

Company Registration No. 08163191 (England and Wales)

**THAMES VIEW INFANTS**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' STRATEGIC REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

# THAMES VIEW INFANTS

## CONTENTS

---

	<b>Page</b>
Reference and administrative details	1 - 2
Governors' report	3 - 9
Governance statement	10 - 13
Statement on regularity, propriety and compliance	14
Statement of governors' responsibilities	15
Independent auditor's report on the accounts	16 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities including income and expenditure account	20 - 21
Balance sheet	22
Statement of cash flows	23
Notes to the accounts including accounting policies	24 - 40

---

# THAMES VIEW INFANTS

## REFERENCE AND ADMINISTRATIVE DETAILS

---

<b>Governors</b>	A Alim D Bonifacio C Chambers (Chair) R Clark M Hesse (Appointed 21 October 2015) P Jordan (Accounting officer) J Joyes (Appointed 9 December 2015) S Leitch (Resigned 23 September 2015) S Mehboob (Resigned 21 September 2016) A Pinamang (Resigned 1 October 2015) J Schultz (Resigned 23 March 2016) C Smith M Takagi (Appointed 9 December 2015)	
<b>Members</b>	C Chambers S Thomas-Pounce R Clark L Trapnell M Knowles	
<b>Senior leadership team</b>	P Jordan C Smith K Ager A Skedd R Corcoran Jones A Dobson R Begum	- Headteacher - Deputy Headteacher - PA/SBM - Assistant Headteacher - Assistant Headteacher - EYFS Leader - KS1 Co-Leader
<b>Company registration number</b>	08163191 (England and Wales)	
<b>Registered office</b>	Thames View Infants Barnstable Avenue Barking IG11 0LG	
<b>Independent auditor</b>	Wilkins Kennedy LLP Greytown House 221-227 High Street Orpington Kent BR6 0NZ	
<b>Bankers</b>	Lloyds TSB 11 Station Parade Barking IG11 8ED	

# THAMES VIEW INFANTS

## REFERENCE AND ADMINISTRATIVE DETAILS

---

**Solicitors**

Veale Wasborough Vizards  
Barnards Inn  
86 Fetter Lane  
London  
EC4 1AD

# THAMES VIEW INFANTS

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2016

---

The governors present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 7 serving a catchment area in Barking and Dagenham. It has a pupil capacity of 438 and had a roll of 440 in the school census on 16 October 2015.

#### **Structure, governance and management**

##### Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration no. 08163191) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Governors act as the Trustees for the charitable activities of Thames View Infants and are also Directors of the charitable company for the purposes of company law. The charitable company is known as Thames View Infants. Details of the Governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Thames View Infants was incorporated on 31 July 2012 and obtained Academy status from 1 August 2012.

##### Principal activities

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

##### 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.

##### Method of recruitment and appointment or election of governors

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

The number of Governors shall be not less than 3, but shall not be subject to a maximum. The first Governors shall be those named in the initial Memorandum. The Academy Trust shall have the following Governors; up to 3 Community Governors; 2 Staff Governors, a minimum of two and a maximum of 4 parent Governors; the Head teacher, any Additional Governors if appointed under Article 62, 62A or 68A; and any Further Governors if appointed under Article 63 or Article 68A. The Academy may also have up to 3 Co-opted Governors, a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Head Teacher).

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

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

# THAMES VIEW INFANTS

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

### Policies and procedures adopted for the induction and training of governors

During the year under review, 6 Full Governing Body meetings were held. The Finance, Personnel and Premises Committee met 6 times and the Curriculum Committee met 3 times. The training and induction provided for new Governors will depend on their existing experience; however, each full Governing Body meeting starts with a 30 minute training slot. A Governors' Self-Review meeting took place in addition to the above. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are signposted to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. After conducting a skills audit, induction for new Governors takes place informally and is tailored specifically to the individual.

### Organisational structure

The structure consists of the following connected elements: the Governors and the cross-stakeholder Strategic Leadership Team (encompassing Senior and Middle Leaders). Within a deeply-instilled learning culture, leaders, aspiring leaders and individuals with expertise, work together on Action Plans to implement the over-arching School Development Plan. This ethos instils ownership, disseminates learning and empowers staff within a highly-cohesive 'Professional Learning Community'. This model rapidly accelerates progress and has high-communication as a theme.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of hands-on involvement, budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

Senior Leaders include the Headteacher, the Deputy Headteacher and Key Stage Co-Leaders. The Headteacher and the Deputy Headteacher control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for middle and senior leader posts will contain a Governor.

