

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2016

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Directors' report	3 - 9
Governance statement	10 - 16
Statement on regularity, propriety and compliance	17
Statement of Directors' responsibilities	18
Independent auditor's report on the accounts	19 - 20
Independent reporting accountant's report on regularity	21 - 23
Statement of financial activities including income and expenditure account	24 - 25
Balance sheet	26
Statement of cash flows	27
Notes to the accounts including accounting policies	28 - 44

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Directors

Mr D Coleshill (Chair)
Mr D Gable (Resigned 2 December 2015)
Mr M Charlton
Mrs N Kelly (Accounting Officer)
Mrs S Glean
Mr N Fyfe
Mr M Chehab (Resigned 1 September 2015)
Ms S Gota
Ms L Marques (Resigned 21 March 2016)
Mrs B Deane (Appointed 20 October 2015)
Mrs N Tavernier (Appointed 29 September 2015 and resigned 31 August 2016)
Mrs S Rendell (Appointed 27 February 2016)
Miss P McGee (Appointed 1 September 2016)
Miss L Innes (Appointed 11 September 2016)

Members

Mr D Coleshill
Mrs B Deane
Mrs S Glean
Ms S Gota
Ms L Marques
Mrs N Tavernier

Senior leadership team

Mrs N Kelly - Headteacher
Mrs R Madar - Deputy Headteacher

Company secretary

Mrs C Kellow-McGee

Company registration number

08451827 (England and Wales)

Principal and registered office

Charville Primary School
Bury Avenue
Hayes
Middlesex
UB4 8LF

Independent auditor

Wilkins Kennedy LLP
Anglo House
Bell Lane Office Village
Bell Lane
Amersham
Buckinghamshire
HP6 6FA

Bankers

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Geldards Law Firm
Enterprise House
1-2 Hatfields
London
SE1 9PG

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Directors present their Annual Report together with the Financial Statements and Independent Auditor's Report of the charitable company (referred to thereon as "Charville Primary School Academy Trust") for the period 1 September 2015 to 31 August 2016. The Annual Report serves the purpose of both a Trustees' Report and a Directors' Report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charity Commission's document '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)' and the Academies Accounts Direction 2015 to 2016 issued by the EFA.

The Academy Trust operates an academy for pupils aged 3 to 11 serving a catchment area in Hayes, Middlesex. As at 31 August 2016, total pupils numbered 644 and the academy has spaces in all year groups.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees of Charville Primary School Academy Trust are also the directors of the charitable company for the purposes of company law.

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

Members' liability

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

Method of recruitment and appointment or election of Directors

Governors are unpaid volunteers and are appointed for 4 years. Parent governors are appointed by parents by a vote; staff governors by a process as the members may determine; community and partnership governors by the Governing Body. Parent governors can complete their term even if their child leaves the school. The rules for membership of the Governing Body are determined by the Memorandum and Articles of Association, the founding documents of Charville Primary School Academy Trust. The balance and number of staff, community, local authority and parent governors is approved by the Secretary of State for Education.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Academy, approving major items of expenditure and making senior staff appointments, such as Headteacher, Deputy Headteacher and other such senior posts.

The governing body comprises the following governors:

- a. Two Community Governors
- b. The Principal (Headteacher)
- c. Four Parent Governors
- d. Two Partnership Governors
- e. One Teaching Staff Governor
- f. One Non-Teaching Staff Governor

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Policies and procedures adopted for the induction and training of Directors

The training and induction provided for new and existing Governors will depend on their existing experience. Where necessary induction will include training on educational, legal and financial matters. All new Governors will be given the opportunity of a tour of the academy, have the chance to meet with staff and pupils and are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Governors. As there is expected to be only a small number of new Governors each year, induction will be carried out informally and will be tailored specifically to the individual. Training provided by the Governor's Support Services can also be accessed as required by any governor subject to the contract with the school and the service provider.

The Chair of Governors will oversee the training of all Governors and will provide a training schedule and agree Link Governors for individual academy faculties.

Principal Activities

The principal activity of Charville Primary School Academy Trust is to provide education for boys and girls of all abilities between the ages of 3 and 11. Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

Organisational structure

The governing body, the majority membership of which is non-executive, comprises those persons appointed under the Articles of Association. The board meets at least six times per year and has three committees including:

- Full Governing Body
- Resources and Finance Committee
- Curriculum Committee

All these committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Governors delegate specific responsibilities to its committees, the activities of which are reported to, and discussed at, full Governing Body meetings. The day-to-day running of the Academy Trust is undertaken by the Headteacher, supported by the Senior Leadership Team.

Arrangements for setting pay and remuneration of key management personnel

The Academy Trust abides by Teachers' Pay and Conditions and Performance Management is used to evaluate and assess teacher performance against targets set. All senior leaders (who carry out Performance Management) recommend to the Headteacher regarding pay increases and these are then discussed at the annual meeting of the Pay Committee.

We have a robust pay policy that we review and follow.

Related parties and other connected charities and organisations

The Academy Trust has one connected organisation, The Charville Children's Centre.

The Academy Trust also has relationships with the following organisation:

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

During the year, the Academy Trust purchased outsourced services from The Schools HR Co-Operative Limited, a company of which Mr M Charlton, who is a member of the Governing Body, a Director and a former Member of the Academy Trust, is both a director and the controlling shareholder. The total of the outsourced services purchased was £23,059 (2015: £27,441). The figure for 2015 was previously reported as being £12,478 which was in fact for outsourced HR services only.

The Academy Trust made the purchase of these services at arm's length following a competitive tendering exercise in accordance with its financial regulations which Mr Charlton neither participated in nor influenced. In entering into this transaction the Academy Trust did not comply with the requirements of the EFA's Academies Financial Handbook 2015, as it has paid more than "cost" for services provided to it by an organisation connected to Mr Charlton, a director and former member of the Academy Trust, but obtained comparative quotes.

