

**TEMPLE GROVE SCHOOLS TRUST LIMITED**

**(A company limited by guarantee)**

**TRUSTEES' REPORT AND  
UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 AUGUST 2017**



**Company registered number 576922**

**Charity Number 307016**

**TEMPLE GROVE SCHOOLS TRUST LIMITED**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Temple Grove Schools Trust Limited (the company) (TGST) for the year ended 31 August 2017.

The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**SECTION A: DETAILS OF THE COMPANY, ITS OFFICERS AND ITS ADVISORS**

Trustees	N K G Prescot, Chairman C M Wellby, Vice Chairman S R Brewer A Butler (resigned December 2017) M T N Dugdale A Y Lee P J Lough E J L Richardson J P Ullmer MBE (resigned October 2017)
Company registered number	00576922
Charity registered number	307016
Auditors	-
Bankers	National Westminster Bank plc 49 High Street Uckfield East Sussex TN22 1AN
Solicitors	-

## **SECTION B: STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governance**

The Trust is governed by its Memorandum and Articles of Association as amended on 16 September 2009.

### **Constitution**

Temple Grove Schools Trust Limited is a company limited by guarantee, number 576922, and is a charitable trust registered with the charity commission number 307016.

### **Method of appointment or election of Trustees**

Trustees are appointed in accordance with the Company's Articles of Association, and the policies and procedures as adopted by the Board of Trustees from time to time.

### **Policies adopted for the induction and training of Trustees**

New trustees are rehearsed in the Charity's principal objectives and governance matters. All Trustees are kept up to date with circulars from the Charity Commission and others on matters concerning governance and relating to the Charity's objectives.

### **Organisational structure and decision making**

Until April 2017, the Trust employed a Trust Manager who was responsible for implementing the policies of the Trust as set by the Trustees.

Since April 2017 and following a reduction in the activities of the Trust, the Chairman has performed the administrative functions and the Vice Chairman has performed certain accounting functions on behalf of the Trust, for which they have received no remuneration. Both have reported to the Trustees.

### **Related party relationships**

Nigel Prescott is Chairman of TGST and a Director of Temple Grove Academy Trust (TGAT)

Mark Dugdale is a Trustee of TGST and Chairman of TGAT

Alex Butler was a Trustee of TGST and a Governor of Haberdashers' Aske's Academies Federation (HAAF)

These relationships are recorded at the meetings of TGST to ensure open governance and separation of responsibilities.

### **Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate exposure to those risks.

## **SECTION C: OBJECTIVES AND ACTIVITIES**

### **Objectives**

The Object of the charity is:

The advancement of education of children and students for the public benefit in particular but without limitation establishing, sponsoring, funding or managing one or more schools or colleges.

This is encapsulated in its aim of ‘inspiring excellence in primary education’.

The Trustees’ current objectives are as follows:

- To monitor and support, as Sponsor, the work of Temple Grove Academy Trust (TGAT) in running its first primary academy (Temple Grove Academy) and plans for its expansion to include further primary academies, or free schools, in the TGAT group.
- To continue to work with the Haberdashers’ Aske’s Academies Federation (HAAF), supporting the primary age phases of three all-through academies in South London (a total of five campuses educating some 1,400 primary children).
- To manage the Trust’s liquid resources through suitable investment managers and through short term deposits with reputable institutions and to use the income from these resources to support the general running costs of the Trust and to make grants to other projects as and when identified.
- To inspire the spread of excellence in primary education in England; bringing together the best people and features from both the private and public education sectors.
- To continue restructuring the Trust to assist in the efficient performance of the above objectives, to make its work lasting, and to better position the Trust for future.

### **Strategy for achieving objectives**

The Trust provides resources to support the progress of Temple Grove Academy Trust (TGAT) and its first primary academy, Temple Grove Academy (TGA). This includes the provision of enrichment funding (to TGA), from its unrestricted funds, to support activities and equipment for children attending TGA.

The Trustees have continued to support the primary phase of the Haberdashers’ Aske’s Academies Federation (HAAF) by:

- The provision of enrichment funding for use by the primary phase of the HAAF, financed by the income earned from a separately identifiable Restricted Fund. The assets of the fund are managed by third-party asset managers supervised by the Trustees. The endowment is invested to provide the requisite annual income, whilst retaining an element of capital growth.
- The nomination of two Governors to the HAAF.

## **SECTION D: ACHIEVEMENTS AND PERFORMANCE**

### **Review of activities**

#### Temple Grove Academy Trust

As Temple Grove Academy is the academy trust's only school to date, the focus has been on improving teaching and pupil performance throughout the academy.