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

The pay and remuneration of all staff is agreed and set by the Finance, Premises and Personnel Committee, who have delegated responsibility from the full Governing Body.

The Salary Ranges of Leadership Posts at the School is determined by the Finance, Premises and Personnel Committee as delegated by the Governing Body. When determining the starting salary of a newly appointed member of the Leadership Group, the Governing Body will have regard to the extent to which the candidate meets the requirement of the post. The starting salary will allow for performance progression over time and will consist of a minimum and maximum cash salary amount.

To achieve progression on the Leadership Pay Scale, the School Teachers' Pay and Conditions Document (STPCD) requires individuals to have demonstrated sustained high quality performance. In making judgements against this criterion and in determining whether there should be progression the Governing Body will consider whether the individual has grown professionally by developing their leadership; and (where relevant), teaching, expertise.

### Related parties and other connected charities and organisations

Thames View Infants is part of a Collaborative Partnership with Thames View Junior School. This delegated committee of Governors and Senior Leaders meet once a term. The aim is to improve the provision across both settings though collaborative work and sharing good practice. Paul Jordan is a National Leader of Education and by association, the school has been designated National Support School Status. Accordingly the Head and other leaders will offer support to other schools, in order to raise standards for a fee, depending on the staff involved and the nature of the work.

# THAMES VIEW INFANTS

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### **Objectives and activities**

##### Objects and aims

Thames View Infants is a school with children aged 3 - 7. We foster a genuine sense of respect for the individual alongside an appreciation of the culture and beliefs of others.

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

##### Objectives, strategies and activities

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

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to challenge traditional dispositions to learning and learning centres; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

The Thames View Infants' community values diversity and seeks to give everyone in the school an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we will work together to develop the potential of all pupils academically, emotionally, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit Thames View Infants.

Pupils will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Parents will fulfil their roles as true partners, recognizing their role in the student- school - parent partnership to ensure that their child realises his/her potential.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school as a nationally recognised centre of excellence.

# THAMES VIEW INFANTS

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Thames View Infants follows admission criteria defined by the London Borough of Barking and Dagenham and continues to adopt all locally agreed admission arrangements in this respect.

Thames View Infants offers an award-winning and nationally-recognised four-form entry, multi-cultural and inclusive Infant provision with a 78 place Nursery - working closely with the London Borough of Barking and Dagenham. It was judged as 'outstanding' by Ofsted in March 2009 and in April 2014 and continues to thrive. Its vision is to provide a caring, fun, vibrant and supportive learning community for all where every child and their family really do matter. The school values 'Parents as Partners' and aspires to help everyone, young or old, achieve their best!

#### **Strategic report**

##### Achievements and performance

The Academy is at the end of its third year of operation and continues to achieve significantly above the National Average, ranked within the highest quintile Nationally for Attainment and Attendance. Total pupils in the period ended 31st August 2016 numbered 360 (+ 39 fte Nursery) and the Academy is full.

Percentage of Pupils attaining or surpassing each level at Key Stage 1 by subject 2016:

2016 marks a new National Interim Framework for assessment, which uses a different criteria to inform Teacher Assessments at the end of Key Stage 1.

	Below the National Expectation		In line with the National Expectation	Above the National Expectation
	<b>Working at a Foundation Standard and Above</b>	<b>Working Below the Expected Standard and Above</b>	<b>Working at the Expected Standard and Above</b>	<b>Working at Greater Depth</b>
<b>Reading</b>	100%	98%	97%	79%
<b>Writing</b>	100%	98%	96%	71%
<b>Mathematics</b>	100%	98%	97%	76%
<b>Science</b>		98%		70% *

\*The Interim Framework only provides criteria for Working at the Expected Standard in Science. This percentage reflects the school's interpretation of the Science Curriculum at Greater Depth.

In Yr 1 Phonic Screening Assessments, the School achieved a 95% pass mark. 82% of children who re-sat the test in Yr 2 achieved a pass.