The contract for the supply of these services was initially inherited by the Academy Trust on its conversion to academy status and was subsequently renewed for a period of 2 years in March 2014 and again in March 2016. The Academy Trust submitted a form explaining the role of Mr Charlton to the EFA in February 2015.

In order to carry out this role, Mr Charlton declares his position at each meeting and does not carry a vote on matters pertaining to his HR role.

The Register of Interests

It is important that all staff and Governors, whether they have significant financial or spending powers on behalf of the Academy Trust, or are in a position to order goods for their department, demonstrate that they do not benefit personally from any decisions they make. All staff and Governors will need to declare any financial interests they have in companies/individuals from whom the Academy Trust may purchase goods or services.

The disclosures should also include business interests of relatives or business partners, where influence could be exerted over a Governor or a member of staff by that person. This does not detract from the duties of Governors and staff to declare interests whenever they are relevant to matters being discussed by the Governing Body or a Committee. Where an interest has been declared, Governors and staff should not attend that part of any committee or other meeting.

Objectives and activities

Objects and aims

The principal objective of the company is to advance, for the public benefit, education in the United Kingdom. It achieves this objective through the operation of Charville Primary School, providing education, free of charge, to children aged 3 – 11 years serving a catchment area in Hayes, Middlesex.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The scheme of government specifies, among other things, the basis for admitting pupils to the Academy Trust, the catchment area from which the pupils are drawn and that the curriculum should comply with the substance of the National Curriculum.

The aims of the Academy Trust rest on the following principles:

- Equal opportunities for every child to develop their full potential enabling them to leave the Academy Trust well prepared for the next stage of their educational, social and spiritual development
- A curriculum which is broad and well balanced, responsive to the needs of the individual child and relevant to the wider world
- Resources that match the needs of the children and the school as fully as possible
- Communications with parents which are open, effective and timely
- A belief that all pupils have various talents that need encouragement to develop
- The recognition that school should be a preparation for life in the fullest possible sense and that pupils do need a sound basis of knowledge, skill, competence and experience to equip them to cope with the many roles they will have to take on during their lives
- The need for a working environment which secures effective teaching and learning, and values achievement by all pupils in their social, moral, spiritual, cultural, mental and physical development.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Objectives, strategies and activities

The main objectives of the Academy Trust during the period ended 31 August 2016 are summarised below:

- To ensure that every pupil enjoys the same high quality education in terms of resourcing, teaching and pastoral care;
- To raise the standard of educational attainment for all pupils;
- To improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements; and
- To conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.

Strategies and Activities

The Academy Trust commenced its charitable activities on 1 May 2013.

Charville Primary School Academy Trust therefore aims to encourage pupils to:

- Develop lively, enquiring minds capable of original thought and well-balanced critical argument.
- Become confident, independent learners, well-equipped for lifelong learning.
- Derive enjoyment from their learning which should extend their intellectual capacity, develop their interest and stimulate their curiosity.
- Embrace the many opportunities afforded by developments in information and communication technologies, whilst fully accepting the responsibilities that go with using them properly.
- Engage in a broad programme of experiences which enable them to appreciate their cultural inheritance and to understand more about themselves and the world in which they live.
- Develop the capacities to make informed, rational and responsible decisions and to work in ways which enhance their self-respect and sensitivity to the needs of others, particularly those less advantaged than themselves.
- Show respect for each other and all people working in the academy, and to appreciate the diverse talents that contribute to our academy community.
- Play a full part in creating a caring, supportive academy environment.
- Develop a range of reasoned beliefs and values and a sympathy and respect for those held by others, which will prepare them to become considerate and responsible citizens.
- Display self-discipline and proper regard for authority.
- Foster good behaviour and avoid all forms of bullying.

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 school uses the Local Authority coordinated admission services. This ensures that pupils are allocated a place at a school in a fair and consistent manner. The Headteacher and other senior staff show potential parents around the school. The school currently has some spaces in all year groups and can take up to 90 children in all year groups except Year 4 where we can accommodate 120 pupils.

Strategic report

Achievements and performance

The school has completed its third period of operation as an academy and continues to achieve the forecast number of pupils. Total pupils in the period ended 31 August 2016 numbered 644 and the academy has spaces in all year groups.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Key performance indicators

The Early Years Foundation Stage data is as follows:

<u>Area</u>	<u>Charville</u>	<u>National</u>
Good level of development	72	70

The Year 1 Phonics Screening results were as follows:

<u>Subject</u>	<u>Charville</u>	<u>National</u>
Phonics	85	81

The SATS results for 2016 at the end of KS1 were as follows:
(% of pupils at expected standard compared to National)

<u>Subject</u>	<u>Charville</u>	<u>National</u>
Reading	79	74
Writing	74	65
Mathematics	81	73

The SATS results for 2016 at the end of KS2 were as follows:
(% of pupils at expected standard compared to National)

<u>Subject</u>	<u>Charville</u>	<u>National</u>
Reading	66	66
Writing	87	74
EGPS	76	72
Mathematics	74	70

Going concern

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

Financial review

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

Capital Grants were awarded to the Academy by the DfE to provide fixed assets totalling £11k (2015: £42k) for the academy. In accordance with the Charities Statement of Recommended Practice (SORP) 2015, the DFC (Devolved Formula Capital) Grant received is shown in the Statement of Financial Activities (SOFA) as restricted fixed asset funds.

On conversion on 1 May 2013, all of the fixed assets of the former school were transferred to the new Academy Trust, and are shown as restricted fixed asset funds. The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in Note 1 to the Financial Statements.

Expenditure for the year covered by this report was covered by the GAG received from the DfE and other income, such as voluntary income, activities for generating funds and investment income.

The combined General Restricted Fund, Restricted Fixed Asset Fund and Unrestricted Fund show an operating surplus, before the actuarial loss on defined-benefit pension schemes, of £65k (2015: £261k).

