

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2016



Company Registration Number:

08820308 (England and Wales)

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

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RICHMOND HILL PRIMARY ACADEMY LIMITED
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Reference and administrative details

Trustees

Jill Foster (Principal)*
Mavis Latham
Phil Crawley
Ellen Walker
Deborah Temperton*
Irene McLaughlin*
Lynsey Chambers*
Nigel Hair
Debbie Secker

Appointed

01/02/2014
01/02/2014
01/02/2014
01/02/2014
01/02/2014
01/02/2014
01/02/2014
01/02/2014
17/10/2014

** Members of the Business Committee*

Clerk to Directors

Julie Found

Senior Management Team

Jill Foster
Debbie Secker
Kelly Cousins
Deborah Temperton

Principal
Vice Principal
Vice Principal
Assistant Principal (non-
curriculum)
Inclusion Manager
Assistant Principal – job share
Assistant Principal – job share

Kevin Norton
Karen O'Keeffe
Sarah Lewis

Registered Office

Richmond Hill Primary Academy Limited
Melton Road
Sprotbrough
Doncaster
South Yorkshire
DN5 7SB

Company Registration Number

08820308

Auditors

Duncan & Toplis Limited
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Bankers

Lloyds
55 High Street
Doncaster
DN1 1BH

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Solicitors

Bracewell Solicitors
17-23 Thorne Road
Doncaster
South Yorkshire
DN1 2RP

Surveyors

AA Projects
Jackson House
Sibson Road
Sale
Manchester
M33 7RR

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Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company 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 Trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Sprotbrough, Doncaster. It has a pupil capacity of 472 and had a roll of 430 in the school census on 1st October 2015.

Structure, Governance and Management

Constitution

Richmond Hill Primary Academy Limited (RHPAL) was incorporated on 19 December 2013 and opened as an Academy on 1 February 2014.

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's Trust.

The governors act as Trustees for the charitable activities of Richmond Hill Primary Academy and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Richmond Hill Primary Academy Limited.

Details of the governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 3.

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

As required by Chapter 7, Section 236 of the Companies Act, we disclose that every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default breach or duty of breach in trust in relation to affairs of the Academy Trust.

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim

Principal Activities

The principal activity of the charitable company is the operation of the RHPAL to provide nursery and primary education for pupils between the ages of 4-11. This is the primary object of the Academy Trust as set out in paragraph 4 of the Articles of Association of the Company Limited by Guarantee.

Method of Recruitment and Appointment or Election of Trustees

RHPAL has an independent community spirited and skill centred approach to the appointment of Trustees. The Trustee, where possible using skill set analysis and through careful appointment, look to compliment and extend the skill set of existing board of trustees.

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The Members may appoint up to ten trustees and via this method of member appointment RHPAL ensures a diverse and broad balance of trustees.

The Articles outline the different types of Governor, each category has slightly differing election processes as outlined below:-

The term of office for any Governor shall be 4 year, save that this time limit shall not apply to the principal, or any post which is held ex officio. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Foundation Trustee in office appoint foundation Trustees to any foundation governor's vacancies

- The Board of Directors may appoint up to 2 Community Governors

Up to 2 Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he/she is elected. The term of office of a parent governor should end when he ceases to be the parent of a registered pupil. If no such RHPAL parent is elected, a person who is a parent of a child of compulsory school age may be appointed.

Up to 2 staff governors shall be elected by a ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Principal). If a Staff Governor ceases to work at the Academy then he/she shall be deemed to have resigned and shall cease to be a Governor automatically on termination of his/her work at the Academy. An election of a Staff Governor which is contested shall be held by secret ballot.

The Governors may appoint up to 3 Co-opted Governors. A 'Co-Opted Governor' means a person who is appointed to be a Governor by being Co-Opted by Governors who have not themselves been so appointed.

Governors are subject to retirement or re-election at the end of their 4 year term of office unless the eligibility conditions listed above prevail.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and education legal and financial matters. All new Trustees and Governors are given a tour of the Academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budget plans and other documents that they will need to undertake their role of Trustees. As there are normally few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The structure of the Academy consists of two senior levels: The Board of Directors Trustees and the Principal leading the Senior Leadership Team which includes Vice Principals, Assistant Principal (Non-curriculum), Inclusion Manager and Assistant Principals.

An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the Academy nurtures the talents of its entire staff to support continual improvement and excellence.

The Board of Directors is responsible for setting the Academy's policies, adopting the School Improvement plan and budget, monitoring performance against these plans and making major decisions about the direction of the Academy including its curriculum, the achievement and welfare of students and staffing.

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The Principal and Senior Leadership Team control the Academy at an executive level, implementing the policies set by the Board of Directors and reporting back to them.

The Board of Directors has established five sub-committees. Each sub-committee has its own terms of reference detailing the responsibilities discharged for the sub-committees to the Principal (The Accounting Officer) and to the Senior Leadership Team.

The terms of reference and meeting frequency for each sub-committee is reviewed and approved by the Board of directors annually. The Academy has an approved Financial Handbook which details the Academy's authorised spending limits.

The sub-committees of the Board of Directors are:-

- Business and Audit Committee
- Learning & Progress Committee
- Principals Review Committee
- Strategic Leadership Committee
- Pay & Review Committee

Arrangements for setting pay and remuneration of key management personnel

Academy trustees are volunteers who give their time and expertise without charge on a voluntary basis. None of the Academy's trustees have been paid any remuneration or received any other benefits from any employment with the Academy or a related activity.

