

Company Registration No. 09361618 (England and Wales)

HUNGERFORD PRIMARY ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

HUNGERFORD PRIMARY ACADEMY

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HUNGERFORD PRIMARY ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members

B Wye
W Bailey
S Jackson-Turnbull
D Straine-Francis
J Walkley (Resigned 5 March 2018)

Trustees

B Wye (Chair)
W Bailey
N Dyde (Resigned 29 June 2018)
R Futchter (Resigned 31 May 2018)
S Jackson-Turnbull
S Keegan (Resigned 29 June 2018)
D Straine-Francis (Vice-Chair)
J Welch
D Sweeney
J Walkley (Resigned 5 March 2018)
S Wright (Resigned 24 April 2018)
C Pearce (Appointed 5 March 2018)

Senior management team

- Headteacher	R Futchter (Resigned 31 May 2018)
- Head of School	A Bean (Appointed 31 May 2018)
- Assistant Headteacher	A Tomley
- Assistant Headteacher	C Blackburn
- Deputy Headteacher	D Sweeney
- Business Manager	C Jones
- SENDCo	R Whiston

Company registration number

09361618 (England and Wales)

Registered office

School Crescent
Crewe
CW1 5HA

Independent auditor

Afford Bond Holdings Limited
31 Wellington Road
Nantwich
Cheshire
CW5 7ED

HUNGERFORD PRIMARY ACADEMY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3-11 serving a catchment area in Crewe. It has a pupil capacity of 510 and had a roll of 462 in the school census on 31 August 2018.

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 Hungerford Primary Academy are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, 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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim.

Method of recruitment and appointment or election of trustees

The Members may appoint by ordinary resolution up to 12 Trustees.

A minimum of 2 Parent Trustees shall be elected by parents, or appointed by the Board of Trustees if the number of parents standing for election is less than the number of vacancies.

The Trustees may appoint Co-opted Trustees, provided that the appointment does not cause the number of Trustees who are employees of the Academy Trust to exceed one third of the total number of Trustees.

Policies and procedures adopted for the induction and training of trustees

The induction and training of trustees is carried out by the Headteacher and covers the roles and responsibilities of the trustees, and the organisation and workings of the board of trustees. In addition, the governors at Hungerford Primary Academy attend a variety of conferences and undergo training sessions throughout the year.

Organisational structure

The Governing Board is responsible for the strategic direction of the Academy. It is also responsible for ensuring that the Academy meets all its statutory obligations and, through the Headteacher and Business Manager, that it complies with financial regulations. The Headteacher is the Accounting Officer.

The Headteacher and Senior Leadership Team are responsible for the day to day management of the Academy.

Policy issues are addressed by two sub-committees, which meet at least once a term. The committees' remit is: Leadership & Management with Behaviour & Safety and Teaching & Learning. Decisions made by the committees are either actioned or passed to the full Governing Board for ratification as appropriate.

HUNGERFORD PRIMARY ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Arrangements for setting pay and remuneration of key management personnel

The structure of the school in terms of pay for the senior management team is determined by the Leadership and Management committee and is documented in their minutes. Pay scales are decided by governors using the size of the school and recommendations of the School Improvement Partner (S.I.P). Pay scales are agreed and pay grades within the scales are established via performance management progression.

Related parties and other connected charities and organisations

The Academy was not part of a wider network or soft federation in the period.

Objectives and activities

Objects and aims

The Academy Trust's objects as stated in its Articles of Association are to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

More specifically, Hungerford Primary Academy is a two form entry primary school, increasing to three. That is to say we have two Reception classes (capacity for 3), 2 ½ classes in both Years One and Two (capacity for 3 per year group) and two classes for Years three to Six. We have a 52 place preschool spread over morning and afternoon sessions and these are split between 15 hour and 30 hour places.

In addition, Hungerford has a seven place Resourced Provision for children with Education Health Care Plans for Social, Emotional and Mental Health needs, as well as a strongly supportive parent community and a thriving PTA.

There is also The Crescent, an alternative provision for children from the borough who have been or who are at risk of permanent exclusion. Hungerford were approached, and are supported by, the LA in this endeavour.

