectiveness of the Academy. This committee, alongside the Academy leadership team, sets the Academy's priorities and this then automatically feeds into the work of all the other committees and leads to highly cohesive approach to school improvement lead by the Academy's Governing Board.

The Resources Committee is a sub-committee of the main Governing Board. Its purposes include: - to present to the Governing Board for approval an annual budget; to ensure budget monitoring; to make appropriate recommendations to the Governing Board as to the appointment or removal of the external auditors and to consider the engagement of the external auditors in respect of any non-audit services; and to oversee the systems of internal control including measures for the safeguarding of assets, prevention of financial crime and consideration of the approval of the statement of internal control.

# ABBOTS HALL PRIMARY ACADEMY

## Governance Statement For The Year Ended 31st August 2016



The Resources Committee also considers HR and other resourcing issues and other resourcing issues. Attendances at meetings in the year were as follows.

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
S Garland	3	3
M Trett	2	3
B Robins	2	3
R Garner	3	3
K Jago	1	3
L Fishleigh	3	3
J Forkner	3	3

After the year-end there will be a review by the Resources Committee to discuss any issues raised at the annual audit.

The Every Child Matters Committee is a sub-committee of the main Governing Board. Its function includes monitoring and evaluating pupil achievement, to review the curriculum and associated policies, including RE and to monitor teaching and learning in the school.

The Premises Committee is a sub-committee of the main Governing Board. Its function is to monitor maintenance of the assets and evaluate the Health and Safety protocols of the Academy.

Copies of the terms of reference for each committee are available on the School's website.

### **Review of Value for Money**

I accept that as Accounting Officer of Abbots Hall Academy, I am responsible and accountable for ensuring that the Academy delivers good value in the use of public resources. I understand that Value for Money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I have considered how the Trust's use of its resources has provided good value for money during the academic year and have reported to the Board of Governors where value of money including the use of benchmarking data where appropriate.

### **Value for Money Report**

Over the last financial period 2015-16, Abbots Hall Primary Academy has continued to take a wide range of steps to ensure that the education standards and levels of attainment for all pupils have continued to improve.

The Academy has focused on targeted improvement linked to the School Improvement Plan of Abbots Hall Primary Academy to ensure maximum impact on outcomes for pupils in these key areas. The Academy has continued to focus on improving the quality of teaching by developing teacher pedagogical skills and their ability to question and challenge pupils' understanding and misconceptions where appropriate.

An area of significant impact has been the re-organisation of the Academy's senior leadership team to focus on the raising of standards. The Academy now has two specialist Phase Leads who have direct responsibility for improving teaching and learning in their phases. This has had a significant impact as teaching in the school is now good with outstanding features.

The Academy has, within the Inspirational Learning Academy, continued to move towards working collaboratively with the other Academies within the Trust to look at economies of scale when making purchases and well as procuring joint CPD opportunities. As well as making links with other local schools for mutual benefits, the Academy is looking at the long term development of the Academy Trust and possible enlargement to include other schools.

Financial procedures have been tightened so that there is greater accountability and clarity of role. The range of activities available to parents outside normal school hours continues to develop at all Academies and they benefit significantly from the income generated by Breakfast Clubs and After-School Clubs. The Academy has successfully implemented free school meals for all Key Stage 1 children with the income from this supporting the operational works of the Academy's kitchen. The Academy has produced a detailed financial analysis of how the Pupil Premium funding was spent and the impact of the funding for individual pupils. Similarly, funding for catch up groups and booster groups for pupils is calculated in the same way.



### **Review of Value for Money**

The Academy has internal controls in place to ensure strict financial procedures are followed. A Responsible Governor is appointed to make independent checks against a detailed schedule of checks. In addition to this, the Academy receives regular monitoring visits from independent accountants. The management team (including Governors) receives regular budget reports which are analyzed to identify areas of overspend and underspend. Regular monitoring ensures the best use of resources and prevents waste. Bank balances are carefully monitored.