Pay and remuneration of key management personnel is determined by a variety of factors as set out in the School Teacher's Pay and Conditions Document (STPCD), such as, the school group size, ISR, and the pay scales for each role. The Pay and Remuneration of members of the Senior Leadership Team who are not subject to the STPCD will be arranged in accordance with National Joint Council terms and conditions. Pay decisions at the Academy are made by the Governing Body which has delegated certain responsibilities and decision making powers to the Pay Committee as set out in Academy's Pay Policy.

On appointment, the starting salary of a successful candidate will be paid within the range set by the Governing Body taking into consideration; the nature of the post, the level of qualifications, skills and experience require, market conditions, the needs of the school, the school staffing profile, the School Improvement Plan.

The head teacher shall make recommendations based on performance regarding teachers' pay, including the Deputy Headteacher and other members of the Senior Leadership Team, to the Pay Committee on an annual basis.

In addition to this, pay and remuneration may be affected by any nationally agreed pay awards and terms and conditions.

Connected Organisations, included Related Party Relationships

There are no connected organisations or related parties. The Academy participates informally where appropriate in local networks operating within the pyramid and Local Education Authority area.

Objectives and Activities

The principal object and activity of the charitable company is the operation of The Richmond Hill Primary Academy to provide education for pupils of different abilities between the ages of 4 and 11.

In accordance with the Articles of Association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to The Academy, and that the curriculums should comply with the substance of the national curriculum

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Vision Statement

Richmond Hill Primary Academy – United in Learning and Aspiring Together

The Aims of Richmond Hill Primary Academy

- Achieve high standards in as many aspects of Academy life as possible;
- Have a standard of behaviour which is exemplar;
- Set ourselves high standards and achieve our personal targets;
- To provide high quality education for all pupils, so that they may fulfil their roles as responsible citizens, in Academy and the wider community;
- Respect every person in our academy as well as ourselves;
- To encourage, respect and value other cultures and beliefs and become caring, confident and educated members of a multi-faith, multi-cultural society;
- To encourage all children to welcome new challenges, look for solutions and celebrate their own and others' success;
- To motivate and encourage children to become independent, confident learners;
- To provide a holistic, broad, balanced, relevant and challenging accessible curriculum in which pupils will be encouraged to reach their full potential;
- To develop confidence in "trying" and aspiring (Better best and the Ladder of Success);
- To work co-operatively with parents, carers and the local and wider community in order to provide the very best;
- To ensure the aims of the Academy are underpinned by a positive ethos and full entitlement to the whole curriculum by valuing each individual, regardless of race, gender, faith or ability;
- To offer every child, every chance, every day

Values

- Respect
- Tolerance
- Liberty
- Aspiration
- Independence
- Democracy
- Confidence
- Self-motivation and regulation

Objective, Strategies and Activities

Richmond Hill Primary Academy is an inclusive Academy providing a broad curriculum that takes into account children's varying learning styles and needs. Every child is expected to achieve his or her full potential and the Academy works very closely with parents/carers to achieve this.

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To develop the capability of the school's leadership and management, to be achieved by the following actions:-

- Review all Academy policies to ensure they remain fit for purpose and are effectively implemented;
- Offer all members greater opportunity to work with the Directors and greater experience of financial planning;
- Review the Academy's current strengths and areas for development and identify training needs
- Review the Academy's timetabling and curriculum provision to best meet the needs of the students, within budget constraints;
- Audit the skills of teaching staff and plan to develop expertise and flexibility, to inform future recruitment requirements
- Review and improve Quality Assurance procedures
- Review and improve Reporting to Trustees

To consolidate and extend the academic, pastoral and extra-curricular excellence, to be achieved by the following actions:-

- Review and improve procedures to ensure that controlled assessment, formative and summative are used to drive up performance
- Review staff developments and curriculum requirements in order to implement appropriate succession planning
- To showcase the Academy's talent and academic atmosphere widely through numerous events
- To manage rooms and facilities to better support the development of the curriculum, within timetabling constraints

To secure the future of the Academy and the prosperity of the Academy, to be achieved by the following actions:-

- Completion of Academy transition procedures successfully
- Establishment of a new Improvement plan
- To develop the roles of non-teaching personnel into key non-teaching roles within the Academy
- Exploration of the Academy's catchment area and with appropriate marketing and quality marketing materials
- Development of Academy's access to grant funding
- Sharing teaching and other shared resource opportunities with other schools
- To develop outreach into local primary schools and other academic community links
- Continue to develop the estate
- To consider further opportunities for growth as an Academy

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Public Benefit

The Trustees 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 objective in planning future activities.

The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". To advance for the public benefit education in the Sprotbrough region of Doncaster and the surrounding area, in particular, but without prejudice to the generality of the foregoing by estimating, maintaining, carrying on, managing and developing schools, offering a broad curriculum with a strong emphasis on, but in no way limited to either one or a combination of the specialisms. To provide facilities for recreational and their leisure time occupation for the community at large in the interest of social welfare and with the interest of improving the life of the said community.

Strategic Report

Achievement and Performance (based on 2014 data)

From a slightly low baseline, the children in Foundation make very good progress. Achievement in Key Stage 1 has exceeded national expected outcomes. Key Stage 2 results exceeded national expected outcomes across the board, with the exception of L5 Reading.

Key Performance Indicators

Staffing remained stable.

The school invested heavily in supporting sustainable leadership to prepare for converting from standalone academy to a Multi Academy Trust.