Objectives, strategies and activities

The objectives in the School's Strategic Development Plan 17/18 were:

- To improve attainment and progress in KS2 to above national averages for Maths, Reading and Writing.
- To maintain attendance at above national average.
- To make development of middle leaders self sustaining, to embed last years development.
- To develop writing ability in the school by developing speaking and talk for writing.
- To expand to a 3 form entry school.

Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

HUNGERFORD PRIMARY ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Strategic report

Achievements and performance

The aim in our school's strategic development plan is to add value to the children's educational attainment. The children begin their school career at Hungerford Academy slightly below (as a cohort) the national average. Therefore our aim is to make sure that we accelerate their progress so that they end in year 6 at national average or above. School staff are working hard to improve outcomes for all children across the whole school with continued CPD and monitoring of standards.

A new English scheme was introduced which focuses on improving the children's language and sentence structure, including developing their understanding of text structure. The aim is to increase the children's ability to create sustained pieces of writing.

The school continued to receive support in Maths from an independent company. This has focused on the planning of maths and the use of resources to ensure that the children are able gain a deeper understanding of mathematical concepts with which to apply.

The school was subject to an Ofsted inspection in February 2018. All key areas for development and outcomes can be found within this report, a summary of which is below:

- EYFS – Good
- Teaching and Learning – Inadequate
- Outcomes – Inadequate
- Leadership and Management – Requires Improvement
- Personal Development, Behaviour and Welfare
- Overall – Inadequate

Following on from the inspection the school received additional support from an NLE in order to begin to raise the standards of teaching and learning at all levels and identify the key needs across the school. This support has also included guidance for the Senior Leadership Team in order to better lead change and raise standards.

Focus since inspection has been on raising the standards of teaching and learning through increased CPD opportunities for staff and targeted, specific implementation of strategies to support staff understanding of expectations. Senior Leaders have also considered workload of staff to ensure that all teaching staff are using their time effectively.

HUNGERFORD PRIMARY ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Key performance indicators

The Key performance indicators for 2017/18 are:

At Key Stage 2:

- Across KS2 31% of the children achieved expected standard in Reading, Writing and Maths combined. This is 15% below the national average.
- Reading - 54% achieved expected standards which is 21% lower than the national average. Average scaled scores for Hungerford were 100.5 which is 4.5 lower than the national average.
- Writing - 49% achieved expected standards which is 29% lower than the national average.
- Maths - 51% achieved expected standards which is 25% lower than the national average. Average scaled scores for Hungerford were 99.3 which is 5.1 lower than the national average.
- EGPS - 71% achieved expected standards which is 7% lower than the national average. Average scaled scores for Hungerford were 102.8 which is 3.3 lower than the national average.
- Overall progress scores across the core subjects are also on average 6.3 points below.

At Key Stage 1:

- Reading - 78% achieved expected standards which is 3% higher than the national average.
- Writing - 69% achieved expected standards which is 1% higher than the national average.
- Maths - 80% achieved expected standards which is 4% higher than the national average.
- Year 1 Phonic check - 84% passed the phonic check which is 2% higher than the national average.
- Year 2 Phonic check - 92% passed the phonic check which is in line with national average.

Pupil attendance was 95.4% for 2017/18 which has dropped from the previous year.

Going concern

After making appropriate enquiries, the board of trustees have not adopted the going concern basis in preparing the accounts due to the transfer of the Schools assets and activities to St Bart's Multi Academy Trust on 1st September 2018. Further details regarding going concern can be found in the statement of accounting policies.

Financial review

The governors are satisfied that financial statements and plans are communicated to them, and we have a reserve in order to realise the forthcoming plans. The Manual for Internal Financial Procedures has been reviewed in light of the Academy changes, but the policy for separation of duties and governor involvement in budget monitoring remains sound.

Sources of funds are in 4 main areas:

- Majority monthly from EFA (General Annual Grant)
- Pupil Premium (quarterly), Early Years Funding (termly), special needs (termly), universal infant free school meals funding (biannually) funding comes periodically from Cheshire East
- Income generated from units/training support etc
- Fundraising and donations.