The Academy purchases a Commercial Combined Insurance package and also a Staff Absence Insurance to ensure it has adequate cover to manage risks. Abbots Hall Primary was successful in bidding for funds to upgrade the roof of the school and this work is on-going at the year end. The Academy has a policy of regularly applying for grants to improve the fabric of all its buildings and this will continue next year as the Academy attempts to further improve the facilities. Regular maintenance and refurbishment to the fabric of the buildings is ensuring that an attractive and stimulating environment is provided for all pupils. Governance provided strong challenge over such purchases and all contracts and services for the Academy are always appraised and approved to ensure value for money. Over some projects, the Academy has chosen an option that was not the cheapest but was the most cost effective over time.

There is a constant desire within the Academy to improve through better systems that lead to better outcomes for pupils. Value for Money is a key part of ensuring we are able to do this.

### **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 on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in Abbots Hall Primary Academy for the year ended 31st August 2016 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Governing Board has reviewed the key risks to which the Academy Trust 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31st August 2016 and up to the date of approval of the annual report and financial statements. The Governing Board regularly reviews this process.

### **The Risk and Control Framework**

The Academy Trust'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 Resource 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 Governing Board has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However, the trustees have appointed Sara Garland, a trustee, to perform monitoring and peer review on a regular basis.
- The trustees have also appointed Wilkins Kennedy, the external auditor, to perform additional checks throughout the Academy year.



**The Risk and Control Framework**

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy trusts' systems (that includes testing payroll, purchasing, control and bank accounts). On a quarterly basis the reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The external auditor has attended regular meetings at the Academy and has not had anything material to report. All planned work was carried out and no material control issues were discovered.

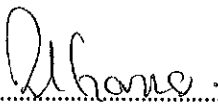
**Review of Effectiveness**

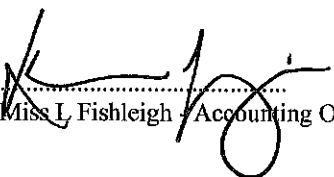
As Accounting Officer, the Headteacher, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:-

- the work of the trustee reviewer;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 12<sup>th</sup> DECEMBER 2016 and signed on its behalf by:

  
.....  
Mrs R L Garner - Chair of Governors

  
.....  
Miss L Fishleigh - Accounting Officer

**ABBOTS HALL PRIMARY ACADEMY**

**Statement on Regularity, Propriety and Compliance  
For The Year Ended 31st August 2016**

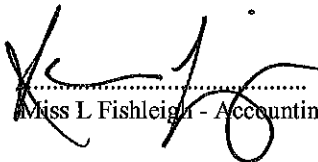


---

As accounting officer of Abbots Hall Primary Academy I have considered my responsibility to notify the charitable company board of governors 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 charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the charitable company board of governors are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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.

  
.....  
Miss L Fishleigh - Accounting Officer

Date: 12<sup>TH</sup> DECEMBER 2016

**ABBOTS HALL PRIMARY ACADEMY**

**Statement of Governors Responsibilities  
For The Year Ended 31st August 2016**



The Governors (who act as Trustees for charitable activities of Abbots Hall Primary Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Directions issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

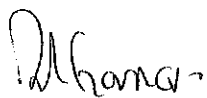
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and the Academies Accounting Direction 2015-2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the board of governors on 12th December 2016 and signed on it's behalf by:

  
.....  
Mrs R L Garner - Chair of Governors

**Report of the Independent Auditors to the Members of  
Abbots Hall Primary Academy**

---

We have audited the financial statements of Abbots Hall Primary Academy for the year ended 31st August 2016 on pages twenty four to forty six. 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 Accounts Direction 2015 to 2016 issued by the Education Funding Agency (EFA).