The academy was graded "requires improvement" following an Ofsted inspection in May 2017. Writing, broadening the curriculum, consistent standards and challenge for pupils need improving. The academy's strengths were identified as clear vision, good behaviour, good support for SEN children and good EYFS. The academy has developed an Action Plan for improvement. Since the year end, there has been a change in the Senior Leadership team: a new Chief Executive, Director of Education and School Improvement Partner were appointed, and following the resignation of the Head a new Consultant Executive Head was appointed.

The SATS results in July 2017 demonstrated the academic progress being achieved. Progress in reading, writing and maths from KS1 to Y6 was above national for all subjects, as it was for the academy's disadvantaged pupils. The results in reading and maths progress place the academy in the top 10-20% of schools in the country.

#### Haberdashers' Aske's Academies Federation (HAAF)

HAAF currently manages three school clusters:

1. Haberdashers' Aske's Hatcham College, Hatcham Temple Grove Free School and Hatcham Temple Grove School at New Gross, London;
2. Haberdashers' Aske's Knights Academy with its single primary school, Knights Temple Grove, at Bromley, Kent; and
3. Haberdashers' Aske's Crayford Academy at Crayford, Kent with its two primary schools, Crayford Temple Grove North and South.

The Trust supports HAAF by nominating two Governors and providing funding for the primary phases. During 2017, the Trust donated £64,000 (2016: £56,000).

Of HAAF's four academies – Hatcham TG Free School is legally a separate academy – 2 are judged to be outstanding by Ofsted and 2 are judged to be good. This follows a positive inspection outcome at Knights Academy during the year, a school which had previously been judged to require improvement.

In the primary phase of all HAAF's schools, performance in the early years' foundation stage and in the year one phonics test remains far above the national average. The proportion of children achieving the end of key stage one expected standards was also above the national average in all the schools. The proportion of children working at greater depth was above the national average in three of the four schools, demonstrating the impact of making this measure a priority over the last year. Attainment and progress at key stage two were not as strong. Performance improved at Hatcham Temple Grove, which remained above the national average. At Knights and Crayford performance did not improve and as a result has fallen below the rising national average. Hatcham Temple Grove Free School does not yet have a year six cohort with key stage two results.

## **Investment policy and performance**

The Trustees continued with their policy for the long-term investment of their assets, both in the Restricted Fund for the HAAF, and for their Unrestricted Fund. They believe that this policy best matches the requirements of their activities and minimises the risks inherent in the unstable markets. The policy is reviewed annually.

The Trustees have placed a significant proportion of the Trust's liquid resources in the hands of carefully selected investment managers, one for the Restricted Fund and for the bulk of the Unrestricted Fund, only retaining sufficient cash funds to service short term liabilities.

## **Financial review**

The Trustees have invested the reserves in accordance with the investment policy noted above. The Trustees have agreed to use the income earned from its Unrestricted Funds in defraying the cost of furthering its overall objectives, including payment for consultancy or research work as appropriate. Income earned on its Restricted Fund is credited to the relevant endowment and is used for that endowment only. Income which arose during the current year will be paid over to the beneficiaries during the next year.

## **Future developments**

The Trustees' primary focus will continue to be the support given to the HAAF and to TGAT.

The Trustees remain committed towards raising awareness of the importance of primary education and will support initiatives to that effect.

## **Trustees' responsibilities statement**

The Trustees (who are also directors of Temple Grove Schools Trust Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments 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 operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'NKG Prescott', written in a cursive style.

**N K G Prescott**  
*Director*

**TEMPLE GROVE SCHOOLS TRUST LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**  
**YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generating funds:					
Voluntary income	2	12,912	-	12,912	16,194
Investment income	3	<u>18,682</u>	<u>65,781</u>	<u>84,463</u>	<u>10,275</u>
<b>Total incoming resources</b>		<b>31,594</b>	<b>65,781</b>	<b>93,375</b>	<b>126,469</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Generating voluntary income	4	(62)	(68)	(130)	(217)
Charitable activities	5/6	(38,172)	(63,954)	(102,126)	(147,578)
Establishment costs	7	<u>(7,490)</u>	<u>-</u>	<u>(7,490)</u>	<u>(10,597)</u>
<b>Total resources expended</b>		<b>(45,724)</b>	<b>(64,022)</b>	<b>(109,746)</b>	<b>(158,392)</b>
<b>NET OUTGOING RESOURCES FOR THE YEAR</b>	8	<b>(14,131)</b>	<b>1,759</b>	<b>(12,372)</b>	<b>(31,923)</b>
Realised gains on disposal of investment assets		-	-	-	-
Gains and losses on revaluations of investment assets		<u>(14,385)</u>	<u>224,376</u>	<u>209,990</u>	<u>79,638</u>
<b>NET MOVEMENT IN FUNDS/ NET EXPENDITURE FOR THE YEAR</b>		<b>(28,516)</b>	<b>226,135</b>	<b>197,619</b>	<b>47,715</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>1,418,392</u>	<u>1,893,979</u>	<u>3,312,371</u>	<u>3,264,656</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,389,876</b>	<b>2,120,114</b>	<b>3,509,990</b>	<b>3,312,371</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement for total recognized gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on the following pages form part of these accounts.