Reserves policy

The policy of the Governing Board is to maintain a level of free reserves that will be adequate to provide a stable base for the continuing operation of the Academy whilst ensuring that excessive funds are not accumulated.

Investment policy

All of the Academy's funds are held in instant access accounts with its banker Lloyds Bank.

HUNGERFORD PRIMARY ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Principal risks and uncertainties

The major risk to which the academy is exposed which has the potential to affect our funding is that of local reputation. If our results fall below the national standard, and we are judged not to be a good school by Ofsted, it may affect applications and the 'per pupil funding' will show impact.

Mitigation for this risk is that there are not enough primary places in schools for children in and around Crewe, hence the Cheshire East funded expansion project to increase from a two form to a three form entry school.

Plans for future periods

Plans for future periods include the following goals:

Whole School:

- For the school to become part of the St Bart's Academy Trust on 1st September 2018.
- Reorganisation of the Senior Leadership Team to include an Executive Headteacher, Head of School and Vice Principal.
- To increase the relationships with partner school schools in the trust in order to support the raising of standards and the improve accuracy of assessments.

Attainment and progress:

- Raise the level of attainment specifically at Key Stage 2 in Reading, Writing and Maths individually and combined.
- Improve progress from KS1 to KS2 to bring measures in line with national averages.

Buildings:

- Continue to redevelop existing classrooms and ensure that they are fit for purpose as the school expands in numbers.
- Install MUGA on the school field as part of the whole school expansion.
- Replace the EYFS fencing in line with legislation.

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Afford Bond Holdings Limited be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on21st Dec 2018... and signed on its behalf by:

.....

B Wye
Chair

HUNGERFORD PRIMARY ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hungerford Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustees	Meetings attended	Out of possible
B Wye (Chair)	3	3
W Bailey	3	3
N Dyde (Resigned 29 June 2018)	3	3
R Fitcher (Resigned 31 May 2018)	1	3
S Jackson-Turnbull	3	3
S Keegan (Resigned 29 June 2018)	3	3
D Straine-Francis (Vice-Chair)	3	3
J Welch	2	3
D Sweeney	3	3
J Walkley (Resigned 5 March 2018)	1	3
S Wright (Resigned 24 April 2018)	1	3
C Pearce (Appointed 5 March 2018)	1	3

Review of value for money

As accounting officer the headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- 70% of children achieving a good level of development in the foundation stage.
- Children making good in year progress.
- Children are nurtured and cared about.
- High level of financial resources.
- High standard of safeguarding children.
- Building/infrastructure in very good condition. Have undergone extensive development in order to expand from 2-form entry to 3-form entry.

HUNGERFORD PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hungerford Primary Academy for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Afford Bond Holdings Limited as internal auditor

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

No issues have arisen during the year.

Review of effectiveness

As accounting officer the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Senior Leadership Team within the academy trust who have responsibility for the development and maintenance of the internal control framework.

HUNGERFORD PRIMARY ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the above and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 21st Dec 2018 and signed on its behalf by:



B Wye
Chair

HUNGERFORD PRIMARY ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of Hungerford Primary Academy I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2017.

I confirm that I and the academy trust's 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 2017.

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

Accounting Officer



21/12/18

HUNGERFORD PRIMARY ACADEMY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees (who are also the directors of Hungerford Primary Academy for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

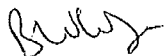
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 21st Dec 2018 and signed on its behalf by:



B Wye
Chair

HUNGERFORD PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNGERFORD PRIMARY ACADEMY

FOR THE YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the accounts of Hungerford Primary Academy for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

As disclosed in notes 1.2 and 21 of the accounts, the assets and activities of Hungerford Primary School transferred to St Bart's Multi Academy Trust on 1st September 2018. The accounts have therefore not been prepared on the going concern basis, however, balances remain unchanged as they have transferred to the Multi Academy Trust.