# THAMES VIEW INFANTS

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### Key performance indicators

- Attainment is ranked first locally (LBBD), higher than the highest London-Authority Average APS (2012) and ranked within the top 20% of all schools Nationally.
- Ofsted judgement of outstanding in all areas of Inspection and overall, April 2014 (for the second occasion) and continues to be judged so within school review.
- The majority of teaching continues to be judged as outstanding and never less than good.
- Attainment continues to rise at all levels, markedly so at the higher levels. Children make rapid and accelerated progress throughout the school and leave particularly ready for the next stage in their learning.
- Over time the gap has decreased for those children who receive pupil premium funding.
- Good staff mobility - Teachers only leave for promotions or relocations.
- Effective staff appraisal which is performance related.
- Pupil Progress Meetings and rigorous tracking of all children
- Use of outside advisors for coaching, reaffirming standards in learning and outcomes and to develop practice.
- School has a high waiting list and high satisfaction with Parent View surveys.
- Thames View Infants was designated NLE/NSS status in 2014 by the National College.
- Thames View Infants have won a variety of awards, contribute to national conferences and Headteacher training, support other schools locally and received a commendation for the school's use of the Pupil Premium "as one of the best primary schools entering (the 2014 Pupil Premium Awards) from the London Region".

#### Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

#### **Financial review**

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

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2016, total expenditure of £2,806k (2015: £2,537k) was met by recurrent grant funding from the EFA together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £154k (2015: £232k income over expenditure).

At 31 August 2016 the net book value of fixed assets was £3,095k (2015: £3,045k). Movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Barking and Dagenham Council Pension Fund, in which the Academy participates, showed a deficit of £841k (2015: £424k) at 31 August 2016.

# THAMES VIEW INFANTS

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should be equivalent to four weeks' expenditure, approximately £190k (2015: £190k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves of £210k (total funds less the amount held in fixed assets and restricted funds; 2015: £172k) is much less than needed. The Academy intends to make every effort to build up free reserves to the level needed.

Reserves have increased in order to prepare the school for the reduction in GAG funding that we are expecting in the years to come. Thames View Infants is also in the process of becoming a sponsoring MAT any reserves may be used to fund any legal/legislative costs (if required).

#### Investment policy and powers

Under the Memorandum and Articles of Association, the academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

#### Financial position

The Academy held fund balances at 31 August 2016 of £2,500k (2015: £3,181k) comprising £2,290k (2015: £3,009k) of restricted funds and £210k (2015: £172k) of unrestricted general funds. Of the restricted funds, £3,095k (2015: £3,045k) is represented by tangible fixed assets and £36k (2015: £388k) by restricted general funds.

The pension reserve which is considered part of restricted funds was £841k (2015: £424k) in deficit.

#### Principal risks and uncertainties

<b>Sub Category</b>	<b>Specific</b>	<b>Control Procedures</b>
Technology risk	Information security risk	Procedures in ICT Policy, robust firewall through RM.
	Virus risk / corruption of data risk	
	IT systems out of date / no longer supported	Planning for regular renewal
	Crash of servers and telephone (VOIP) systems set up	Set up separately to avoid time delay and time loss
Macro-economic risk	Risk of the impact an uncontrollable event will have on the school, e.g. recession, war.	Manage reserves to reduce risks

We have a comprehensive Risk management Policy that includes all the perceived risks to school – above are an example of the risks that are currently our biggest concern. This policy is published on the schools website.

# THAMES VIEW INFANTS

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

### Risk Management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 10.

### Financial and risk management objectives and policies

The main financial risks to which Manor Oak Primary School is exposed, taking account of the mitigations in place, relate the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk also arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £841k (2015: £424k).

### **Plans for future periods**

The Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils reach their full potential.

The school has a good understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The school also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The School works closely with the Local Authority to ensure it continues to maintain its own high standards providing support for other local schools to help raise standards within the borough.

Development Plan has all the correct areas identified for improvement and is based on regular analysis of data which is meticulously analysed by the Headteacher and the senior leadership team. The SDP is regularly monitored and adapted throughout the school year and again annually by the SLT

School improvement strategies are effective because subjects identified as previously underperforming have been successfully addressed through a combination of rigorous monitoring, CPD, including analysis of results. The school makes good provision for personalised learning, support and intervention programmes for individual pupils and the quality of provision for inclusion is Outstanding.

The strive for improvement is evident in many aspects of school life, but particularly in the strong culture of collaboration, openness and commitment to professional learning.

### **Auditor**

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors 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 governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on ..... and signed on its behalf by:

.....  
C Chambers

**Chair**

# THAMES VIEW INFANTS

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

### Scope of responsibility

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

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

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 6 times during the year. Attendance during the year at meetings of the board of governors was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
A Alim	4	6
D Bonifacio	6	6
C Chambers (Chair)	5	6
R Clark	6	6
M Hesse (Appointed 21 October 2015)	4	6
P Jordan (Accounting officer)	6	6
J Joyes (Appointed 9 December 2015)	3	4
S Leitch (Resigned 23 September 2015)	1	1
S Mehboob (Resigned 21 September 2016)	4	6
A Pinamang (Resigned 1 October 2015)	0	0
J Schultz (Resigned 23 March 2016)	4	5
C Smith	6	6
M Takagi (Appointed 9 December 2015)	3	4

Key changes within the GB have been the appointment of Christine Chambers as Chair and Jamie Joyes as Vice Chair.