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Reserves policy

The governors, via the work of their Resources and Finance Committee, regularly monitor on-going and projected levels of reserves, to ensure that they are adequate for the continued efficient operation of the academy. This monitoring process takes into account shifts in local and national funding policies and developments as well as material expenditure requirements.

The Governors have determined that the appropriate level of free reserves (comprising unrestricted reserves £329k (2015: £278k) and restricted general reserves £93k (2015: £106k)) should be the value of approximately one month's academy expenditure, £278k (2015: £212k). The level of free reserves held at 31 August 2016 totalled £422k (2015: £384k).

The free reserve figure is currently £422k (2015: £384k) the value of approximately 1.5 month's academy expenditure. It is higher than the levels that Governors expect to see of £278k. The agreed expectation was one month's expenditure. Additional expenditure has been identified for 2016-2017 to bring this in line to the end of the next accounting period.

The level of Unrestricted reserves held at 31 August 2016 totalled £329k (2015: £278k).

The level of Restricted general reserves held at 31 August 2016 totalled £93k (2015: £106k).

The level of Restricted fixed asset reserves held at 31 August 2016 totalled £5,936k (2015: £5,932k).

Restricted general reserves as at 31 August 2016 were in deficit by £(825k) (2015: £(415k)), although once the effect of the deficit on the defined-benefit pension fund had been taken into account Restricted general reserves were in surplus by £93k (2015: £106k).

The defined-benefit pension fund deficit as at 31 August 2016 was £(918k) (2015: £(521k)).

Investment policy and powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

Governors keep reserves under constant review to ensure that they have sufficient income to run the academy on an efficient basis without affecting the quality of teaching and learning.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

As a recently converted academy, since 1 May 2013, there has been a comprehensive assessment of possible risks to the future of the Academy Trust (Risk Register).

The chief risks identified include:

- Variations year-on-year in the numbers of pupils joining the academy in the Early Years and Reception, with a concomitant effect upon funding levels.
- Deficit in the Local Authority Pension Scheme, possible increase in employer's contribution rates.

The Governors (Trustees) have assessed the major risks to which the Academy Trust is exposed, with guidance from the Academies Financial Handbook the Governing Body regularly review risk registers specifically for:

1. Financial Risk
2. Compliance Risk
3. Operational Risk
4. Strategic Risk

More specific risks that have been identified by the Governors are those relating to pupil safeguarding, finance process and controls, teaching and learning environments and health and safety (on and off site). The Academy Trust has introduced various systems with regards to the Finance Department and all duties are segregated to minimise the risk of fraud. In addition policies and procedures have been developed to mitigate these risks. Where significant financial risk still remains the Academy Trust has ensured that it has adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the statement of internal financial control.

The Governors (Trustees) have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Charville Primary Academy Trust will continue to work to maintain the performance of its students at all levels. Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in extra-curricular activities and in essential life skills; so as to increase the number of opportunities open to its students when they move on to secondary education.

Funds held as custodian trustee on behalf of others

During the year to 31 August 2016 Charville Primary School Academy Trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

Auditor

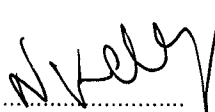
The Directors confirm that, so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish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

A resolution proposing that Wilkins Kennedy LLP be reappointed as auditor of the charitable company will be put to the members.

Approved by order of the members of the Governing Body (Trustees) on 12 December 2016.
And signed on its behalf by:



Mr D Coleshill
Chair



Mrs N Kelly
Accounting Officer

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

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

The governing body has delegated the day-to-day responsibility to Mrs N Kelly, 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 Charville Primary School Academy Trust and the Secretary of State for Education. She is also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Governing Body has formally met seven times during the period from 1 September 2015 to 31 August 2016.

Directors	Meetings attended	Out of possible
Mr D Coleshill (Chair)	7	7
Mr D Gable (Resigned 2 December 2015)	1	2
Mr M Charlton	6	7
Mrs N Kelly (Accounting Officer)	7	7
Mrs S Glean	3	7
Mr N Fyfe	7	7
Mr M Chehab (Resigned 1 September 2015)	0	0
Ms S Gota	7	7
Ms L Marques (Resigned 21 March 2016)	2	4
Mrs B Deane (Appointed 20 October 2015)	6	6
Mrs N Tavernier (Appointed 29 September 2015 and resigned 31 August 2016)	2	6
Mrs S Rendell (Appointed 27 February 2016)	4	4
Miss P McGee (Appointed 1 September 2016)	0	0
Miss L Innes (Appointed 11 September 2016)	0	0

Other than personnel changes, the composition of the board of directors has not changed in the year.

Governors attend an Away Day Meeting held on a Saturday, once every academic term. At each meeting Governors are asked to self-evaluate their personal performance as a Governor and discuss their achievements. Governors identify their personal challenges to contribute even more effectively to the Board. Governors review the Governor Action Plan and the SDP. These discussions and actions are recorded in the minutes of the meetings of 28 November 2015, 27 February 2016 and 2 July 2016. This SEF process will continue throughout 2016-17.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The Resources and Finance Committee is a sub-committee of the main Board of Directors.

Its purpose is to advise and support the Governing Body on finance.