The educational outcomes (unvalidated) were as follows

EYFS Good Level of Development 2016			
National 69%		School 2016 68%	
Year 1 Phonics			
Year 1 phonics outcomes 2015		Y2 Phonic retakes 2015	
84%		73%	
Year 1 phonics outcomes 2016		Y2 Phonic retakes 2016	
83%		70%	

Key Stage 1 outcomes		Y2 outcomes June 15		Year 2 Targets 2016/17		Year 2 2016 Outcomes		
				AT ARE	Above ARE	Combined	Above ARE	AT ARE
	Maths	L2b+ 87%	L3 36 %	At ARE 88%	Above ARE 18%	81%	20%	61%
	Reading	L2b+ 87%	L3 36 %	At ARE 85%	Above ARE 17%	81%	20%	61%
	Writing	L2b+ 73%	L3 20 %	At ARE 80%	Above ARE 10%	78%	15%	63%
	Grammar			At ARE 80%	Above ARE 15%	80%	17%	63%
	Combined 78%							

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Key stage 2 outcomes	Y6 outcomes June 15				Year 6 2016		
					KS1 prior attainment 5% low 60% middle 34% high		
	Maths	L4+ 94%	L5+ 56%	Progress 85% (NAv 90%)	School 74% at expected 10% at higher standard Progress -1.1 Progressed worse than those with a similar starting points 30% of high prior attainment achieving high score in maths Average Scaled score 103		National 70% 17% 103
	Reading	L4+ 96%	L5+38 %	Progress 83% (NAv 91%)	74% at expected 29% higher standard Progress 0.3 Progress slightly better than those with similar starting points Average Scaled score 105		National 66% 19% 103
	Writing	L4+ 98%	L5+56 %	Progress 98% (NAv 94%)	ARE 86% at expected 17% higher standard Progress 0.1 Progress slightly better than those with similar starting points A		National 74% 15%
	Grammar	L4+ 92%	L5+69 %	Progress NA	ARE 78% at expected 26% higher standard Average Scaled score 105		National 72% 23% 104
	Maths & English Combined	88 % (NA 80%)			Combined 64% National 53%		
	Pupils Premium combined				Pupil Premium combined 45.45% School		

Ofsted 2012 – good with outstanding features- no inspection since this date
 B11 internal inspection- Good with outstanding
 LA grade – Aspiring to Excellence (2016)

Going Concern

After making appropriate enquiries, the Board of Directors has reasonable expectation that the Academy 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 Accounting Policies note of the financial statements.

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Financial Review

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use which is restricted to particular purposes. The grants received from the EFA during the year ended 1 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year, the Academy received total grant funding of £1,818,367 (2015: £2,099,168).

The trustees consider an appropriate level of reserves to be in the order of 1-2 months' total expenditure, to insulate the Academy in the event of EFA funding becoming interrupted, and the carry forwards at 31 August 2016 is considered to be in line with that objective.

Reserves Policy

The Academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the Academy which is to be spent at the trustee's discretion in furtherance of any of the Academy's objectives but which is not yet spent, committed or designated.

The Board of Trustees reviews the reserve levels of the Academy Trust annually at the year-end and as part of its budget planning Process. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of the reserves. Trustees determine what the level of uncommitted reserved should be. The aim is to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

As part of its monitoring of in-year financial performance the Board of Trustees reviewing the forecast impact on the reserves and considers this as part of its medium term financial planning. During 2015-2016 the Board of Trustees planned to establish a reasonable level of general reserves at the year-end in order to enable it to both manage unforeseen emergencies and also to enable planned use to cover the medium term to lessen any budget shortfalls.

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Principal Risks and Uncertainties

Based on the strategic plan the Business Committee undertakes a comprehensive review of the risks to which the Academy is exposed. The committee identifies systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the Academy.

The internal controls for managing risks deemed as medium and high are incorporated into annual risk management action plan. The effectiveness of the Academy's internal controls in managing the risks identified is regularly monitored

A thorough appraisal is undertaken in the subsequent year of the existing risk and any ongoing risks for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the Business Committee will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the Academy.

A risk register, covering low, medium and high level risks, is maintained at Academy level. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised as low, medium and high using a consistent scoring system.

The Academy's approach to risk management is supported by a risk management training programme which raises awareness of risk throughout the Academy. In addition the SLT incorporate risk management in their self-assessment reports and quality improvement plans.

Outlined below is a description of the principal risk factor that may affect the Academy. However not all factors are within the Academy's control and other factors besides those listed below may also adverse effect the Academy.

Government Funding

The Academy has considerable reliance on continued government funding though the Education Funding Agency (EFA) and the Local Authority.

The risk has and will be mitigated I a number of ways:-

- Funding is derived through a number of direct and indirect contractual arrangements
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies

Ensuring the Academy is focused on those priority sectors which will continue to benefit from public funding:-

- Contingency planning embedded into the Academy budget process
- Maintain adequate funding of pension liabilities

The financial statements report the share of the local government pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS17.

The Academy takes professional advice on this position and makes appropriate contributions on the on the basis of that advice to ensure the deficit does not become unmanageable.

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Pupil Strategy

The Academy seeks to maintain its popularity with current and prospective pupils by:-

- Ensuring the Academy delivers high quality education and training
- Maintaining outstanding success rates and good inspection outcomes
- Investing in its teaching staff and resources

With ongoing commitment to quality, the Academy now provides market-leading environments with state of the art technology and specialist resources.

This places the Academy in an excellent position to attract new pupils.

Plans for Future Periods

The Academy is seeking to exploit the opportunities afforded by conversion to Academy status. Initially by utilising increased financial resources and governance freedoms to improve further the standard of teaching and learning but also, importantly, to improve the school estate.