Conclusions relating to going concern

Our conclusions relating to going concern are as disclosed in the Emphasis of matter paragraph above.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

HUNGERFORD PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNGERFORD PRIMARY ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

We have nothing to report in respect of the following matters in relation to which 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HUNGERFORD PRIMARY ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNGERFORD PRIMARY ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Use of our report

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



Paul Edwards FCCA CTA (Senior Statutory Auditor)
for and on behalf of Afford Bond Holdings Limited

.....21 December 2018

Chartered Accountants
Statutory Auditor

31 Wellington Road
Nantwich
Cheshire
CW5 7ED

HUNGERFORD PRIMARY ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HUNGERFORD PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 13 January 2015 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hungerford Primary Academy during the period 1 September 2017 to 31 August 2018 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 Hungerford Primary Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Hungerford Primary Academy and ESFA 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 Hungerford Primary Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hungerford Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hungerford Primary Academy's funding agreement with the Secretary of State for Education dated 1 February 2015 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. 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.

The work undertaken to draw to our conclusion includes:

- Review of sample expenditure to ensure appropriate use of academy funds
- Review of controls and procedures in place to ensure sufficient and working effectively
- Review of journal entries to ensure appropriate
- Review of terms in relation to revenue and capital funds received to ensure used as intended and no breach of terms

HUNGERFORD PRIMARY ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HUNGERFORD PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Reporting Accountant
Afford Bond Holdings Limited

Dated: 21 October 2018

HUNGERFORD PRIMARY ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	General	Restricted funds: Fixed asset £	Total 2018 £	Total 2017 £
Income and endowments from:						
Donations and capital grants	3	3,498	-	1,559,611	1,563,109	745,420
Charitable activities:						
- Funding for educational operations	4	-	2,314,840	-	2,314,840	2,213,154
Other trading activities	5	111,740	-	-	111,740	133,956
Investments	6	109	-	-	109	121
Total		115,347	2,314,840	1,559,611	3,989,798	3,092,651
Expenditure on:						
Raising funds	7	4,191	-	-	4,191	9,770
Charitable activities:						
- Educational operations	8	16,820	2,482,113	123,230	2,622,163	2,557,675
Total	7	21,011	2,482,113	123,230	2,626,354	2,567,445
Net income/(expenditure)		94,336	(167,273)	1,436,381	1,363,444	525,206
Transfers between funds	16	(107,574)	43,273	64,301	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	18	-	250,000	-	250,000	293,000
Net movement in funds		(13,238)	126,000	1,500,682	1,613,444	818,206
Reconciliation of funds						
Total funds brought forward		18,098	(833,000)	3,206,819	2,391,917	1,573,711
Total funds carried forward		4,860	(707,000)	4,707,501	4,005,361	2,391,917

HUNGERFORD PRIMARY ACADEMY

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

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2017		Funds	General	Fixed asset	2017
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	5,852	-	739,568	745,420
Charitable activities:					
- Funding for educational operations	4	-	2,213,154	-	2,213,154
Other trading activities	5	133,956	-	-	133,956
Investments	6	121	-	-	121
Total		<u>139,929</u>	<u>2,213,154</u>	<u>739,568</u>	<u>3,092,651</u>
Expenditure on:					
Raising funds	7	9,770	-	-	9,770
Charitable activities:					
- Educational operations	8	23,798	2,462,911	70,966	2,557,675
Total	7	<u>33,568</u>	<u>2,462,911</u>	<u>70,966</u>	<u>2,567,445</u>
Net income/(expenditure)		106,361	(249,757)	668,602	525,206
Transfers between funds	16	(144,950)	144,757	193	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	293,000	-	293,000
Net movement in funds		<u>(38,589)</u>	<u>188,000</u>	<u>668,795</u>	<u>818,206</u>
Reconciliation of funds					
Total funds brought forward		56,687	(1,021,000)	2,538,024	1,573,711
Total funds carried forward		<u>18,098</u>	<u>(833,000)</u>	<u>3,206,819</u>	<u>2,391,917</u>