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
Mr D Coleshill (Chair)	6	6
Mr D Gable (Resigned 2 December 2015)	1	2
Mr M Charlton	4	6
Mrs N Kelly (Accounting Officer)	6	6
Mrs S Glean	3	6
Mr N Fyfe	4	6
Mr M Chehab (Resigned 1 September 2015)	0	0
Mrs B Deane (Appointed 20 October 2015)	6	6
Mrs N Tavernier (Appointed 29 September 2015 and resigned 31 August 2016)	0	5
Mrs S Rendell (Appointed 27 February 2016)	2	2

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

As Accounting Officer of Charville Primary School Academy Trust, the Headteacher is responsible and accountable for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer is aware of the guide to academy value for money statements published by the Education Funding Agency and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

Improving Educational Results

- Numbers count funded (PP). Delivered by accredited numbers count teachers, specifically employed to raise standards for low achievers in mathematics in KS1. All children in receipt of this intervention are tracked to achieve based on end of year expectations or higher based on low starting points. As these pupils progress into KS2 exit tests are carried out to track further progress.
- Mathematics Mastery is a proven program for raising standards in Years 1 - 6. This has been introduced to raise standards across the academy and lead staff have been trained, reviewed and observed in line with the external validation of the program.
- Mathletics is an online tool based on individual tutorials to raise standards in mathematics by identifying gaps in learning. Once the gaps have been identified online sessions are delivered to ensure that these areas are developed.
- Reading Recovery. Delivered by accredited Reading Recovery Teachers, specifically employed to raise standards for low achievers in reading in KS1. All children in receipt of this intervention are tracked to achieve based on end of year expectations or higher based on low starting points. As these pupils progress into KS2 exit tests are carried out to track further progress.
- Speech and Language sessions, which are delivered by an external speech therapist, have been purchased to ensure that all identified children receive support in order to raise their communication levels and therefore impact on their attainment.
- SEND – Governors have agreed to open a centre focused on developing the readiness to learn of identified pupils. This unit is led by a teacher who specialises in children with identified needs such as autism. Pupils visit 5 times per week for 3-hour sessions and carry out a range of academic and social tasks in addition to their regular curriculum.
- Assistant Headteachers deployed to teach target groups.
- Continuous Professional Development to facilitate up-to-date best practices and teaching. This is led by a Training and Development Co-ordinator who plans whole school and bespoke CPD based on performance management.
- All pupil data is tracked at least 3 times per year, in line with the assessment cycle. Pupils in receipt of interventions and disadvantaged pupils are tracked separately and those with identified individual needs are also tracked separately. All information is transparent and is disseminated to all stakeholders involved in learning and teaching, including the Governing Body.
- In order to ensure that pupils are secondary ready and achieve in line with National or above at the end of Key Stage 2, funding is used to support progress in the form of additional lessons, target small group teaching and purchase of high quality resources to support those who are under achieving.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Financial Performance

- Financial Governance is good and continuously improving. The chair of the committee has a long standing financial background within the banking sector and this allows others to develop their understanding.
- Resources and Finance Committee regularly report back to the Full Governing Body on financial matters and keep all Governors aware of any significant changes.
- Monitoring reports are reviewed weekly with the Headteacher and Senior Finance Officer.
- Half-termly budget monitoring reports are reviewed by the Resources and Finance Committee.
- Best Value Statement discussed in the summer term with the Resources and Finance Committee.
- Termly internal audit assessments and reports provided to the Governors for continual monitoring and improvement.

Purchasing

- Online purchasing methods are used to allow for best value.
- The agreed Finance Policy, which has clear processes for purchasing and tendering procedures, has been followed.
- Rates agreed with suppliers using market testing methods.

Staffing

- The staffing structure is reviewed annually by Governors and the senior leadership team to ensure staff are deployed in areas to support the raising of achievement. This is fluid within an academic year in order to ensure that staffing meets the needs of the children.
- The senior leadership team and middle leaders carry out regular observations and performance management to ensure quality of teaching and learning.

Pupil Welfare

- Governors and the senior leadership team review the quality of the premises regularly.
- The school designates are continuously being trained to the required standard.
- The Headteacher ensures a safe and child friendly working environment for pupils conducive to learning and attainment.

Future Objectives

- Service contracts continue to be reviewed regularly and negotiated to achieve best value for money.
- Subject leaders continue to be responsible for their own subject areas and work in collaboration with the Finance team to achieve best value for money.
- Continue with regular and accurate budget report to Governors.
- Parent Pay now embedded and has proved more effective in collecting money and reducing outstanding payments.
- Accurate 3-year financial forecast has been produced and is amended in line with changing circumstances.
- To investigate the academy's current pension contribution for support staff as it is deemed to be considerably higher in comparison to other academies.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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 Charville Primary Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Charville Primary School Academy Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

Capacity to handle risk

The Governing Body has reviewed the key risks to which Charville Primary School Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

Charville Primary School 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 Body;
- regular reviews by the Resources and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- setting targets to measure financial and other performance
- delegation of authority and segregation of duties;
- Identification and management of risks.

The Academy Trust's system of internal financial control was introduced following its conversion to academy status.

The Governing Body decided to appoint Wilkins Kennedy LLP's Internal Audit Department as internal auditor.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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

- testing of income systems
- testing of purchase systems including tendering and procurement
- testing of payroll systems including recruitment and pensions
- testing of fixed assets
- testing of control account/bank reconciliations
- testing of VAT procedures
- testing of governance and procedures
- testing of budget monitoring/management accounts

On a twice-yearly basis, the internal auditor reports to the Headteacher who then presents the report to the Resources and Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal auditor delivered their schedule of works as planned and no material control issues were identified.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Senior Finance Officer within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

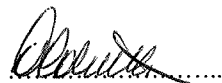
CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

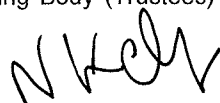
FOR THE YEAR ENDED 31 AUGUST 2016

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

Approved by order of the members of the Governing Body (Trustees) on 12 December 2016 and signed on its behalf by:



David Coleshill
Chair



Nicola Kelly
Accounting Officer and Headteacher

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of directors and EFA. If any instances are identified after the date of this statement, these will be notified to the board of directors and EFA:

Financial issues

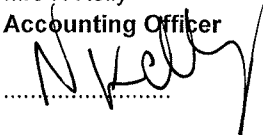
During the year, the Academy Trust purchased outsourced services from The Schools HR Co-Operative Limited, a company of which Mr M Charlton, who is a member of the Governing Body, a Director and a former Member of the Academy Trust, is both a director and the controlling shareholder. The total of the outsourced services purchased was £23,059 (2015: £27,441). The figure for 2015 was previously reported as being £12,478 which was in fact for outsourced HR services only.