Following a detailed skills audit in February 2016 was identified that the GB had a wide variety of skills and expertise within it, however there was a gap in procurement/tendering experience and facilities management. This has been addressed by the addition of two new Directors next year who have specific skills and experience in these areas that will help to fill our current gaps.

# THAMES VIEW INFANTS

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

The Finance and Personnel Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.

Attendance at meetings in the year was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
D Bonifacio	6	6
R Clark	6	6
P Jordan (Accounting officer)	6	6
J Joyes (Appointed 9 December 2015)	3	3
S Leitch (Resigned 23 September 2015)	0	0
S Mehboob (Resigned 21 September 2016)	6	6
A Pinamang (Resigned 1 October 2015)	0	0

#### **Review of value for money**

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

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

- Promote fair competition through quotations and tenders to ensure that major purchases of goods and services are secured at the most economic, efficient and effective way.
- Ensure that services and contracts have been appraised and renegotiated annually to obtain the optimal blend of quality of service and effectiveness of service at the more suitable cost.
- Benchmarks its costs and spending profile against similar establishments to continually strive to improve.
- Explore opportunities to work collaboratively with others to reduce and share administration and procurement costs. Wherever possible, Thames View Infants utilises accredited public sector procurement frameworks.
- Improve use of resources by exploring opportunities to generate additional revenues
- Use networking opportunities to share good practise and supplier feedback
- Balancing the cost and quality elements of all procurements
- Employ an independent Internal Audit service to reviews internal controls on a termly basis, to provide assurance that all resources are safeguarded and stewarded appropriately. Strong financial controls have been implemented to ensure that restricted and unrestricted funds are accurately accounted for and utilised appropriately. Where weaknesses are identified, these are included within an audit strategy to strengthen financial controls.

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Thames View Infants for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts.

# THAMES VIEW INFANTS

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

### **Capacity to handle risk**

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

### **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 governors;
- regular reviews by the Finance, Premises and Personnel committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the governors have appointed Essex County Council, to fulfil the internal audit role.

The role includes give advice on financial matters and performing a range of checks on the academy trusts financial system.

On a termly basis, the internal auditor reports to the governing body on the operation of the system of control and on the discharge of the governing body's financial responsibilities.

Internal Control Evaluations have taken place each term and any actions or areas of improvement identified, have been added to the SDP and feedback to Governors. These targets are then tracked using the SDP to ensure all targets are met within the timeframe set. All identified actions have been either completed or are in the process of being completed.

### **Review of effectiveness**

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

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

# THAMES VIEW INFANTS

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

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

Approved by order of the board of governors on ..... and signed on its behalf by:

C Chambers  
**Chair**

P Jordan  
**Accounting officer**

# THAMES VIEW INFANTS

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

***FOR THE YEAR ENDED 31 AUGUST 2016***

---

As accounting officer of Thames View Infants I have considered my responsibility to notify the academy trust board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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

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

P Jordan  
**Accounting Officer**

.....

# THAMES VIEW INFANTS

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

The governors (who act as trustees for Thames View Infants and are also the directors of Thames View Infants for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law the governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the governors are required to:

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

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

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

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

Approved by order of the board of governors on ..... and signed on its behalf by:

C Chambers  
**Chair**

# THAMES VIEW INFANTS

## INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF THAMES VIEW INFANTS

---

We have audited the accounts of Thames View Infants for the year ended 31 August 2016 set out on pages 20 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of governors and auditors**

As explained more fully in the Governors' Responsibilities Statement set out on page 15, the governors, who are also the directors of Thames View Infants for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts**

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

### **Opinion on accounts**

In our opinion the accounts:

- 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

# THAMES VIEW INFANTS

## INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF THAMES VIEW INFANTS (CONTINUED)

---

### **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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Catherine Cooper (Senior Statutory Auditor)**  
for and on behalf of Wilkins Kennedy LLP

### **Chartered Accountants**

#### **Statutory Auditor**

Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

Dated: .....