Funds held as Custodian Trustee on behalf of others

The Academy and its Trustees do not act as Custodian Trustees of any other Charity


Auditor

Insofar as the Trustees are aware:-

- There is no relevant information of which the charitable company's auditor is unaware
- 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

The auditors, Duncan and Toplis Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the members of the Board of Directors on 24th November 2016 and signed on its behalf by:-



Mrs M Latham
Chair of Trustees

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Governance Statement

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Richmond Hill 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 Directors has delegated the day-to-day responsibility to the Principal 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 Richmond Hill Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors 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 Directors has formally met 3 times during the year together with 2 extraordinary meetings and in preparation of MAT status 2 meetings of the new Local Governing Body (full Board of Directors). Attendance during the year at meetings of the Board of Directors was as follows:-

DIRECTOR	MEETINGS ATTENDED	OUT OF A POSSIBLE
L Chambers	6	7
P Crawley	6	7
D Secker	7	7
J Foster	7	7
N Hair	6	7
M Latham	7	7
I McLaughlin	5	7
D Temperton	7	7
E Walker	7	7

The Learning and Progress Committee is a sub-committee of the main Board of Directors. Its purpose is to ensure effective performance of Director responsibilities in relation to the planning and delivery of learning and support for pupils.

DIRECTOR	MEETINGS ATTENDED	OUT OF A POSSIBLE
P Crawley	4	4
D Secker	4	4
J Foster	4	4
N Hair	4	4

The Pay and Review Committee is a sub-committee of the main Board of Directors. Its purpose is to use performance management systems to improve teaching, leadership and management.

DIRECTOR	MEETINGS ATTENDED	OUT OF A POSSIBLE
J Foster	1	1
M Latham	1	1
I McLaughlin	0	1
E Walker	1	1

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The Business and Management/Audit Committee is a sub-committee of the main Board of Directors. Its purpose is to manage the Academy's resources and finances efficiently and effectively. Attendance at the meetings in the year was as follows:-

DIRECTOR	MEETINGS ATTENDED	OUT OF A POSSIBLE
L Chambers	4	4
J Foster	4	4
I McLaughlin	4	4
D Secker	2	4
D Temperton	4	4

The Strategic Leadership Committee is a sub-committee of the main Board of Directors. Its purpose is to co-ordinate the work of the Board of Directors, ensuring that there is appropriate support and challenge for the Principal and other Academy leaders and have the power to act on behalf of the Board of Directors in extra-ordinary circumstances.

DIRECTOR	MEETINGS ATTENDED	OUT OF A POSSIBLE
P Crawley	5	5
DJ Foster	5	5
M Latham	5	5
I McLaughlin	0	5
D Secker	5	5
D Temperton	5	5
E Walker	5	5
	5	5

Review of Value for Money

As accounting officer principal 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 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 as follows.

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Review of Value for Money (continued)

The Board of Directors Approach

The Board of Directors is collectively responsible for the overall direction and strategic management of the Academy.

This involves determining the guiding principles within which the Academy operates and then making decisions about, for example:-

- How to improve and maintain excellent education results
- How to set spending priorities, and how best to consider and approve the budget
- How best to evaluate the effectiveness of spending decisions
- How to ensure the sound systems of internal control are in place

Improving and maintaining excellent education results

- Our diverse curriculum ensures all pupils have the opportunity to raise their individual levels of attainment
- We regularly review the staffing structure to ensure staff are efficiently deployed and are appropriately qualified and experienced, specialists and enthusiasts
- We also provide targeted support for students as appropriate
- We focus on the differing needs of every individual pupil. This is reflected in the outcomes for FSM pupils, Pupil Premium and Sports Premium monies have been allocated to optimal effect
- We have good tracking system to record all aspects of student data including progress and behaviour through the school. These systems help to ensure that interventions and support are targeted to achieve Value for Money.

Financial Governance and Oversight

The Academy Trust's system of internal financial control is based on a framework of regular management information and financial procedures which include the segregation of duties and a system of delegation and accountability. In addition, the Academy benefited from the provision provided by Duncan & Toplis Limited Chartered Accountants in support of the Responsible Office Role.

The Business/Audit Committee is a committee of the main Board of Directors and has clear terms and reference which are reviewed annually.

The Business Management/Audit Committee and full Governing Body receive budget monitoring reports prior to each meeting held. Governors scrutinise the various reports and challenge where required any information, thus allowing a full and detailed decision making process.

The annual budget is approved by the Full Governing Body each year in accordance with the Academies Financial Handbook.

All Governors and staff are required to complete of register of business interests form annually.

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Review of Value for Money (continued)

Better Purchasing

The Academy has strong purchasing procedures in place, ensuring value for money comparisons for purchased items. Contracts and services are regularly appraised. The Trust purchases a commercial insurance package and also a staff absence insurance to ensure it has adequate cover to manage risks.

Maximising Income Generation

The Academy explores every opportunity with regard to application for grant funding. In 2014/2016 the Academy was successful in their bids to the Academies Capital Maintenance Fund for Life & Safety works and replacement of floor coverings. Regular maintenance and refurbishment to the fabric of the buildings is ensuring that an attractive and stimulating environment is provided for all pupils. There is a constant desire within the trust to improve through better systems that lead to better outcomes for pupils. Value for money is a key part of ensuring we are able to do this.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy'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 Richmond Hill Primary Academy for the period of 1 September 2014 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy 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's significant risks that has been in place for the period 1 September 2014 to 31 August 2016 and up to the date of approval of the annual report and financial statements and 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 Directors
- Regular reviews by the Business & Management/Audit 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

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- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function has decided:-

- Not to appoint an internal auditor. However, the Trustees have appointed Duncan & Toplis Limited, as Responsible Officer (RO)

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy trust's financial systems.