The Academy Trust made the purchase of these services at arm's length following a competitive tendering exercise in accordance with its financial regulations which Mr Charlton neither participated in nor influenced. In entering into this transaction the Academy Trust did not comply with the requirements of the EFA's Academies Financial Handbook 2015, as it has paid more than "cost" for services provided to it by an organisation connected to Mr Charlton, a director and former member of the Academy Trust, but obtained comparative quotes.

The contract for the supply of these services was initially inherited by the Academy Trust on its conversion to academy status and was subsequently renewed for a period of 2 years in March 2014 and again in March 2016. The Academy Trust submitted a form explaining the role of Mr Charlton to the EFA in February 2015.

In order to carry out this role, Mr Charlton declares his position at each meeting and does not carry a vote on matters pertaining to his HR role.

Mrs N Kelly
Accounting Officer



CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP, 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and 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 Academy Trust will continue in business.

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

The Directors are responsible for ensuring that in its conduct and operation, the Academy Trust applies financial and other controls, which conform to 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 Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Academy Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body (Trustees) on 12 December 2016 and signed on its behalf by:



Mr D Coleshill
Chair



Mrs N Kelly
Accounting Officer

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

We have audited the financial statements of Charville Primary School Academy Trust for the year ended 31 August 2016, which comprises the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement (set out on page 17), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the Audit of the Financial Statements

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

Opinion on Financial Statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



David Cary LLB FCA (Senior Statutory Auditor)
Wilkins Kennedy LLP

Chartered Accountants

Statutory Auditor

Anglo House
Bell Lane Office Village
Bell Lane
Amersham
Buckinghamshire
HP6 6FA

Dated: 12 December 2016

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHARVILLE PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 8 August 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether, in all material respects, the expenditure disbursed and income received by the Academy Trust during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Charville Primary School Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Academy Trust's funding agreement with the Secretary of State for Education dated 9 August 2012 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether, in our opinion, 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 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHARVILLE PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

As a firm we have taken the decision to use the Mercia work programme for regularity audit as approved by the ICAEW. The work undertaken to draw to our conclusion includes:

- Identification and assessment of the design and operational effectiveness of controls in place.
- Assessment and review of the policies and procedures in place and implementation thereof.
- Assessment that the policies and procedures have been implemented.
- Considered the activity represented by the expenditure and considered whether any may represent a breach of terms included within the funding agreement and the academy's charitable objects.
- Reviewed for potential related party transactions (connected parties) by reviewing the register of interests, and if any identified and transactions have occurred, the procurement policy has been agreed to ensure all transactions have followed the internal process.
- Confirmed that the results of procedures throughout the audit did not provide any evidence that related party transactions and controlling party, if any, is incomplete.
- Considered whether the movements, including the level of disposals, and depreciation of fixed assets appear reasonable in view of our knowledge of the academy, its funding and consent received for disposals.
- Verified a sample of grants receivable to grant documentation, especially noting any restrictions as to timing or other recognition of the income, and any claw back clauses.
- Considered whether income appeared to be derived from activities outside of the academy's charitable objects and wider framework of authorities.
- Ensured that bank accounts are operated within the terms of the governing document, delegated powers, and the bank mandates.
- Considered the systems in place to ensure compliance with terms of funding and other relevant authorities (e.g. terms of the Academies Financial Handbook or terms relevant to non-core funding streams).
- Ensured that the overall level of retained funds is acceptable in view of the academy's needs and plans, and that the accumulated funds are justifiable and permissible under the terms of funding.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHARVILLE PRIMARY SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter

During the year, the Academy Trust purchased outsourced services from The Schools HR Co-Operative Limited, a company of which Mr M Charlton, who is a member of the Governing Body, a Director and a former Member of the Academy Trust, is both a director and the controlling shareholder. The total of the outsourced services purchased was £23,059 (2015: £27,441). The figure for 2015 was previously reported as being £12,478 which was in fact for outsourced HR services only.

The Academy Trust made the purchase of these services at arm's length following a competitive tendering exercise in accordance with its financial regulations which Mr Charlton neither participated in nor influenced. In entering into this transaction the Academy Trust did not comply with the requirements of the EFA's Academies Financial Handbook 2015, as it has paid more than "cost" for services provided to it by an organisation connected to Mr Charlton, a director and former member of the Academy Trust, but obtained comparative quotes.

The contract for the supply of these services was initially inherited by the Academy Trust on its conversion to academy status and was subsequently renewed for a period of 2 years in March 2014 and again in March 2016. The Academy Trust submitted a form explaining the role of Mr Charlton to the EFA in February 2015.

In order to carry out this role, Mr Charlton declares his position at each meeting and does not carry a vote on matters pertaining to his HR role.



David Cary LLB FCA
Reporting Accountant
Wilkins Kennedy LLP
Chartered Accountants
Anglo House
Bell Lane Office Village
Bell Lane
Amersham
Buckinghamshire
HP6 6FA

Dated: 12 December 2016

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2016 £000	Total 2015 £000
Income and endowments from:						
Donations and capital grants	2	5	25	11	41	61
Charitable activities:						
- Funding for educational operations	3	-	3,285	-	3,285	3,339
Other trading activities	4	45	39	-	84	143
Investments	5	1	-	-	1	-
Total income and endowments		<u>51</u>	<u>3,349</u>	<u>11</u>	<u>3,411</u>	<u>3,543</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	-	3,179	167	3,346	3,282
Total expenditure	6	<u>-</u>	<u>3,179</u>	<u>167</u>	<u>3,346</u>	<u>3,282</u>
Net income/(expenditure)		51	170	(156)	65	261
Transfers between funds		-	(160)	160	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(420)	-	(420)	1
Net movement in funds		51	(410)	4	(355)	262
Reconciliation of funds						
Total funds brought forward		<u>278</u>	<u>(415)</u>	<u>5,932</u>	<u>5,795</u>	<u>5,533</u>
Total funds carried forward		<u>329</u>	<u>(825)</u>	<u>5,936</u>	<u>5,440</u>	<u>5,795</u>