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

As explained more fully in the Statement of Governors Responsibilities set out on page nineteen, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 Report of the Governors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- 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 Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

EFA

**Report of the Independent Auditors to the Members of  
ABBOTS HALL PRIMARY ACADEMY**

---

**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.

*Wilkins Kennedy LLP*

Mandy Wilson (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Statutory Auditor  
Chartered Accountants  
1-5 Nelson Street  
Southend on Sea  
Essex  
SS1 1EG

Date: *14th December 2016*

**Independent Reporting Accountant's Assurance Report on Regularity to  
Abbots Hall Primary Academy and the Education Funding Agency**

---

In accordance with the terms of our engagement 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 Abbots Hall Primary Academy during the period 1st September 2015 to 31st 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 Abbots Hall Primary Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Abbots Hall Primary Academy 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 Abbots Hall Primary Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Abbots Hall Primary Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Abbots Hall Primary Academy's funding agreement with the Secretary of State for Education dated 1st May 2013 and the Academies Financial Handbook, extant from 1st 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 1st September 2015 to 31st August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

**Independent Reporting Accountant's Assurance Report on Regularity to  
Abbots Hall Primary Academy and the Education Funding Agency**

---

**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 1st September 2015 to 31st August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Wilkins Kennedy LLP*

Reporting Accountant  
Wilkins Kennedy LLP  
1-5 Nelson Street  
Southend on Sea  
Essex  
SS1 1BG

Date: *14th December 2016*

**ABBOTS HALL PRIMARY ACADEMY**

**Statement of Financial Activities  
For The Year Ended 31st August 2016**

	Not es	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total 2016 funds £'000	Total 2015 funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	3	16	-	285	301	19
<b>Charitable activities</b>						
Funding for the academy's educational operations	4	-	1,049	6	1,055	1,068
Other trading activities	5	<u>113</u>	<u>-</u>	<u>-</u>	<u>113</u>	<u>72</u>
<b>Total</b>		<b>129</b>	<b>1,049</b>	<b>291</b>	<b>1,469</b>	<b>1,159</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>						
Academy's educational operations		<u>83</u>	<u>1,116</u>	<u>78</u>	<u>1,277</u>	<u>1,204</u>
<b>NET</b>						
<b>INCOME/(EXPENDITURE)</b>		<b>46</b>	<b>(67)</b>	<b>213</b>	<b>192</b>	<b>(45)</b>
Transfers between funds	17	<u>-</u>	<u>(36)</u>	<u>36</u>	<u>-</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(352)</u>	<u>-</u>	<u>(352)</u>	<u>2</u>
<b>Net movement in funds</b>		<b>46</b>	<b>(455)</b>	<b>249</b>	<b>(160)</b>	<b>(43)</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>79</b>	<b>(315)</b>	<b>1,561</b>	<b>1,325</b>	<b>1,368</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>125</u></b>	<b><u>(770)</u></b>	<b><u>1,810</u></b>	<b><u>1,165</u></b>	<b><u>1,325</u></b>

The notes form part of these financial statements

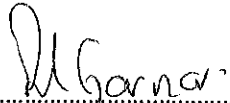
**ABBOTS HALL PRIMARY ACADEMY**

**Balance Sheet  
At 31st August 2016**

	Notes	2016 £'000	2015 £'000
<b>FIXED ASSETS</b>			
Tangible assets	12	1,601	1,561
<b>CURRENT ASSETS</b>			
Debtors	13	125	62
Cash at bank		<u>299</u>	<u>173</u>
		424	235
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(62)</u>	<u>(69)</u>
<b>NET CURRENT ASSETS</b>		<u>362</u>	<u>166</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,963	1,727
<b>PENSION LIABILITY</b>	18	<u>(798)</u>	<u>(402)</u>
<b>NET ASSETS</b>		<u><u>1,165</u></u>	<u><u>1,325</u></u>
<b>FUNDS</b>	17		
Unrestricted funds:			
General fund		125	79
Restricted funds:			
General Restricted Fund		28	87
Fixed Asset Fund		1,810	1,561
Pension Fund		<u>(798)</u>	<u>(402)</u>
		<u>1,040</u>	<u>1,246</u>
<b>TOTAL FUNDS</b>		<u><u>1,165</u></u>	<u><u>1,325</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Governors on 12<sup>th</sup> December 2016 and were signed on its behalf by:

  
 .....  
 Mrs R L Garner -Chair of Governors

The notes form part of these financial statements

ABBOTS HALL PRIMARY ACADEMY

Cash Flow Statement  
For The Year Ended 31st August 2016

---

	Notes	2016 £'000	2015 £'000
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>238</u>	<u>87</u>
<b>Net cash provided by (used in) operating activities</b>		<u>238</u>	<u>87</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(118)	(38)
Capital grants from DfE/BFA		<u>6</u>	<u>6</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(112)</u>	<u>(32)</u>
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>126</u>	<u>55</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>173</u>	<u>118</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>299</u>	<u>173</u>

The notes form part of these financial statements

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Cash Flow Statement  
For The Year Ended 31st August 2016**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>192</b>	<b>(45)</b>
<b>Adjustments for:</b>		
Depreciation	78	75
Capital grants from DfE/EFA	(6)	(6)
LGPS Pension Expense	28	20
LGPS net finance cost	16	15
(Increase)/decrease in debtors	(63)	39
Decrease in creditors	<u>(7)</u>	<u>(11)</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>238</u></b>	<b><u>87</u></b>

## ABBOTS HALL PRIMARY ACADEMY

### Notes to the Financial Statements For The Year Ended 31st August 2016

---

#### 1. STATUTORY INFORMATION

Abbots Hall Primary Academy is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the governors' report.

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.

#### 2. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2015 to 2016 issued by the BFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Abbots Hall Primary Academy meets the definition of a public benefit entity under FRS 102.

##### *First time adoption of FRS 102*

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

##### **Going concern**

The governors assess whether the use of going concern is appropriate, ie 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 at least one year from the date of authorisation for issue of the accounts 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 accounts.

## ABBOTS HALL PRIMARY ACADEMY

### Notes to the Financial Statements - continued For The Year Ended 31st August 2016

---

#### 2. ACCOUNTING POLICIES - continued

##### **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 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 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.

General Annual Grant is recognised in full in the statement of financial activities in the period 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 income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

##### Transfer of lease

On conversion to Academy status the Local Authority gifted the school buildings to the Academy Trust with a 125 year long term lease. The properties have been professionally valued as at the date of transfer. The valuation is underpinned by SORP 2005 and has adopted the Depreciated Replacement Cost (DRC) for specialist property and the land uses the market value. As the buildings are of a specialist nature then a Depreciated Replacement Cost method has been used to calculate the fair value of the buildings.

##### Interest receivable

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

---

**2. ACCOUNTING POLICIES - continued**

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

**Expenditure on raising funds**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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.

Governance costs

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

**Governance costs**

Governance costs include the costs attributable to the Academy's compliance and constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

---

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Assets costing £750 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

**Depreciation**

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Buildings	<b>2% Straight line</b>
Furniture and science equip.	<b>20% Straight line</b>
ICT equipment	<b>33% Straight line</b>

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

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.

**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.

**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.

## ABBOTS HALL PRIMARY ACADEMY

### Notes to the Financial Statements - continued For The Year Ended 31st August 2016

---

#### 2. ACCOUNTING POLICIES - continued

##### **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 where the asset acquired or created is held for a specific purpose.

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

##### **Critical accounting estimates and areas of judgement**

Accounting 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.

##### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

##### LGPS

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 or 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.

##### Critical areas of judgement

There are no critical areas of judgement.

##### **Leased Assets**

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

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**2. ACCOUNTING POLICIES - continued**

**Pensions**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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 are recognised in the period to which they relate.