# THAMES VIEW INFANTS

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THAMES VIEW INFANTS AND THE EDUCATION FUNDING AGENCY

---

In accordance with the terms of our engagement letter dated 20 June 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Thames View Infants during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Thames View Infants and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Thames View Infants and 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 Thames View Infants and EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Thames View Infants's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Thames View Infants's funding agreement with the Secretary of State for Education dated 31 August 2012 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

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

# THAMES VIEW INFANTS

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THAMES VIEW INFANTS AND THE EDUCATION FUNDING AGENCY (CONTINUED)

---

### Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

### Reporting Accountant

Wilkins Kennedy LLP  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

Dated: .....

# THAMES VIEW INFANTS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total 2016 £'000	Total 2015 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	2	10	-	-	10	188
Charitable activities:						
- Funding for educational operations	3	-	2,443	-	2,443	2,659
Other trading activities	4	40	-	-	40	49
Investments	5	1	-	-	1	-
<b>Total income and endowments</b>		<u>51</u>	<u>2,443</u>	<u>-</u>	<u>2,494</u>	<u>2,896</u>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	7	-	2,648	158	2,806	2,537
<b>Total expenditure</b>	6	<u>-</u>	<u>2,648</u>	<u>158</u>	<u>2,806</u>	<u>2,537</u>
<b>Net income/(expenditure)</b>		51	(205)	(158)	(312)	359
Transfers between funds		(13)	(17)	30	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	(369)	-	(369)	10
<b>Net movement in funds</b>		<u>38</u>	<u>(591)</u>	<u>(128)</u>	<u>(681)</u>	<u>369</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>172</u>	<u>(214)</u>	<u>3,223</u>	<u>3,181</u>	<u>2,812</u>
Total funds carried forward		<u>210</u>	<u>(805)</u>	<u>3,095</u>	<u>2,500</u>	<u>3,181</u>

# THAMES VIEW INFANTS

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

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2015
		£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	2	10	-	178	188
Charitable activities:					
- Funding for educational operations	3	-	2,659	-	2,659
Other trading activities	4	49	-	-	49
<b>Total income and endowments</b>		59	2,659	178	2,896
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	7	1	2,485	51	2,537
<b>Total expenditure</b>	6	1	2,485	51	2,537
<b>Net income/(expenditure)</b>		58	174	127	359
Transfers between funds		-	(9)	9	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	18	-	10	-	10
<b>Net movement in funds</b>		58	175	136	369
<b>Reconciliation of funds</b>					
Total funds brought forward		114	(389)	3,087	2,812
Total funds carried forward		172	(214)	3,223	3,181

# THAMES VIEW INFANTS

## BALANCE SHEET

AS AT 31 AUGUST 2016

		2016		2015	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	12		3,095		3,045
<b>Current assets</b>					
Debtors	13	109		77	
Cash at bank and in hand		403		705	
		<u>512</u>		<u>782</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(266)		(222)	
<b>Net current assets</b>			246		560
<b>Net assets excluding pension liability</b>			3,341		3,605
Defined benefit pension liability	18		(841)		(424)
<b>Net assets</b>			<u>2,500</u>		<u>3,181</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			3,095		3,223
- Restricted income funds			36		210
- Pension reserve			(841)		(424)
<b>Total restricted funds</b>			<u>2,290</u>		<u>3,009</u>
<b>Unrestricted income funds</b>	16		210		172
<b>Total funds</b>			<u>2,500</u>		<u>3,181</u>

The accounts set out on pages 20 to 40 were approved by the board of governors and authorised for issue on ..... and are signed on its behalf by:

.....  
C Chambers  
Chair

Company Number 08163191

# THAMES VIEW INFANTS

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

---

		2016		2015	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by (used in) operating activities	19		(95)		321
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		1		-	
Capital grants from DfE and EFA		-		178	
Payments to acquire tangible fixed assets		(208)		(9)	
			(207)		169
<b>Change in cash and cash equivalents in the reporting period</b>			(302)		490
Cash and cash equivalents at 1 September 2015			705		215
<b>Cash and cash equivalents at 31 August 2016</b>			<u>403</u>		<u>705</u>

# THAMES VIEW INFANTS

## 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

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006 (other than in respect of the disclosure of remunerations received by staff governors under employments contracts - see note 10 for details).

Thames View Infants meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of Thames View Infants prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 24.

##### 1.2 Going concern

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

##### 1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

###### Grants receivable

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

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

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

###### Donations

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

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### 1 Accounting policies

(Continued)

##### Other income

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

##### Donated goods, facilities and services

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

##### Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

##### Governance costs

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

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### 1 Accounting policies

(Continued)

##### 1.5 Tangible fixed assets and depreciation

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

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

The property has been included at the valuation provided by the EFA when completing their desktop valuation.