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted	Restricted funds:		Total
		Funds £000	General £000	Fixed asset £000	2015 £000
Income and endowments from:					
Donations and capital grants	2	5	14	42	61
Charitable activities:					
- Funding for educational operations	3	-	3,339	-	3,339
Other trading activities	4	94	49	-	143
Total income and endowments		<u>99</u>	<u>3,402</u>	<u>42</u>	<u>3,543</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	1	3,137	144	3,282
Total expenditure	6	<u>1</u>	<u>3,137</u>	<u>144</u>	<u>3,282</u>
Net income/(expenditure)		98	265	(102)	261
Transfers between funds		-	(158)	158	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	17	-	1	-	1
Net movement in funds		98	108	56	262
Reconciliation of funds					
Total funds brought forward		180	(523)	5,876	5,533
Total funds carried forward		<u>278</u>	<u>(415)</u>	<u>5,932</u>	<u>5,795</u>

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

BALANCE SHEET

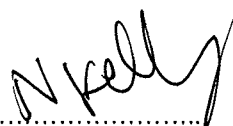
AS AT 31 AUGUST 2016

		2016	2015
	Notes	£000	£000
Fixed assets			
Tangible assets	11	5,936	5,932
Current assets			
Debtors	12	69	56
Cash at bank and in hand		588	544
		657	600
Creditors: amounts falling due within one year	13	(235)	(216)
Net current assets		422	384
Total assets less current liabilities		6,358	6,316
Pension scheme liability	17	(918)	(521)
Net assets		5,440	5,795
Funds of the Academy Trust:			
Restricted income funds	15		
- Fixed asset funds		5,936	5,932
- General funds		93	106
- Pension funds		(918)	(521)
Total restricted funds		5,111	5,517
Unrestricted funds	15	329	278
Total funds		5,440	5,795

The accounts were approved by order of the Board of Directors and authorised for issue on 12 December 2016.



Mr D Coleshill
Chair



Mrs N Kelly
Accounting Officer

Company Number 08451827

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £000	£000	2015 £000	£000
Cash flows from operating activities					
Net cash provided by operating activities	18		203		452
Cash flows from investing activities					
Dividends, interest and rents from investments		1		-	
Capital grants from DfE and EFA		11		42	
Payments to acquire tangible fixed assets		(171)		(206)	
			(159)		(164)
Change in cash and cash equivalents in the reporting period					
			44		288
Cash and cash equivalents at 1 September 2015			544		256
Cash and cash equivalents at 31 August 2016			588		544

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

Charville Primary School Academy Trust 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 Directors' 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.

1.1 Basis of preparation

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

Charville Primary School Academy Trust meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of Charville Primary School Academy Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 22.

1.2 Going concern

The Directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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, where conditions have been met to establish entitlement, are included in the statement of financial activities on a receivable basis. Where grants are received but conditions establishing entitlement have not been met, these are deferred. The balance of income receivable for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

Donations

Donations are included in the Statement of Financial Activities on a cash received basis (where there are no performance-related conditions) or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

Other income

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

Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Academy Trust is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy Trust in the period in which they are receivable, and where the benefit is both quantifiable and material.

Where it has been ascertained that the risks and rewards of property subject to long lease agreements lie substantially with the Academy Trust, a reasonable estimate of the gross value is included within fixed assets and, with an appropriate credit to voluntary income (gift in kind), within the restricted fixed asset fund. The valuation is at an estimation of depreciated replacement cost on the basis that the assets represent specialised property and the open market value for existing use is not readily available.

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.

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

1.4 Expenditure

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

Expenditure on raising funds

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

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Allocation of costs

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the Academy Trust's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs and depreciation are directly attributable to the one principal activity of the Academy Trust.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

1.5 Tangible fixed assets and depreciation

Tangible fixed assets

Tangible fixed assets costing £1k or more acquired since the Academy Trust was established are capitalised and 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). The depreciation on such assets is charged to the restricted fund in the Statement of Financial Activities.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land.

Freehold land and buildings	2% (Building improvements 2%)
ICT equipment	33.3%
Furniture and fittings, plant and machinery	20%

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.

1.6 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.

1.7 Leasing commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.8 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and, therefore, 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.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 quinquennial valuations using a prospective benefit method. As stated in Note 17. The TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is, therefore, treated as a defined contribution scheme and the contributions recognised as they are paid each period.

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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until the vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 Fund accounting

General funds represent those resources which may be used towards meeting any of the objects of the Academy Trust at the discretion of the Directors.

Restricted fixed asset funds are resources that are to be applied to specific capital purposes imposed by the EFA and DfE 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 EFA and DfE.

The defined-benefit pension scheme relates to the pension deficit arising on the LGPS. The fund is in deficit but given the nature of the liability, is not payable immediately.

1.11 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.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

The Directors consider that the only area of judgement that is critical to the Academy Trust's financial statements is the freehold property valuation, which was determined by the EFA on conversion to academy trust status.