**TEMPLE GROVE SCHOOLS TRUST LIMITED**

**BALANCE SHEET**

**31 AUGUST 2017**

		2017	2016
	Note	£	£
<b>FIXED ASSETS</b>			
Investments	10	3,503,882	3,233,808
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		6,108	89,125
<b>CREDITORS</b>			
Amounts falling due within one year	11	-	(10,562)
<b>NET CURRENT (LIABILITIES)/ ASSETS</b>		<u>6,108</u>	<u>78,563</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,509,990	3,312,371
<b>NET ASSETS</b>		3,509,990	3,312,371
<b>FUNDS</b>			
Unrestricted income funds	12	1,389,876	1,418,392
Restricted income funds	13	<u>2,120,114</u>	<u>1,893,979</u>
<b>TOTAL FUNDS</b>		3,509,990	3,312,371

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The accounts were approved by the board of directors on 30 April 2018 and were signed on its behalf by:



**N K G Prescott**  
*Director*

**The notes on the following pages form part of these accounts.**

# **TEMPLE GROVE SCHOOLS TRUST LIMITED**

## **NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 AUGUST 2017**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The accounts have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

#### **Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the accounts on the grounds that the charity is small.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

### **2. VOLUNTARY INCOME**

	<b>Total Funds 2017 £</b>	<b>Total Funds 2016 £</b>
Donations	-	-
TGAT Salary contribution	12,912	16,194

### **3. INVESTMENT INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2017 £</b>	<b>Total Funds 2016 £</b>
Income from UK listed investments	18,682	65,781	84,463	110,118
Bank interest receivable	<u>62</u>	<u>-</u>	<u>62</u>	<u>154</u>
	18,744	65,781	84,525	110,275

### **4. COSTS OF GENERATING VOLUNTARY INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2017 £</b>	<b>Total Funds 2016 £</b>
Costs of generating income	62	68	130	217

**5. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
The Haberdashers' Aske's Fund	-	63,954	63,954	63,219
Temple Grove Academy Trust	10,000	-	10,000	10,000
Support for salaries (see Note 9)	<u>28,172</u>	<u>-</u>	<u>28,172</u>	<u>74,359</u>
	<b>38,172</b>	<b>63,954</b>	<b>102,126</b>	<b>147,578</b>

**6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE**

	Grants and Prices £	Support costs £	Total Funds 2017 £	Total Funds 2016 £
The Haberdashers' Aske's Fund	63,954	-	63,954	63,219
Temple Grove Academy Trust	<u>10,000</u>	<u>38,172</u>	<u>48,172</u>	<u>84,359</u>
	<b>73,954</b>	<b>38,172</b>	<b>112,126</b>	<b>147,578</b>

**7. ESTABLISHMENT COSTS**

	Unrestricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Premises costs	4,061	4,061	3,297
Audit fees	-	-	995
Meetings and AGM costs	1,979	1,979	4,045
Insurance	951	951	947
Travel	129	129	238
Entertainment/ Staff benefits	-	-	424
Administration costs	<u>370</u>	<u>370</u>	<u>651</u>
	<b>7,490</b>	<b>7,490</b>	<b>10,597</b>

**8. NET OUTGOING RESOURCES FOR THE YEAR**

This is stated after charging:	2017 £	2016 £
Auditors' remuneration	-	995

## 9. STAFF COSTS AND EMOLUMENTS

Total staff costs included in support costs:	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	17,753	47,681
Social security costs	<u>10,419</u>	<u>26,678</u>
	<b>28,172</b>	<b>74,359</b>

## 10. INVESTMENTS

<b>Movement in market value</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Market value at 1 September 2016	3,312,371	3,264,656
Net gains on revaluations in the year ended 31 August 2017	<u>197,619</u>	<u>47,715</u>
Market value at 31 August 2017	<b>3,509,990</b>	<b>3,312,371</b>

## 11. CREDITORS

<b>Amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Taxation and social security	-	10,562

## 12. UNRESTRICTED INCOME FUNDS

	<b>Balance at 1 Sep 2016 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Balance at 31 Aug 17 £</b>
General fund	1,418,392	31,594	(60,110)	1,389,876

## 13. RESTRICTED INCOME FUNDS

	<b>Balance at 1 Sep 2016 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Balance at 31 Aug 17 £</b>
The Haberdashers' Aske's Fund	1,893,979	290,157	(64,022)	2,120,114