On conversion the academy entered into a 125 year lease on its land and buildings with the London Borough of Barking and Dagenham.

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

Land and buildings	Buildings 2%; Land is not depreciated
Computer equipment	33.3%
Fixtures, fittings & equipment	10%

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

##### 1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

##### 1.7 Leasing commitments

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

##### 1.8 Taxation

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

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

(Continued)

#### 1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

#### 1.10 Fund accounting

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

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

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

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

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

##### Critical accounting estimates and assumptions

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

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

#### 1 Accounting policies

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

##### *Bad debts*

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no other key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 2 Donations and capital grants

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total 2016 £'000</b>	<b>Total 2015 £'000</b>
Capital grants	-	-	-	178
Other donations	10	-	10	10
	<u>10</u>	<u>-</u>	<u>10</u>	<u>188</u>

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 3 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	1,848	1,848	1,823
Other DfE / EFA grants	-	351	351	610
	-	2,199	2,199	2,433
<b>Other government grants</b>				
Local authority grants	-	244	244	226
<b>Total funding</b>	-	2,443	2,443	2,659

### 4 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
Hire of facilities	11	-	11	17
Catering income	2	-	2	1
Other income	27	-	27	31
	40	-	40	49

### 5 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
Short term deposits	1	-	1	-

### 6 Expenditure

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2016 £'000	Total 2015 £'000
<b>Academy's educational operations</b>					
- Direct costs	1,497	46	169	1,712	1,580
- Allocated support costs	388	334	372	1,094	957
	1,885	380	541	2,806	2,537
<b>Total expenditure</b>	1,885	380	541	2,806	2,537

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

6 Expenditure	(Continued)	
<b>Net income/(expenditure) for the year includes:</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Fees payable to auditor for:		
- Audit	6	6
- Other services	2	2
Operating lease rentals	15	17
Depreciation of tangible fixed assets	53	51
Loss on disposal of fixed assets	105	-
	<u>          </u>	<u>          </u>
<b>7 Charitable activities</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>All from restricted funds:</b>		
Direct costs - educational operations	1,712	1,580
Support costs - educational operations	1,094	957
	<u>          </u>	<u>          </u>
	2,806	2,537
	<u>          </u>	<u>          </u>
	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>Analysis of support costs</b>		
Support staff costs	388	378
Depreciation and amortisation	112	6
Technology costs	11	2
Premises costs	255	204
Other support costs	300	345
Governance costs	28	22
	<u>          </u>	<u>          </u>
	1,094	957
	<u>          </u>	<u>          </u>
<b>8 Governance costs</b>	<b>Total</b>	<b>Total</b>
	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
<b>All from restricted funds:</b>		
<b>Amounts included in support costs</b>		
Legal and professional fees	10	8
Auditor's remuneration		
- Audit of financial statements	8	6
- Other audit costs	-	2
Other governance costs	10	6
	<u>          </u>	<u>          </u>
	28	22
	<u>          </u>	<u>          </u>

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

### 9 Staff costs

	2016 £'000	2015 £'000
Wages and salaries	1,519	1,394
Social security costs	118	105
Operating costs of defined benefit pension schemes	235	205
	<hr/>	<hr/>
Staff costs	1,872	1,704
Supply staff costs	5	27
Staff development and other staff costs	8	10
	<hr/>	<hr/>
Total staff expenditure	1,885	1,741
	<hr/> <hr/>	<hr/> <hr/>

### Staff numbers

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

	2016 Number	2015 Number
Teachers	15	16
Administration and support	66	58
Management	4	3
	<hr/>	<hr/>
	85	77
	<hr/> <hr/>	<hr/> <hr/>

### Higher paid staff

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

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

### Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £ 279k (2015: £205k).

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### 10 Governors' remuneration and expenses

One or more of the governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as governors.

The value of governors' remuneration and other benefits was as follows:

P Jordan (Headteacher):

- Remuneration £70,000 - £75,000 (2015: £70,000-£75,000)
- Employer's pension contributions £10,000 - £15,000 (2015: £10,000-£15,000)

R Clark & C Smith (staff):

- Remuneration £88,313(2015: £111,456)
- Employer's pension contributions £11,466 (2015: £15,448)

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

During the year, no expenses (2015: £Nil ) were reimbursed to governors (2015: none) .

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

#### 11 Governors and officers insurance

The academy trust has opted into the Department of 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.