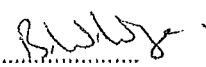
HUNGERFORD PRIMARY ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	12	4,707,501	3,206,819
Current assets			
Debtors	13	145,504	450,355
Cash at bank and in hand		82,899	94,206
		<u>228,403</u>	<u>544,561</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(223,543)	(526,463)
Net current assets		<u>4,860</u>	<u>18,098</u>
Net assets excluding pension liability		<u>4,712,361</u>	<u>3,224,917</u>
Defined benefit pension scheme liability	18	(707,000)	(833,000)
Net assets		<u><u>4,005,361</u></u>	<u><u>2,391,917</u></u>
Funds of the academy trust:			
Restricted funds	16		
- Fixed asset funds		4,707,501	3,206,819
- Pension reserve		(707,000)	(833,000)
Total restricted funds		<u>4,000,501</u>	<u>2,373,819</u>
Unrestricted income funds	16	<u>4,860</u>	<u>18,098</u>
Total funds		<u><u>4,005,361</u></u>	<u><u>2,391,917</u></u>

The accounts on pages 17 to 38 were approved by the trustees and authorised for issue on 21st Dec 2018 and are signed on their behalf by:

.....
 B Wye
 Chair

Company Number 09361618

HUNGERFORD PRIMARY ACADEMY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		52,885		(76,550)
Cash flows from investing activities					
Dividends, interest and rents from investments		109		121	
Capital grants from DfE Group		8,977		8,986	
Capital funding received from sponsors and others		1,550,634		730,582	
Purchase of tangible fixed assets		(1,623,912)		(739,761)	
Net cash used in investing activities			(64,192)		(72)
Net decrease in cash and cash equivalents in the reporting period			(11,307)		(76,622)
Cash and cash equivalents at beginning of the year			94,206		170,828
Cash and cash equivalents at end of the year			82,899		94,206

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Hungerford Primary Academy is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' 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 accounts 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust is not regarded as a going concern. Hungerford Primary School transferred to St Bart's Multi Academy Trust on 1st September 2018 so the School will continue in operation, however, the charitable company Hungerford Primary Academy will cease to operate from this date. The accounts have therefore not been prepared on the going concern basis, however, balances remain unchanged as they have been transferred to the Multi Academy Trust.

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

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £ 1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

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 of services it must provide.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 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 quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate..

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

1.11 Fund accounting

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

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

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

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

2 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.

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 18, 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 2018. 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 trustees do not believe there to be any areas of judgement critical to the academy trust's financial statements.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Capital grants	-	1,559,611	1,559,611	739,568
Other donations	3,498	-	3,498	5,852
	<u>3,498</u>	<u>1,559,611</u>	<u>1,563,109</u>	<u>745,420</u>

The income from donations and capital grants was £1,563,109 (2017: £745,420) of which £3,498 was unrestricted (2017: £5,852), £nil was restricted (2017: £nil) and £1,559,611 was restricted fixed assets (2017: £739,568).

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,611,997	1,611,997	1,574,804
Other DfE group grants	-	175,716	175,716	175,281
	-	1,787,713	1,787,713	1,750,085
Other government grants				
Local authority grants	-	527,127	527,127	463,069
Total funding	-	2,314,840	2,314,840	2,213,154

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of facilities	1,350	-	1,350	1,350
Catering income	19,946	-	19,946	22,613
Parental contributions	23,014	-	23,014	23,584
Breakfast & After School clubs	62,860	-	62,860	76,479
Other income	4,570	-	4,570	9,930
	111,740	-	111,740	133,956

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Short term deposits	109	-	109	121

Investment income was £109 (2017: £121) of which £109 was unrestricted (2017: £121).

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2018 £	Total 2017 £
Expenditure on raising funds					
- Direct costs	-	-	4,191	4,191	9,770
Academy's educational operations					
- Direct costs	1,588,669	-	105,713	1,694,382	1,721,057
- Allocated support costs	507,086	244,155	176,540	927,781	836,618
	<u>2,095,755</u>	<u>244,155</u>	<u>286,444</u>	<u>2,626,354</u>	<u>2,567,445</u>

Expenditure for the year was £2,626,354 (2017: £2,567,445) of which £2,095,755 were staff costs (2017: £2,041,300), £244,155 were premises & equipment costs (2017: £136,815) and £286,444 were other costs (2017: £389,330).