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

**3. DONATIONS AND CAPITAL GRANTS**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>2016 Total funds £'000</b>	<b>2015 Total funds £'000</b>
Income Capital	-	285	285	-
Uniform Income	5	-	5	5
Trips	10	-	10	12
Other donations	<u>1</u>	<u>-</u>	<u>1</u>	<u>2</u>
	<u><u>16</u></u>	<u><u>285</u></u>	<u><u>301</u></u>	<u><u>19</u></u>

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
<b>DfE/EFA revenue grant</b>				
General Annual Grant(GAG)	-	965	965	1,006
Other DfE/EFA Grants	<u>-</u>	<u>37</u>	<u>37</u>	<u>27</u>
	-	1,002	1,002	1,033
<b>DfE/EFA capital grant</b>				
Devolved Formula Capital Allocation	-	6	6	6
<b>Other government grant</b>				
Local Authority Grant	<u>-</u>	<u>47</u>	<u>47</u>	<u>29</u>
	<u>-</u>	<u>1,055</u>	<u>1,055</u>	<u>1,068</u>

**5. OTHER TRADING ACTIVITIES**

	Unrestricted funds £'000	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Catering income	51	-	51	33
Lettings income	19	-	19	18
Sundry Income	<u>43</u>	<u>-</u>	<u>43</u>	<u>21</u>
	<u>113</u>	<u>-</u>	<u>113</u>	<u>72</u>

**6. EXPENDITURE**

	Staff costs £'000	Non-pay expenditure Premises £'000	Other costs £'000	2016 Total £'000	2015 Total £'000
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	664	78	106	848	799
Allocated support costs	<u>212</u>	<u>65</u>	<u>152</u>	<u>429</u>	<u>405</u>
	<u>876</u>	<u>143</u>	<u>258</u>	<u>1,277</u>	<u>1,204</u>

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**6. EXPENDITURE - continued**

Net income/(expenditure) is stated after charging/(crediting):

	2016	2015
	£'000	£'000
Auditors' remuneration	4	7
Depreciation - owned assets	<u>78</u>	<u>75</u>

**7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted	Restricted	2016	2015
	funds	funds	Total	Total
	£'000	£'000	funds	funds
Direct costs	21	827	848	799
Support costs	<u>62</u>	<u>367</u>	<u>429</u>	<u>405</u>
	<u>83</u>	<u>1,194</u>	<u>1,277</u>	<u>1,204</u>

	2016	2015
	Total	Total
	£'000	£'000
<b>Analysis of support costs</b>		
Support staff costs	212	203
Premises costs	65	63
Other support costs	148	132
Governance costs	<u>4</u>	<u>7</u>
<b>Total support costs</b>	<u>429</u>	<u>405</u>

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

---

**8. GOVERNORS' REMUNERATION AND BENEFITS**

The 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. The Governors who received remuneration are:

L Fishleigh (Headteacher) Remuneration £61,238

(2015: L Fishleigh (Headteacher) Remuneration £59,212)

L Fishleigh (Headteacher) Employer's pension contributions £10,085

(2015: L Fishleigh (Headteacher) Employer's pension contributions £8,340)

S George, J Forkner Remuneration £57,419

(2015: Y Simmons (Left 31.03.15) , S George, J Forkner Remuneration £75,236)

Y Simmons (Left 31.03.15) S George, J Forkner Employer's pension contributions £5,025

(2015: Y Simmons (Left 31.03.15) S George, J Forkner Employer's pension contributions £7,962)

**Governors' expenses**

There were no governors' expenses paid for the year ended 31st August 2016 nor for the year ended 31st August 2015.

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**9. STAFF COSTS**

	2016	2015
	£'000	£'000
Wages and salaries	705	644
Social security costs	42	34
Other pension costs	<u>124</u>	<u>102</u>
Supply teacher costs	871	780
	<u>5</u>	<u>42</u>
	<u><u>876</u></u>	<u><u>822</u></u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2016	2015
Teachers	9	10
Admin & Support	26	25
Management	<u>4</u>	<u>2</u>
	<u><u>39</u></u>	<u><u>37</u></u>

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

	2016	2015
£60,001 - £70,000	<u>1</u>	<u>-</u>

The average number of persons (including senior management team) employed by the charitable company during the year expressed as full time equivalents was as follows:

	2016	2015
Teachers	7	8
Admin & Support	16	15
Management	<u>3</u>	<u>2</u>
	26	25

**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 employer pension contributions) received by key management personnel for their services to the academy trust was £256,542 (2015: £175,798).