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 September 2015	3,244	14	13	3,271
Additions	185	12	11	208
Disposals	(117)	-	-	(117)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2016	3,312	26	24	3,362
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>				
At 1 September 2015	217	7	2	226
On disposals	(12)	-	-	(12)
Charge for the year	46	5	2	53
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2016	251	12	4	267
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>				
At 31 August 2016	3,061	14	20	3,095
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2015	3,027	7	11	3,045
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Included in land and buildings is land valued at £978k (2015: £978k) which is not depreciated.

The addition and disposal of land and buildings in the year is in relation to replacement of a modular building.

### 13 Debtors

	2016 £'000	2015 £'000
Trade debtors	8	13
VAT recoverable	68	29
Prepayments and accrued income	33	35
	<u>          </u>	<u>          </u>
	109	77
	<u>          </u>	<u>          </u>

### 14 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	11	-
Other taxation and social security	34	33
Other creditors	25	22
Accruals and deferred income	196	167
	<u>          </u>	<u>          </u>
	266	222
	<u>          </u>	<u>          </u>

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

15 Deferred income	2016 £'000	2015 £'000
Deferred income is included within:		
Creditors due within one year	67	63
	<u>67</u>	<u>63</u>
Deferred income at 1 September 2015	63	56
Released from previous years	(63)	(56)
Amounts deferred in the year	67	63
	<u>67</u>	<u>63</u>
<b>Deferred income at 31 August 2016</b>	<b>67</b>	<b>63</b>

At the balance sheet date the academy trust was holding fund received in advance for universal infant free school meals relating to 2016/17.

16 Funds	Balance at 1 September 2015 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2016 £'000
<b>Restricted general funds</b>					
General Annual Grant	42	1,848	(1,873)	(17)	-
Other DfE / EFA grants	168	351	(483)	-	36
Other government grants	-	244	(244)	-	-
	<u>210</u>	<u>2,443</u>	<u>(2,600)</u>	<u>(17)</u>	<u>36</u>
Funds excluding pensions	210	2,443	(2,600)	(17)	36
Pension reserve	(424)	-	(48)	(369)	(841)
	<u>(214)</u>	<u>2,443</u>	<u>(2,648)</u>	<u>(386)</u>	<u>(805)</u>
	<u><u>(214)</u></u>	<u><u>2,443</u></u>	<u><u>(2,648)</u></u>	<u><u>(386)</u></u>	<u><u>(805)</u></u>
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	178	-	-	(178)	-
General fixed asset fund	3,045	-	(158)	208	3,095
	<u>3,223</u>	<u>-</u>	<u>(158)</u>	<u>30</u>	<u>3,095</u>
	<u><u>3,223</u></u>	<u><u>-</u></u>	<u><u>(158)</u></u>	<u><u>30</u></u>	<u><u>3,095</u></u>
<b>Total restricted funds</b>	<b>3,009</b>	<b>2,443</b>	<b>(2,806)</b>	<b>(356)</b>	<b>2,290</b>
	<u><u>3,009</u></u>	<u><u>2,443</u></u>	<u><u>(2,806)</u></u>	<u><u>(356)</u></u>	<u><u>2,290</u></u>
<b>Unrestricted funds</b>					
General funds	172	51	-	(13)	210
	<u>172</u>	<u>51</u>	<u>-</u>	<u>(13)</u>	<u>210</u>
	<u><u>172</u></u>	<u><u>51</u></u>	<u><u>-</u></u>	<u><u>(13)</u></u>	<u><u>210</u></u>
<b>Total funds</b>	<b>3,181</b>	<b>2,494</b>	<b>(2,806)</b>	<b>(369)</b>	<b>2,500</b>
	<u><u>3,181</u></u>	<u><u>2,494</u></u>	<u><u>(2,806)</u></u>	<u><u>(369)</u></u>	<u><u>2,500</u></u>

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

### 16 Funds

(Continued)

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

General Annual Grant: Income received from the EFA to cover the normal running costs of the Academy. Under the amended funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Other DFE/EFA grants: This includes the school sports funding, pupil premium, universal infant free school meals, devolved formula capital grant and the CIF grant.

Other government grants: This includes SEN funding and early years funding from London Borough of Barking and Dagenham.

The transfer of funds relate to the purchase of fixed assets during the year.

### 17 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2016 £'000
<b>Fund balances at 31 August 2016 are represented by:</b>				
Tangible fixed assets	-	-	3,095	3,095
Current assets	210	302	-	512
Creditors falling due within one year	-	(266)	-	(266)
Defined benefit pension liability	-	(841)	-	(841)
	<u>210</u>	<u>(805)</u>	<u>3,095</u>	<u>2,500</u>

### 18 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Barking and Dagenham. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £22k (2015: £18k) were payable to the schemes at 31 August 2016 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### 18 Pensions and similar obligations

(Continued)

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £83k (2015: £101k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 26.4% for employers and 5.5 - 12.8% for employees. The estimated value of employer contributions for the forthcoming year is £125k.