On a quarterly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.


Review of Effectiveness


As Accounting Officer, the Principal 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 Responsible Officer
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the Academy Trust who has responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Directors on 24th November 2016 and signed on its behalf by:-


Mrs M Latham
Chair of Board of Directors


Mrs J Foster
Principal

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Richmond Hill Primary Academy I have considered my responsibility to notify the Academy's Trust Board of Directors and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have due regard to the requirements of the Academies Financial Handbook.

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

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


.....
Mrs J Foster
Accounting Officer
24th November 2016

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

Statement of Trustees' Responsibilities

The Trustees (who act as governors of Richmond Hill Primary Academy Trust Limited) and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issues by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Trustees are required to:

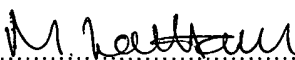
- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements 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 situation of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DFE have been applied for the purpose 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 24th November 2016 and signed on its behalf by:-


.....
Mrs M Latham
Chair of Board of Directors

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RICHMOND HILL PRIMARY ACADEMY LIMITED**

We have audited the financial statements of Richmond Hill Primary Academy Limited for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

UNQUALIFIED OPINION

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RICHMOND HILL PRIMARY ACADEMY LIMITED**

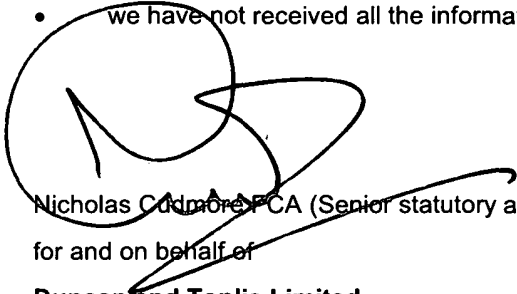
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Nicholas Coddmore FCA (Senior statutory auditor)

for and on behalf of

Duncan and Toplis Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date:

24th November 2016

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO RICHMOND HILL
PRIMARY ACADEMY LIMITED AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 December 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Richmond Hill Primary Academy Limited during the year 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 Richmond Hill Primary Academy Limited and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Richmond Hill Primary Academy Limited 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 Richmond Hill Primary Academy Limited and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF RICHMOND HILL PRIMARY ACADEMY LIMITED'S ACCOUNTING
OFFICER AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of Richmond Hill Primary Academy Limited's funding agreement with the Secretary of State for Education dated 24 January 2014, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

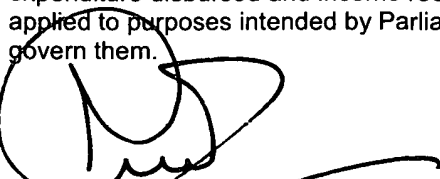
A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a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

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

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO RICHMOND HILL
PRIMARY ACADEMY LIMITED AND THE EDUCATION FUNDING AGENCY (continued)**

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



Nicholas Cudmore FCA (Senior statutory auditor)

for and on behalf of

Duncan and Topliss Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date:

24th November 2016

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	117	28,139	8,642	36,898	494,943
Charitable activities	3	-	1,809,725	-	1,809,725	1,652,843
Other trading activities	4	97,215	26,929	-	124,144	112,195
Investments	5	164	-	-	164	327
TOTAL INCOME		97,496	1,864,793	8,642	1,970,931	2,260,308
EXPENDITURE ON:						
Raising funds		69,950	-	-	69,950	102,940
Charitable activities		(3,000)	1,858,970	72,118	1,928,088	1,770,711
TOTAL EXPENDITURE	8	66,950	1,858,970	72,118	1,998,038	1,873,651
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	30,546 (10,382)	5,823 10,382	(63,476) -	(27,107) -	386,657 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		20,164	16,205	(63,476)	(27,107)	386,657
Actuarial losses on defined benefit pension schemes	22	-	(353,000)	-	(353,000)	(21,000)
NET MOVEMENT IN FUNDS		20,164	(336,795)	(63,476)	(380,107)	365,657
RECONCILIATION OF FUNDS:						
Total funds brought forward		4,672	(552,544)	3,016,240	2,468,368	2,102,711
TOTAL FUNDS CARRIED FORWARD		24,836	(889,339)	2,952,764	2,088,261	2,468,368

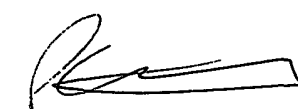
RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 08820308


BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		2,944,276		2,808,865
CURRENT ASSETS					
Debtors	15	45,455		56,138	
Cash at bank and in hand		222,235		404,766	
		<u>267,690</u>		<u>460,904</u>	
CREDITORS: amounts falling due within one year	16	(106,705)		(159,401)	
NET CURRENT ASSETS			<u>160,985</u>		<u>301,503</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,105,261</u>		<u>3,110,368</u>
Defined benefit pension scheme liability	22		(1,017,000)		(642,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>2,088,261</u></u>		<u><u>2,468,368</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	127,661		89,456	
Restricted fixed asset funds	17	2,952,764		3,016,240	
Restricted income funds excluding pension liability		<u>3,080,425</u>		<u>3,105,696</u>	
Pension reserve		<u>(1,017,000)</u>		<u>(642,000)</u>	
Total restricted income funds			<u>2,063,425</u>		<u>2,463,696</u>
Unrestricted income funds	17		<u>24,836</u>		<u>4,672</u>
TOTAL FUNDS			<u><u>2,088,261</u></u>		<u><u>2,468,368</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 24 November 2016 and are signed on their behalf, by:


Mrs M Latham
Chair of Trustees


Mr P Crawley
Trustee


Mrs E Walker
Trustee

The notes on pages 27 to 47 form part of these financial statements.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>16,192</u>	<u>87,922</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		164	327
Purchase of tangible fixed assets		(207,529)	-
Capital grants from DfE/EFA		8,642	-
Capital funding received from sponsors and others		-	216,177
Net cash (used in)/provided by investing activities		<u>(198,723)</u>	<u>216,504</u>
Change in cash and cash equivalents in the year		<u>(182,531)</u>	<u>304,426</u>
Cash and cash equivalents brought forward		<u>404,766</u>	<u>100,340</u>
Cash and cash equivalents carried forward		<u><u>222,235</u></u>	<u><u>404,766</u></u>

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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.

Richmond Hill Primary Academy Limited constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

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

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

Reconciliations to previous UK GAAP for the comparative figures are included in note 27.

1.2 Company status

The Academy is a company limited by guarantee. The members of the company are the Trustees named on the Reference and administrative details page. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the Academy.

1.3 Fund accounting

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 Trustees.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

1.5 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 allocated on the portion of the asset's use.

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

Charitable activities and Governance costs are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.6 Going concern

The Trustees 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 Academy 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 financial statements.

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	2% Straight line
Fixtures and fittings	-	20% Straight line
Computer equipment	-	33% Straight line

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Taxation

The Academy 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 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.

1.14 Pensions

Retirement benefits to employees of the Academy 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.

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	117	-	-	117	-
Capital Grants	-	-	8,642	8,642	446,325
Parental contribution to trips etc.	-	28,139	-	28,139	48,618
	<u>117</u>	<u>28,139</u>	<u>8,642</u>	<u>36,898</u>	<u>494,943</u>
Total donations and capital grants	117	28,139	8,642	36,898	494,943

In 2015, of the total income from donations and capital grants, £ *NIL* was to unrestricted funds and £48,618 was to restricted funds and £446,325 was to restricted fixed asset funds.

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	1,405,784	1,405,784	1,371,498
Start Up Grant	-	125,000	125,000	-
Pupil Premium	-	78,312	78,312	76,170
Other DfE/EFA Revenue grants	-	68,620	68,620	67,303
	<u>-</u>	<u>1,677,716</u>	<u>1,677,716</u>	<u>1,514,971</u>
Other government grants				
SEN 1-1 Funding	-	25,343	25,343	9,177
Early Years funding	-	91,190	91,190	120,045
Other government revenue grants	-	15,476	15,476	4,000
	<u>-</u>	<u>132,009</u>	<u>132,009</u>	<u>133,222</u>
Other funding				
Other income revenue	-	-	-	4,650
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,650</u>
	<u>-</u>	<u>1,809,725</u>	<u>1,809,725</u>	<u>1,652,843</u>

In 2015, of the total income from charitable activities, £ *NIL* was to unrestricted funds and £1,652,843 was to restricted funds.

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4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings income	625	-	625	-
Catering income	38,098	-	38,098	38,099
Receipts from staff insurance claims	-	19,838	19,838	5,755
Other income - clubs & sundry	58,492	7,091	65,583	68,341
	<u>97,215</u>	<u>26,929</u>	<u>124,144</u>	<u>112,195</u>

In 2015, of the total income from other trading activities, £104,375 was to unrestricted funds and £7,820 was to restricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank account interest	164	-	164	327

In 2015, of the total investment income, £ 327 was to unrestricted funds and £ NIL was to restricted funds.

6. DIRECT COSTS

	Funding for the Acad £	Total 2016 £	Total 2015 £
Educational supplies	72,875	72,875	77,642
Technology costs	7,051	7,051	2,159
Staff development	11,515	11,515	17,781
Other costs	16,932	16,932	11,752
Wages and salaries	941,568	941,568	878,076
National insurance	68,428	68,428	54,321
Pension cost	169,808	169,808	143,257
Depreciation	72,118	72,118	69,379
	<u>1,360,295</u>	<u>1,360,295</u>	<u>1,254,367</u>

In 2015, the Academy incurred the following Direct costs:

£1,254,367 In respect of Funding for the Academy's educational operations
£NIL in respect of Provision of boarding activities

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7. SUPPORT COSTS

	Fundraising costs £	Funding for the Acad £	Total 2016 £	Total 2015 £
Pension cost	-	22,000	22,000	23,000
Technology costs	-	2,585	2,585	10,014
Maintenance of premises and equipment	-	23,329	23,329	23,341
Cleaning	-	55,144	55,144	55,346
Rent and rates	-	13,457	13,457	23,542
Energy costs	-	28,269	28,269	32,710
Insurance	-	34,019	34,019	37,970
Telephone, postage and stationery	-	16,783	16,783	16,864
Catering	45,216	69,511	114,727	98,992
Other costs	-	64,880	64,880	30,772
Bank interest and charges	-	-	-	24
Operating leases - other	-	4,756	4,756	126
Legal and professional fees	-	33,576	33,576	43,705
Auditors' remuneration	-	10,525	10,525	9,300
Personnel Costs	-	3,168	3,168	-
Wages and salaries	-	157,011	157,011	154,379
National insurance	-	8,320	8,320	6,666
Pension cost	-	20,460	20,460	20,286
	<u>45,216</u>	<u>567,793</u>	<u>613,009</u>	<u>587,037</u>

During the year ended 31 August 2016, the Academy incurred the following Governance costs:

£47,269 (2015 - £53,005) included within the table above in respect of Funding for the Academy's educational operations.