Net income/(expenditure) for the year includes:	2018 £	2017 £
Fees payable to auditor for:		
- Audit	5,000	5,000
- Other services	2,185	1,985
Operating lease rentals	4,215	4,109
Depreciation of tangible fixed assets	123,230	70,966
Net interest on defined benefit pension liability	22,000	22,000

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Direct costs				
Educational operations	13,188	1,681,194	1,694,382	1,721,057
Support costs				
Educational operations	3,632	924,149	927,781	836,618
	<u>16,820</u>	<u>2,605,343</u>	<u>2,622,163</u>	<u>2,557,675</u>

	2018 £	2017 £
Analysis of support costs		
Support staff costs	507,086	483,055
Depreciation	123,230	70,966
Technology costs	10,750	14,684
Premises costs	120,925	65,849
Other support costs	124,788	151,252
Governance costs	41,002	50,812
	<u>927,781</u>	<u>836,618</u>

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

Staff costs

Staff costs during the year were:

	2018 £	2017 £
Wages and salaries	1,479,300	1,489,866
Social security costs	123,084	121,986
Pension costs	407,196	387,167
Staff costs	2,009,580	1,999,019
Agency staff costs	54,846	12,112
Staff restructuring costs	12,000	-
Staff development and other staff costs	19,329	30,169
Total staff expenditure	2,095,755	2,041,300

Staff restructuring costs comprise:

Severance payments	12,000	-
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Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £12,000 (2017: £nil). Individually, the payment was: £12,000 made in June 2018.

Staff numbers

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

	2018 Number	2017 Number
Teachers	19	19
Administration and support	58	66
Management	7	7
	84	92

Higher paid staff

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

	2018 Number	2017 Number
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

(Continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £459,133 (2017: £420,965)

10 Trustees' remuneration and expenses

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration was as follows:

R Futchter (headteacher):

Remuneration £85,000 - £90,000 (2017: £70,000 - £75,000)

Employer pension contributions £5,000 - £10,000 (2017: £10,000 - £15,000)

D Sweeney (deputy headteacher):

Remuneration £55,000 - £60,000 (2017: £55,000 - £60,000)

Employer pension contributions £5,000 - £10,000 (2017: £5,000 - £10,000)

S Keegan (staff):

Remuneration £5,000 - £10,000 (2017: £5,000 - £10,000)

Employer pension contributions £nil - £5,000 (2017: £nil - £5,000)

N Dyde (staff):

Remuneration £10,000 - £15,000 (2017: £10,000 - £15,000)

Employer pension contributions £nil - £5,000 (2017: £nil - £5,000)

Other related party transactions involving the trustees are set out within the related parties note.

11 Trustees and officers insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2017	3,324,404	45,278	34,048	3,403,730
Additions	1,576,006	23,875	24,031	1,623,912
At 31 August 2018	4,900,410	69,153	58,079	5,027,642
Depreciation				
At 1 September 2017	145,766	34,699	16,446	196,911
Charge for the year	95,248	16,366	11,616	123,230
At 31 August 2018	241,014	51,065	28,062	320,141
Net book value				
At 31 August 2018	4,659,396	18,088	30,017	4,707,501
At 31 August 2017	3,178,638	10,579	17,602	3,206,819

13 Debtors

	2018 £	2017 £
Trade debtors	98,808	402,544
VAT recoverable	19,512	47,811
Prepayments and accrued income	27,184	-
	145,504	450,355

14 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,983	393,093
Other taxation and social security	27,691	29,557
Other creditors	33,448	33,541
Accruals and deferred income	160,421	70,272
	223,543	526,463

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

15	Deferred income	2018 £	2017 £
	Deferred income is included within:		
	Creditors due within one year	76,771	64,868
		<u>76,771</u>	<u>64,868</u>
	Deferred income at 1 September 2017	64,868	64,654
	Released from previous years	(64,868)	(64,654)
	Resources deferred in the year	76,771	64,868
		<u>76,771</u>	<u>64,868</u>
	Deferred income at 31 August 2018	76,771	64,868

At the balance sheet date the academy trust was holding funds of £76,771 (2017: £64,868) received in advance for the autumn term.