**10. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31st August 2016 was £265 (2015: £265).

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total funds £'000
<b>INCOME AND</b>				
<b>ENDOWMENTS FROM</b>				
Donations and capital grants	19	-	-	19
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	1,068	-	1,068
Other trading activities	<u>72</u>	<u>-</u>	<u>-</u>	<u>72</u>
<b>Total</b>	<b>91</b>	<b>1,068</b>	<b>-</b>	<b>1,159</b>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	<u>66</u>	<u>1,062</u>	<u>76</u>	<u>1,204</u>
<b>NET INCOME/(EXPENDITURE)</b>	<b>25</b>	<b>6</b>	<b>(76)</b>	<b>(45)</b>
<b>Transfers between funds</b>	<u>-</u>	<u>(39)</u>	<u>39</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>
<b>Net movement in funds</b>	<b>25</b>	<b>(31)</b>	<b>(37)</b>	<b>(43)</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<b>54</b>	<b>(284)</b>	<b>1,598</b>	<b>1,368</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>79</u></b>	<b><u>(315)</u></b>	<b><u>1,561</u></b>	<b><u>1,325</u></b>

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**12. TANGIBLE FIXED ASSETS**

	<b>Freehold property £'000</b>	<b>Fixtures and fittings £'000</b>	<b>Computer equipment £'000</b>	<b>Totals £'000</b>
<b>COST</b>				
At 1st September 2015	1,676	190	71	1,937
Additions	<u>75</u>	<u>21</u>	<u>22</u>	<u>118</u>
At 31st August 2016	<u>1,751</u>	<u>211</u>	<u>93</u>	<u>2,055</u>
<b>DEPRECIATION</b>				
At 1st September 2015	194	129	53	376
Charge for year	<u>32</u>	<u>29</u>	<u>17</u>	<u>78</u>
At 31st August 2016	<u>226</u>	<u>158</u>	<u>70</u>	<u>454</u>
<b>NET BOOK VALUE</b>				
At 31st August 2016	<u>1,525</u>	<u>53</u>	<u>23</u>	<u>1,601</u>
At 31st August 2015	<u>1,482</u>	<u>61</u>	<u>18</u>	<u>1,561</u>

There is a difference of £209k between the overall fixed asset net book value and restricted fixed asset fund. This is represented by unspent CIF income carried forward as at 31st August 2016. This will be spent in 2016/17 on the capital commitments noted below (note 20).

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016 £'000</b>	<b>2015 £'000</b>
Trade debtors	13	2
VAT	68	11
Prepayments and accrued income	<u>44</u>	<u>49</u>
	<u>125</u>	<u>62</u>

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£'000	£'000
Social security and other taxes	25	22
Accruals and deferred income	<u>37</u>	<u>47</u>
	<u><u>62</u></u>	<u><u>69</u></u>

**Deferred income**

	2016	2015
	£'000	£'000
Deferred income as at 1st September 2015	16	17
Resources deferred in year	13	16
Amounts released from previous years	<u>(16)</u>	<u>(17)</u>
Deferred income as at 31st August 2016	<u><u>13</u></u>	<u><u>16</u></u>

At the balance sheet date the academy trust was holding funds received in advance for Free School Meal and Rates paid for in advance.