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.

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations	(Continued)	
<b>Total contributions made</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	125	104
Employees' contributions	33	28
	<u>158</u>	<u>132</u>
	<u><u>158</u></u>	<u><u>132</u></u>
<b>Principal actuarial assumptions</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>
Rate of increases in salaries	3.6	4.1
Rate of increase for pensions in payment	2.1	3.8
Discount rate	2.1	3.8
Inflation assumption (CPI)	2.1	2.7
	<u>2.1</u>	<u>2.7</u>
	<u><u>2.1</u></u>	<u><u>2.7</u></u>
<p>The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:</p>		
	<b>2016</b>	<b>2015</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	21.8	21.8
- Females	24.0	24.0
Retiring in 20 years		
- Males	24.1	24.1
- Females	26.5	26.5
	<u>26.5</u>	<u>26.5</u>
	<u><u>26.5</u></u>	<u><u>26.5</u></u>
<b>The academy trust's share of the assets in the scheme</b>	<b>2016</b>	<b>2015</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£'000</b>	<b>£'000</b>
Equities	827	590
Bonds	251	191
Property	72	69
Other assets	48	17
	<u>1,198</u>	<u>867</u>
Total market value of assets	<u><u>1,198</u></u>	<u><u>867</u></u>
Actual return on scheme assets - gain/(loss)	175	(21)
	<u>175</u>	<u>(21)</u>
	<u><u>175</u></u>	<u><u>(21)</u></u>

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

18 Pensions and similar obligations	(Continued)	
<b>Amounts recognised in the statement of financial activities</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost (net of employee contributions)	156	134
Net interest cost	17	15
	<u>          </u>	<u>          </u>
Total operating charge	173	149
	<u>          </u>	<u>          </u>
<b>Changes in the present value of defined benefit obligations</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Obligations at 1 September 2015	1,291	1,105
Current service cost	156	134
Interest cost	53	44
Employee contributions	33	28
Actuarial loss	508	(18)
Benefits paid	(2)	(2)
	<u>          </u>	<u>          </u>
At 31 August 2016	2,039	1,291
	<u>          </u>	<u>          </u>
<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Assets at 1 September 2015	867	716
Interest income	36	29
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain	139	(8)
Employer contributions	125	104
Employee contributions	33	28
Benefits paid	(2)	(2)
	<u>          </u>	<u>          </u>
At 31 August 2016	1,198	867
	<u>          </u>	<u>          </u>

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

<b>19 Reconciliation of net income/(expenditure) to net cash flows from operating activities</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Net income/(expenditure) for the reporting period	(312)	359
Adjusted for:		
Capital grants from DfE/EFA and other capital income	-	(178)
Investment income	(1)	-
Defined benefit pension costs less contributions payable	31	30
Defined benefit pension net finance cost/(income)	17	15
Depreciation of tangible fixed assets	53	51
Losses/(profits) on disposals of fixed assets	105	-
(Increase)/decrease in debtors	(32)	33
Increase/(decrease) in creditors	44	11
<b>Net cash used in operating activities</b>	<b>(95)</b>	<b>321</b>

### 20 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 Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

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

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

### 21 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due within one year	15	17
Amounts due in two and five years	64	58
Amounts due after five years	32	28
	<u>111</u>	<u>103</u>

# THAMES VIEW INFANTS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 22 Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have 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.

L Trapnell, a member provided the Academy with coaching sessions amounting to £907, No amounts were due at the year end. The Academy made the purchase at arms' length and ensured the coaching sessions were charged at cost. L Trapnell had no influence over the decision and in entering into the transaction the trust has complied with the requirements of the EFA's Academies Financial Handbook

### 23 Members' liability

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

### 24 Reconciliations on adoption of FRS 102

#### Reconciliation of funds for the previous financial period

	1 September 2014 £'000	31 August 2015 £'000
Funds as reported under previous UK GAAP and under FRS 102	2,812	3,181
	=====	=====

#### Reconciliation of net income for the previous financial period

	Notes	2015 £'000
Net income as reported under previous UK GAAP		372
Adjustments arising from transition to FRS 102:		
Change in recognition of LGPS interest cost	i	(13)
Net income reported under FRS 102		=====

#### Notes to reconciliations on adoption of FRS 102

##### (i) Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to expense by £13K and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.