16	Funds	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
	Restricted general funds					
	General Annual Grant (GAG)	-	1,611,997	(1,655,270)	43,273	-
	Other DfE / ESFA grants	-	175,716	(175,716)	-	-
	Other government grants	-	527,127	(527,127)	-	-
	Pension reserve	(833,000)	-	(124,000)	250,000	(707,000)
		<u>(833,000)</u>	<u>2,314,840</u>	<u>(2,482,113)</u>	<u>293,273</u>	<u>(707,000)</u>
	Restricted fixed asset funds					
	Transfer on conversion	2,377,079	-	(47,640)	-	2,329,439
	DfE group capital grants	737,396	1,559,611	(47,806)	-	2,249,201
	Capital expenditure from GAG	92,344	-	(27,784)	64,301	128,861
		<u>3,206,819</u>	<u>1,559,611</u>	<u>(123,230)</u>	<u>64,301</u>	<u>4,707,501</u>
	Total restricted funds	2,373,819	3,874,451	(2,605,343)	357,574	4,000,501
	Unrestricted funds					
	General funds	18,098	115,347	(21,011)	(107,574)	4,860
		<u>18,098</u>	<u>115,347</u>	<u>(21,011)</u>	<u>(107,574)</u>	<u>4,860</u>
	Total funds	2,391,917	3,989,798	(2,626,354)	250,000	4,005,361

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

(Continued)

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

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

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

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

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 2018.

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	-	1,574,804	(1,719,561)	144,757	-
Other DfE / ESFA grants	-	175,281	(175,281)	-	-
Other government grants	-	463,069	(463,069)	-	-
Pension reserve	(1,021,000)	-	(105,000)	293,000	(833,000)
	<u>(1,021,000)</u>	<u>2,213,154</u>	<u>(2,462,911)</u>	<u>437,757</u>	<u>(833,000)</u>
Restricted fixed asset funds					
Transfer on conversion	2,431,405	-	(54,326)	-	2,377,079
DfE group capital grants	-	739,568	(2,172)	-	737,396
Capital expenditure from GAG	106,619	-	(14,468)	193	92,344
	<u>2,538,024</u>	<u>739,568</u>	<u>(70,966)</u>	<u>193</u>	<u>3,206,819</u>
Total restricted funds	<u>1,517,024</u>	<u>2,952,722</u>	<u>(2,533,877)</u>	<u>437,950</u>	<u>2,373,819</u>
Unrestricted funds					
General funds	<u>56,687</u>	<u>139,929</u>	<u>(33,568)</u>	<u>(144,950)</u>	<u>18,098</u>
Total funds	<u>1,573,711</u>	<u>3,092,651</u>	<u>(2,567,445)</u>	<u>293,000</u>	<u>2,391,917</u>

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

(Continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	3,186,801	(3,374,831)	188,030	-
Other DfE / ESFA grants	-	350,997	(350,997)	-	-
Other government grants	-	990,196	(990,196)	-	-
Pension reserve	(1,021,000)	-	(229,000)	543,000	(707,000)
	<u>(1,021,000)</u>	<u>4,527,994</u>	<u>(4,945,024)</u>	<u>731,030</u>	<u>(707,000)</u>
Restricted fixed asset funds					
Transfer on conversion	2,431,405	-	(101,966)	-	2,329,439
DfE group capital grants	-	2,299,179	(49,978)	-	2,249,201
Capital expenditure from GAG	106,619	-	(42,252)	64,494	128,861
	<u>2,538,024</u>	<u>2,299,179</u>	<u>(194,196)</u>	<u>64,494</u>	<u>4,707,501</u>
Total restricted funds	<u>1,517,024</u>	<u>6,827,173</u>	<u>(5,139,220)</u>	<u>795,524</u>	<u>4,000,501</u>
Unrestricted funds					
General funds	<u>56,687</u>	<u>255,276</u>	<u>(54,579)</u>	<u>(252,524)</u>	<u>4,860</u>
Total funds	<u>1,573,711</u>	<u>7,082,449</u>	<u>(5,193,799)</u>	<u>543,000</u>	<u>4,005,361</u>