**15. 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 period 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.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted	Restricted	Fixed Asset	Total	2016	2015
	fund	funds	Fund		funds	funds
	£'000	£'000	£'000		£'000	£'000
Fixed assets	-	2	1,599		1,601	1,561
Current assets	126	86	212		424	235
Current liabilities	(1)	(60)	(1)		(62)	(69)
Pension liability	<u>-</u>	<u>(798)</u>	<u>-</u>		<u>(798)</u>	<u>(402)</u>
	<u><u>125</u></u>	<u><u>(770)</u></u>	<u><u>1,810</u></u>		<u><u>1,165</u></u>	<u><u>1,325</u></u>

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**17. MOVEMENT IN FUNDS**

	At 1/9/15 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31/8/16 £'000
<b>Unrestricted funds</b>				
General fund	79	46	-	125
<b>Restricted funds</b>				
General Restricted Fund	87	(23)	(36)	28
Fixed Asset Fund	1,561	213	36	1,810
Pension Fund	<u>(402)</u>	<u>(396)</u>	<u>-</u>	<u>(798)</u>
	1,246	(206)	-	1,040
	<u>1,325</u>	<u>(160)</u>	<u>-</u>	<u>1,165</u>
<b>TOTAL FUNDS</b>				

Net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	129	(83)	-	46
<b>Restricted funds</b>				
General Restricted Fund	1,049	(1,072)	-	(23)
Fixed Asset Fund	291	(78)	-	213
Pension Fund	<u>-</u>	<u>(44)</u>	<u>(352)</u>	<u>(396)</u>
	1,340	(1,194)	(352)	(206)
	<u>1,469</u>	<u>(1,277)</u>	<u>(352)</u>	<u>(160)</u>
<b>TOTAL FUNDS</b>				

**18. PENSION COMMITMENTS**

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 Essex County Council. 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.

ABBOTS HALL PRIMARY ACADEMY

Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016

---

18. PENSION COMMITMENTS  
- 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.

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.

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**18. PENSION COMMITMENTS**  
- continued

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £57k (2015: £50k), of which employer's contributions totalled £43k (2015: £38k) and employees' contributions totalled £14k (2015: £12k). 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.

<b>Principal actuarial assumptions</b>	<b>At 31 August 2016</b>	<b>At 31 August 2015</b>
Rate of increase in salaries	<b>4.1%</b>	4.5%
Rate of increase for pensions in payment/inflation	<b>2.3%</b>	2.7%
Discount rate for scheme liabilities	<b>2.2%</b>	4.0%
Inflation assumption (CPI)	<b>2.3%</b>	2.7%
Commutation of pensions to lump sums	<b>3.2%</b>	3.6%

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

	<b>At 31 August 2016</b>	<b>At 31 August 2015</b>
Retiring today		
Males	<b>22.9</b>	22.8
Females	<b>25.3</b>	25.2
Retiring in 20 years		
Males	<b>25.2</b>	25.1
Females	<b>27.7</b>	27.6

The academy trust's share of the assets in the scheme were:

	<b>Fair value at 31 August 2016</b>	<b>Fair value at 31 August 2015</b>
	<b>£'000</b>	<b>£'000</b>
Equity instruments	<b>221</b>	151
Gilts	<b>12</b>	9
Other Bonds	<b>15</b>	23
Property	<b>36</b>	27
Cash	<b>10</b>	6
Alternative assets	<b>14</b>	7
Other managed funds	<b>16</b>	-
<b>Total market value of assets</b>	<b>324</b>	<b>233</b>

The actual return on scheme assets was £38,000 (2015: £10,000).

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

**18. PENSION COMMITMENTS**  
- continued

**Local government pension scheme**

**Amount recognised in the statement of financial activities**

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost (net of employee contributions)	71	58
Net interest cost	26	23
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	(4)	(12)
<b>Total operating charge</b>	<b>93</b>	<b>69</b>

**Changes in the present value of defined benefit obligations were as follows:**

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>At 1 September</b>	<b>635</b>	<b>554</b>
Current service cost	71	58
Interest cost	26	23
Employer contributions	14	12
Change in financial assumptions	380	-
Benefits paid	(4)	(12)
<b>At 31 August</b>	<b>1122</b>	<b>635</b>