2 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 2015 £000
Capital grants	-	11	11	42
Trips	-	25	25	14
Donations	5	-	5	5
	<u>5</u>	<u>36</u>	<u>41</u>	<u>61</u>

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 2015 £000
DfE / EFA grants				
General annual grant (GAG)	-	2,597	2,597	2,714
Other DfE / EFA grants	-	441	441	387
	<u>-</u>	<u>3,038</u>	<u>3,038</u>	<u>3,101</u>
Other government grants				
Local authority grants	-	247	247	238
	<u>-</u>	<u>247</u>	<u>247</u>	<u>238</u>
Total funding	<u>-</u>	<u>3,285</u>	<u>3,285</u>	<u>3,339</u>

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

4 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 2015 £000
Hire of facilities	45	-	45	94
Catering income	-	39	39	49
	<u>45</u>	<u>39</u>	<u>84</u>	<u>143</u>

5 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 2015 £000
Other investment income	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

6 Expenditure

	Staff costs £000	Premises & equipment £000	Other costs £000	Total 2016 £000	Total 2015 £000
Academy's educational operations					
- Direct costs	2,286	-	248	2,534	2,485
- Allocated support costs	404	186	222	812	797
	<u>2,690</u>	<u>186</u>	<u>470</u>	<u>3,346</u>	<u>3,282</u>
Total expenditure	<u>2,690</u>	<u>186</u>	<u>470</u>	<u>3,346</u>	<u>3,282</u>

Included within other support costs are governance costs, which are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs will include any employee benefits for trusteeship, the costs of charity employees involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

Net income/(expenditure) for the year includes:

	2016 £000	2015 £000
Fees paid to auditor for audit services	6	6
Operating lease rentals	-	14
Depreciation of tangible fixed assets	<u>167</u>	<u>144</u>

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2016 £000	Total 2015 £000
Direct costs				
Teaching and educational support staff costs	-	2,244	2,244	2,156
Educational supplies and services	-	169	169	169
Staff development	-	42	42	41
Educational consultancy	-	62	62	59
Other direct costs	-	17	17	60
	-	2,534	2,534	2,485
Allocated support costs				
Support staff costs	-	404	404	417
Depreciation	-	167	167	144
Maintenance of premises and equipment	-	19	19	(5)
Cleaning	-	2	2	3
Light and heat	-	36	36	45
Rates	-	22	22	17
Insurance	-	16	16	5
Catering	-	45	45	71
Interest and finance costs	-	19	19	8
Other support costs	-	82	82	92
	-	812	812	797
Total costs	-	3,346	3,346	3,282

8 Staff costs

	2016 £000	2015 £000
Wages and salaries	1,948	1,977
Social security costs	157	137
Employer's contributions to defined-benefit pension schemes	473	324
	2,578	2,438
Supply teacher costs	70	135
Staff development	42	41
Total staff costs	2,690	2,614

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

2016 Number	2015 Number
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CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs

Teachers	33	33
Administration and support	71	77
	<u>104</u>	<u>110</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2016 Number	2015 Number
£60,001 to £70,000	1	-
£70,001 to £80,000	<u>1</u>	<u>1</u>

The key management personnel of the Academy Trust comprise the Directors 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 £217k.

9 Directors' remuneration and expenses

The Headteacher and staff Directors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses, from the Academy Trust in respect of their roles as Directors. No directors received reimbursement of expenses during the year. The three (2015: three) staff Directors who received remuneration are:

Name	2016	2015
Mrs N Kelly (Headteacher)	£75,001 - £80,000	£70,001 - £75,000
Mrs S Glean, Mrs S Rendell (2015: Mrs S Glean, Mr M Smallpage)	£48,949	£41,556

The other staff Directors listed above only received remuneration for their roles as members of staff and their salaries have been aggregated, as the Directors believe any further detailed breakdown would be prejudicial to the structure of the Governing Body.

Related party transactions involving the Directors are set out in note 20.

10 Directors and officers insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Directors', Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the insurance is included within the total policy and cannot be separated out.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

11 Tangible fixed assets

	Freehold land and buildings	ICT equipment	Furniture and fittings, plant and machinery	Total
	£000	£000	£000	£000
Cost				
At 1 September 2015	6,078	72	86	6,236
Additions	42	70	59	171
At 31 August 2016	6,120	142	145	6,407
Depreciation				
At 1 September 2015	251	35	18	304
Charge for the year	110	38	19	167
At 31 August 2016	361	73	37	471
Net book value				
At 31 August 2016	5,759	69	108	5,936
At 31 August 2015	5,827	37	68	5,932

12 Debtors

	2016 £000	2015 £000
Other debtors	11	23
Prepayments and accrued income	58	33
	69	56

13 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Trade creditors	-	2
Other taxation and social security	46	46
Other creditors	52	46
Accruals and deferred income	137	122
	235	216

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

14 Deferred income	2016	2015
	£000	£000
Deferred income is included within:		
Creditors due within one year	79	67
	<u>79</u>	<u>67</u>
Deferred income at 1 September 2015	67	48
Released from previous years	(67)	(48)
Amounts deferred in the year	79	67
	<u>79</u>	<u>67</u>
Deferred income at 31 August 2016	79	67

As at the balance sheet date the Academy Trust was holding funds received in advance for Infant Free School Meals funding for the year 2017.

15 Funds	Balance at 1 September 2015	Incoming resources	Resources expended	Transfers	Balance at 31 August 2016
	£000	£000	£000	£000	£000
Restricted general funds					
General Annual Grant	106	2,597	(2,450)	(160)	93
Other DfE / EFA grants	-	441	(441)	-	-
Other government grants	-	247	(247)	-	-
Other restricted funds	-	64	(64)	-	-
	<u>106</u>	<u>3,349</u>	<u>(3,202)</u>	<u>(160)</u>	<u>93</u>
Funds excluding pensions	106	3,349	(3,202)	(160)	93
Pension reserve	(521)	-	23	(420)	(918)
	<u>(415)</u>	<u>3,349</u>	<u>(3,179)</u>	<u>(580)</u>	<u>(825)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	-	11	(167)	156	-
Assets transferred on conversion	5,868	-	-	-	5,868
General fixed assets	64	-	-	4	68
	<u>5,932</u>	<u>11</u>	<u>(167)</u>	<u>160</u>	<u>5,936</u>
Total restricted funds	5,517	3,360	(3,346)	(420)	5,111
Unrestricted funds					
General funds	278	51	-	-	329
	<u>278</u>	<u>51</u>	<u>-</u>	<u>-</u>	<u>329</u>
Total funds	5,795	3,411	(3,346)	(420)	5,440

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

15 Funds

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

General funds represent those resources that may be used towards meeting any of the objects of the Academy Trust at the discretion of the Directors.