£NIL (2015 - £NIL) included within the table above in respect of Provision of boarding activities.

In 2015, the Academy incurred the following Support costs:

£534,032 in respect of Funding for the Academy's educational operations

£NIL in respect of Provision of boarding activities

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8. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	24,265	-	45,685	69,950	100,030
Funding for the Academy					
Direct costs	1,191,403	59,258	109,634	1,360,295	1,254,367
Support costs	174,192	154,218	239,383	567,793	459,399
	<u>1,389,860</u>	<u>213,476</u>	<u>394,702</u>	<u>1,998,038</u>	<u>1,813,796</u>

In 2016, of the total expenditure, £66,905 (2015 - £100,030) was to unrestricted funds and £1,859,015 (2015 - £1,644,387) was to restricted funds and £72,118 (2015 - £69,379) was to restricted fixed asset funds by way of depreciation.

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	72,118	69,379
Auditors' remuneration - audit	7,500	7,500
Auditors' remuneration - other services	3,025	1,800
Operating lease rentals	<u>1,233</u>	<u>1,233</u>

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10. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,101,180	1,047,638
Social security costs	77,017	61,423
Operating costs of defined benefit pension schemes	192,548	165,399
	<u>1,370,745</u>	<u>1,274,460</u>
Supply teacher costs	19,115	11,317
	<u>1,389,860</u>	<u>1,285,777</u>

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

	2016 No.	2015 No.
Teachers	17	19
Support and administration	44	47
Management	3	5
	<u>64</u>	<u>71</u>

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Teachers	15	16
Support and administration	21	24
Management	7	4
	<u>43</u>	<u>44</u>

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

	2016 No.	2015 No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

The above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for the members of staff amounted to £13,935 (2015: £11,262).

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 remuneration and employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £373,411 (2015: £276,775).

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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 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.

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2016	2015
		£'000	£'000
Mrs J Foster	Remuneration	80-85	75-80
	Pension contributions paid	10-15	10-15
Ms D Temperton	Remuneration	40-45	40-45
	Pension contributions paid	5-10	5-10
Mrs D Eyvbowho-secker	Remuneration	45-50	45-50
	Pension contributions paid	5-10	5-10

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £126).

13. OTHER FINANCE INCOME

	2016	2015
	£	£
Interest income on pension scheme assets	12,000	7,000
Interest on pension scheme liabilities	(34,000)	(30,000)
	(22,000)	(23,000)

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14. TANGIBLE FIXED ASSETS

	Long Leasehold Property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 September 2015	2,877,895	4,100	30,827	2,912,822
Additions	199,034	4,015	4,480	207,529
At 31 August 2016	<u>3,076,929</u>	<u>8,115</u>	<u>35,307</u>	<u>3,120,351</u>
Depreciation				
At 1 September 2015	84,910	1,298	17,749	103,957
Charge for the year	59,258	1,623	11,237	72,118
At 31 August 2016	<u>144,168</u>	<u>2,921</u>	<u>28,986</u>	<u>176,075</u>
Net book value				
At 31 August 2016	<u>2,932,761</u>	<u>5,194</u>	<u>6,321</u>	<u>2,944,276</u>
At 31 August 2015	<u>2,792,985</u>	<u>2,802</u>	<u>13,078</u>	<u>2,808,865</u>

Included in land and buildings is leasehold land valued at £114,000 (2015: £114,000) which is not depreciated.

Additions to property in the current year comprise capitalised works on the school's existing infrastructure and not the acquisition of new land or buildings.

15. DEBTORS

	2016 £	2015 £
Trade debtors	2,482	-
Other debtors	23,862	38,219
Prepayments and accrued income	5,104	5,549
Grants receivable	14,007	12,370
	<u>45,455</u>	<u>56,138</u>

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16. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	23,644	45,996
Accruals and deferred income	83,061	113,405
	<u>106,705</u>	<u>159,401</u>
	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	34,032	32,601
Resources deferred during the year	35,890	34,032
Amounts released from previous years	(34,032)	(32,601)
	<u>35,890</u>	<u>34,032</u>
Deferred income at 31 August 2016	<u>35,890</u>	<u>34,032</u>

At the balance sheet date the Academy Trust was holding funds received in advance for a grant relating to the following academic year, principally Free School Meal funding.

17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Income from facilities and services	4,672	97,496	(66,950)	(10,382)	-	24,836
Restricted funds						
General Annual Grant (GAG)	77,289	1,405,784	(1,498,036)	-	-	(14,963)
Start Up Grant	-	125,000	(379)	-	-	124,621
Other DfE/EFA grants	6,567	162,408	(161,422)	3,033	-	10,586
Government grants	-	116,533	(116,533)	-	-	-
Other income	547	55,068	(59,654)	7,349	-	3,310
School fund	5,053	-	(946)	-	-	4,107
Pension reserve	(642,000)	-	(22,000)	-	(353,000)	(1,017,000)
	<u>(552,544)</u>	<u>1,864,793</u>	<u>(1,858,970)</u>	<u>10,382</u>	<u>(353,000)</u>	<u>(889,339)</u>