**Changes in the fair value of academy's share of scheme assets:**

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>At 1 September</b>	<b>233</b>	<b>185</b>
Interest income	10	8
Return on plan assets (excluding net interest on the net defined pension liability)	28	2
Actuarial gain/(loss)	-	-
Employer contributions	43	38
Employee contributions	14	12
Benefits paid	(4)	(12)
Plan introductions, benefit changes, curtailments and settlements		
<b>At 31 August</b>	<b>324</b>	<b>233</b>

## ABBOTS HALL PRIMARY ACADEMY

### Notes to the Financial Statements - continued For The Year Ended 31st August 2016

#### 19. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Children, Schools and Families the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

As no such events have occurred during the year nor are likely to occur in the foreseeable future, the accounts do not contain any provision against contingent liabilities.

#### 20. CAPITAL COMMITMENTS

	2016	2015
	£'000	£'000
Contracted but not provided for in the financial statements	<u>209</u>	<u>-</u>

#### 21. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted in accordance with the trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account:

Catering Done Your Way -Company owned by E Brown (a Governor of the Academy)

- The Academy used catering services from Catering Done Your Way totalling £200 (2015: Nil) during the period. There were no amounts outstanding at 31 August 2016 (2015: £Nil).
- E Brown provided a gazebo for a school trip which got damaged and therefore the Academy reimbursed her with a gazebo replacement costing £55.
- In entering into the transactions the Academy has complied with the requirements of the Academies Financial Handbook 2015.

Mr P.A.Arnold - Company owned by P Arnold who is father to J Arnold (SLT member)

- The Academy used services (building repairs and maintenance) from P.A.Arnold totalling £5,840 (2015:£Nil) during the period. £5,840 was outstanding within creditors at 31 August 2016 (2015: £Nil).
- In entering into the transactions the Academy has complied with the requirements of the Academies Financial Handbook 2015.

#### 22. FIRST YEAR ADOPTION

This is the first year in respect of which the Academy has prepared its financial statements under FRS 102. The previous financial statements for the year ended 31 August 2016 were prepared under "old UK GAAP". The date of transition to FRS 102 is 1 September 2014.

**ABBOTS HALL PRIMARY ACADEMY**

**Notes to the Financial Statements - continued  
For The Year Ended 31st August 2016**

---

**22. FIRST YEAR ADOPTION - continued**

**Transitional relief**

On transition to FRS 102, the charity has taken advantage of the following transitional relief:

- not to apply the requirements of Section 19 Business Combinations and Goodwill;
- not to apply the requirements of Section 26 Share-based Payment;
- to measure fair value at date of transition to FRS 102 and use as deemed cost on:
  - an item of property, plant and equipment;
  - an investment property;
  - an intangible asset which meets the recognition criteria and criteria for revaluation in Section 18 Intangible Assets other than Goodwill;
- to use a previous GAAP revaluation as deemed cost on:
  - an item of property, plant and equipment;
  - an investment property;
  - an intangible asset which meets the recognition criteria and criteria for revaluation in Section 18 Intangible Assets other than Goodwill;
- to measure investment in subsidiaries, associates and joint ventures at cost determined in accordance with Section 9 Consolidated and Separate Financial Statements, Section 14 Investments in Associates or Section 15 Investments in Joint Ventures;
- not to apply the requirement of paragraph 22.13 in respect of compound financial instruments;
- not to apply the requirement of paragraphs 34.12E to 34.16A in respect of service concession agreements;
- to take elections available for extractive activities;
- to measure decommissioning liabilities included in cost of property, plant and equipment at date of transition to FRS 102;
- to measure carrying amount of deferred development costs at date of transition to FRS 102 as deemed cost;
- to treat date of transition to FRS 102 as date on which capitalisation of borrowing costs commences.

**LGPS - Interest on scheme assets**

Under previous UK GAAP, the academy recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the debit to expense by £15,000 and decrease the credit in other recognised gains and losses in the SoFA by an equivalent amount.