Restricted fixed asset funds are resources that are to be applied to specific capital purposes imposed by the EFA and DfE 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 EFA and DfE.

The defined-benefit pension scheme relates to the pension deficit arising on the LGPS. The fund is in deficit but given the nature of the liability, this is not payable immediately.

The transfer of funds relates to the purchase of fixed assets during the period.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

16 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2016 £000
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	5,936	5,936
Current assets	329	328	-	657
Creditors falling due within one year	-	(235)	-	(235)
Defined benefit pension liability	-	(918)	-	(918)
	<u>329</u>	<u>(825)</u>	<u>5,936</u>	<u>5,440</u>

17 Pensions and similar obligations

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

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

Contributions amounting to £45k (2015: £39k) were payable to the schemes at 31 August 2016 and are included within creditors.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

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.

The employer's pension costs paid to TPS in the period amounted to £180k (2015: £141k).

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.

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

Local Government Pension Scheme

London Borough of Hillingdon Pension Scheme

The Academy Trust is one of several employing bodies included within the London Borough of Hillingdon Pension Fund.

The London Borough of Hillingdon's pension scheme is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds.

Parliament has agreed, at the request of the Security 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.

Total contributions made	2016 £000	2015 £000
Employer's contributions	214	195
Employees' contributions	37	34
Total contributions	251	229
Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	3.1	3.6
Rate of increase for pensions in payment	2.1	2.7
Discount rate	2.1	3.8
Inflation assumption (CPI)	2.1	2.7
Commutation of pensions to lump sums	65 to 85%	65 to 85%

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

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

	2016 Years	2015 Years
Retiring today		
- Males	22.7	22.7
- Females	24.7	24.7
Retiring in 20 years		
- Males	24.3	24.3
- Females	26.9	26.9

The Academy Trust's share of the assets in the scheme

	2016 Fair value £000	2015 Fair value £000
Equities	712	470
Bonds	307	186
Cash	61	49
Property	148	105
Total market value of assets	1,228	810
Actual return on scheme assets - gain/(loss)	167	(19)

Amounts recognised in the statement of financial activities

	2016 £000	2015 £000
Current service cost (net of employee contributions)	172	156
Net interest cost	19	8

Changes in the present value of defined benefit obligations

	2016 £000	2015 £000
Obligations at 1 September 2015	1,331	1,115
Current service cost	172	156
Interest cost	55	45
Employee contributions	37	34
Actuarial loss	551	(19)
At 31 August 2016	2,146	1,331

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

Changes in the fair value of the Academy Trust's share of scheme assets	2016 £000	2015 £000
Assets at 1 September 2015	810	562
Interest income	36	37
Return on plan assets (excluding amounts included in net interest): Actuarial gain	131	(18)
Employer contributions	214	195
Employee contributions	37	34
At 31 August 2016	1,228	810

18 Reconciliation of net income to net cash flows from operating activities

	2016 £000	2015 £000
Net income for the reporting period	65	261
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(11)	(42)
Investment income	(1)	-
Defined benefit pension costs less contributions payable	(42)	(39)
Defined benefit pension net finance cost/(income)	19	8
Depreciation of tangible fixed assets	167	144
(Increase)/decrease in debtors	(13)	194
Increase/(decrease) in creditors	19	(74)
Net cash provided by operating activities	203	452

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 Trust 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 Trust serving notice, the Academy Trust shall repay to the Secretary of State sums determined by reference to:

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

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

20 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Directors or Governing Body may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

During the year, the Academy Trust purchased outsourced services from The Schools HR Co-Operative Limited, a company of which Mr M Charlton, who is a member of the Governing Body, a Director and a former Member of the Academy Trust, is both a director and the controlling shareholder. The total of the outsourced services purchased was £23,059 (2015: £27,441). The figure for 2015 was previously reported as being £12,478 which was in fact for outsourced HR services only.

The Academy Trust made the purchase of these services at arm's length following a competitive tendering exercise in accordance with its financial regulations which Mr Charlton neither participated in nor influenced. In entering into this transaction the Academy Trust did not comply with the requirements of the EFA's Academies Financial Handbook 2015, as it has paid more than "cost" for services provided to it by an organisation connected to Mr Charlton, a director and former member of the Academy Trust, but obtained comparative quotes.

The contract for the supply of these services was initially inherited by the Academy Trust on its conversion to academy status and was subsequently renewed for a period of 2 years in March 2014 and again in March 2016. The Academy Trust submitted a form explaining the role of Mr Charlton to the EFA in February 2015.

In order to carry out this role, Mr Charlton declares his position at each meeting and does not carry a vote on matters pertaining to his HR role.

21 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.

22 Reconciliations on adoption of FRS 102

The transition to FRS 102 affected the figures reported for the comparative period under previous UK GAAP for funds and net income or expenditure as follows:

Reconciliation of funds for the previous financial period

	1 September 2014 £000	31 August 2015 £000
Funds as reported under previous UK GAAP and under FRS 102	5,533	5,795
Change in recognition of Capital grants	1	-

CHARVILLE PRIMARY SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

22 Reconciliations on adoption of FRS 102

Reconciliation of net income for the previous financial period

	2015 £000
Net income as reported under previous UK GAAP and under FRS 102	262
Change in recognition of Capital grants	1
	<u>-</u>

Notes to reconciliations on adoption of FRS 102

Capital grants

Under FRS 102 capital grants are now disclosed under Donations and capital grants where previously they were shown under Funding for the Academy Trust's educational operations. This has resulted in £42k being reclassified but has no impact on the reported net income or fund balances as at 31 August 2015.