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	4,707,501	4,707,501
Current assets	4,860	154,473	69,070	228,403
Creditors falling due within one year	-	(154,473)	(69,070)	(223,543)
Defined benefit pension liability	-	(707,000)	-	(707,000)
Total net assets	<u>4,860</u>	<u>(707,000)</u>	<u>4,707,501</u>	<u>4,005,361</u>

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	3,206,819	3,206,819
Current assets	165,716	-	378,845	544,561
Creditors falling due within one year	(147,618)	-	(378,845)	(526,463)
Defined benefit pension liability	-	(833,000)	-	(833,000)
Total net assets	18,098	(833,000)	3,206,819	2,391,917

18 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire West and Chester Council. 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 related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £33,448 (2017: £33,541) were payable to the schemes at 31 August 2018 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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

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.

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

(Continued)

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)
- 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%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, 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 the TPS in the period amounted to £122,373 (2017: £124,519).

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 an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 26.6 per cent for employers and 5.5 to 11.4 per cent for employees. The estimated value of employer contributions for the forthcoming year is £183,000

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

Total contributions made	2018 £	2017 £
Employer's contributions	183,000	180,000
Employees' contributions	40,000	39,000
Total contributions	223,000	219,000
Principal actuarial assumptions	2018 %	2017 %
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	2.8	2.5

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

(Continued)

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

	2018 Years	2017 Years
Retiring today		
- Males	22.3	22.3
- Females	24.5	24.5
Retiring in 20 years		
- Males	23.9	23.9
- Females	26.5	26.5

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

Change in assumptions at 31 August 2018

0.5% decrease in Real Discount Rate = 15% or £285,000 increase in employer liability
 0.5% increase in the Salary Increase Rate = 3% or £60,000 increase in employer liability
 0.5% increase in the Pension Increase Rate = 12% or £220,000 increase in employer liability

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

	2018 Fair value £	2017 Fair value £
Equities	689,000	557,000
Bonds	362,000	252,000
Property	105,000	63,000
Other assets	11,000	27,000
Total market value of assets	1,167,000	899,000

The actual return on scheme assets was £48,000 (2017: £126,000).

Amount recognised in the Statement of Financial Activities

	2018 £	2017 £
Current service cost	285,000	263,000
Interest income	(25,000)	(14,000)
Interest cost	47,000	36,000
Total operating charge	307,000	285,000

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2018	
	£	
At 1 September 2017		1,732,000
Current service cost		285,000
Interest cost		47,000
Employee contributions		40,000
Actuarial gain		(227,000)
Benefits paid		(3,000)
At 31 August 2018		<u>1,874,000</u>
Changes in the fair value of the academy trust's share of scheme assets	2018	
	£	
At 1 September 2017		899,000
Interest income		25,000
Actuarial gain		23,000
Employer contributions		183,000
Employee contributions		40,000
Benefits paid		(3,000)
At 31 August 2018		<u>1,167,000</u>
19 Reconciliation of net income to net cash flow from operating activities	2018	2017
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	1,363,444	525,206
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(1,559,611)	(739,568)
Investment income receivable	(109)	(121)
Defined benefit pension costs less contributions payable	102,000	83,000
Defined benefit pension net finance cost	22,000	22,000
Depreciation of tangible fixed assets	123,230	70,966
Decrease/(increase) in debtors	304,851	(423,008)
(Decrease)/increase in creditors	(302,920)	384,975
Net cash provided by/(used in) operating activities	<u>52,885</u>	<u>(76,550)</u>

HUNGERFORD PRIMARY ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

20 Related party transactions

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 10 .

21 Post balance sheet events

Hungerford Primary School transferred its assets and activities to St Bart's Multi Academy Trust on 1st September 2018 so the School will continue in operation, however, the charitable company Hungerford Primary Academy will cease to operate from this date.

22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.