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17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DfE/EFA capital grants	441,847	8,642	(8,459)	-	-	442,030
Capital expenditure from GAG	109	-	-	-	-	109
Capital expenditure from other income	2,574,284	-	(63,659)	-	-	2,510,625
	<u>3,016,240</u>	<u>8,642</u>	<u>(72,118)</u>	<u>-</u>	<u>-</u>	<u>2,952,764</u>
Total restricted funds	2,463,696	1,873,435	(1,931,088)	10,382	(353,000)	2,063,425
Total of funds	<u>2,468,368</u>	<u>1,970,931</u>	<u>(1,998,038)</u>	<u>-</u>	<u>(353,000)</u>	<u>2,088,261</u>

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DFE / EFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupil's education.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £22,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £353,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	2,944,276	2,944,276	2,808,864
Current assets	24,836	234,366	8,488	267,690	460,905
Creditors due within one year	-	(106,705)	-	(106,705)	(159,401)
Provisions for liabilities and charges	-	(1,017,000)	-	(1,017,000)	(642,000)
	<u>24,836</u>	<u>(889,339)</u>	<u>2,952,764</u>	<u>2,088,261</u>	<u>2,468,368</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(27,107)	386,657
Adjustment for:		
Depreciation charges	72,118	69,379
Dividends, interest and rents from investments	(164)	(327)
Decrease in debtors	10,683	2,931
(Decrease)/increase in creditors	(52,696)	50,607
Capital grants from DfE and other capital income	(8,642)	(446,325)
LGPS adjustments	22,000	25,000
Net cash provided by operating activities	<u>16,192</u>	<u>87,922</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank	222,235	404,766
Total	<u>222,235</u>	<u>404,766</u>

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21. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education 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 servicing notice, the Academy shall repay to the Secretary of State sums determined by reference to:

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

22. PENSION COMMITMENTS

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

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

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

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%)

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22. PENSION COMMITMENTS (continued)

- 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 £111,752 (2015 - £88,847).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £105,000 (2015 - £93,000), of which employer's contributions totalled £83,000 (2015 - £73,000) and employees' contributions totalled £22,000 (2015 - £20,000). The agreed contribution rates for future years are 22% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	4.00 %
Rate of increase in salaries	3.55 %	4.05 %
Rate of increase for pensions in payment / inflation	1.90 %	2.30 %
Inflation assumption (CPI)	1.80 %	2.30 %

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22. PENSION COMMITMENTS (continued)

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

	2016	2015
Retiring today		
Males	23	23
Females	25.7	25.6
Retiring in 20 years		
Males	25.4	25.3
Females	28.5	28.4

The Academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	231,000	140,000
Debt instruments	84,000	48,000
Property	44,000	27,000
Cash	7,000	4,000
Other	30,000	17,000
Total market value of assets	<u>396,000</u>	<u>236,000</u>

The actual return on scheme assets was £57,000 (2015 - £4,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(83,000)	(74,000)
Net interest cost	(22,000)	(23,000)
Past service cost	(4,237)	(1,856)
Total	<u>(109,237)</u>	<u>(98,856)</u>

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22. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2016 £	2015 £
Opening defined benefit obligation	878,000	737,000
Current service cost	83,000	74,000
Interest cost	34,000	30,000
Contributions by employees	22,000	20,000
Actuarial losses	397,000	19,000
Benefits paid	-	(2,000)
	<u>1,414,000</u>	<u>878,000</u>
Closing defined benefit obligation	<u>1,414,000</u>	<u>878,000</u>

Movements in the fair value of the Academy's share of scheme assets:

	2016 £	2015 £
Opening fair value of scheme assets	236,000	141,000
Interest income	12,000	6,000
Actuarial gains and (losses)	44,000	(2,000)
Contributions by employer	83,000	73,000
Contributions by employees	22,000	20,000
Benefits paid	-	(2,000)
Administrative expenses	(1,000)	-
	<u>396,000</u>	<u>236,000</u>
Closing fair value of scheme assets	<u>396,000</u>	<u>236,000</u>

23. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	1,233	1,233
Between 1 and 5 years	1,542	2,775
	<u>2,775</u>	<u>4,008</u>
Total	<u>2,775</u>	<u>4,008</u>

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24. MEMBERS' LIABILITY

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

25. RELATED PARTY TRANSACTIONS

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

During the year the academy procured human resources services to the value of £3,168 (2015: £6,479) from Advanced HR Solutions Limited, a company in which Mrs Ellen Walker is a shareholder. The balance owing to Advanced HR Solutions as the balance sheet date was £Nil (2015: £Nil).

The academy also produced catering and related services to the value of £2,425 (2015: £2,378) from Parti Animals, a business owned by Lynsey Chambers. The balance owing to Parti Animals at the balance sheet date was £Nil (2015: £Nil).

26. POST BALANCE SHEET EVENTS

The academy converted to a multi academy trust on 1 September 2016, initially taking on two schools.

RICHMOND HILL PRIMARY ACADEMY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

27. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		2,102,711	2,468,368
Total funds reported under FRS 102		<u>2,102,711</u>	<u>2,468,368</u>

Reconciliation of net income	Notes	31 August 2015 £
Net income previously reported under UK GAAP		390,657
Change in recognition of LGPS interest cost	A	(4,000)
Net movement in funds reported under FRS 102		<u>386,657</u>

Explanation of changes to previously reported funds and net income/expenditure:

A Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to income by £4,000 and increase the credit in other recognised gains and losses in the SoFA by an equivalent amount.

28. CONTROLLING PARTY

The Trustees as a body have ultimate control of the Academy. There is no individual controlling party.