

Company Registration Number: 10749662 (England & Wales)

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Members**

D Ellis  
C Nugent  
P Bray - corporate  
A Watters (appointed 7 November 2017)

**Trustees**

P Bray - foundation (appointed 19 July 2018)  
J Drummond (resigned 31 August 2018)  
D Ellis, Chairman  
I Miller - foundation (appointed 10 October 2018)  
C Newman (appointed 1 May 2018)  
C Nugent - foundation (resigned 18 July 2018)  
S Rafter

**Company registered number**

10749662

**Company name**

Hamwic Education Trust

**Principal and registered office**

Unit E, The Mill Yard  
Nursling Street  
Southampton  
Hampshire  
SO16 0AJ

**Company secretary**

G Carr

**Chief executive officer**

R Farmer

**Senior management team**

R Farmer, Chief Executive Officer  
N Ash, Deputy Chief Executive Officer – Standards  
G Carr, Deputy Chief Executive Officer – Business  
R Hampton, Chief Learning Officer (resigned 31 December 2017)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Advisers (continued)**

**Independent auditors**

Hopper Williams & Bell Limited  
Statutory Auditor  
Highland House  
Mayflower Close  
Chandlers Ford  
Eastleigh  
Hampshire  
SO53 4AR

**Bankers**

Lloyds Bank Plc  
77 Shirley High Street  
Shirley  
Southampton  
Hampshire  
SO15 3TX

**Solicitors**

Blake Morgan  
New Kings Court  
Tollgate  
Chandlers Ford  
Southampton  
Hampshire  
SO53 3LG

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The trustees present their annual report together with the financial statements and auditor's report of Hamwic Education Trust for the year 1 September 2017 to 31 August 2018. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

The trust operated twenty six academies in Southampton, Portsmouth & Poole. In addition the trust operated two teaching schools and a SCITT.

Hamwic Education Trust has a total pupil capacity of 9,927 and pupil numbers of 9,008 as at January 2018.

Hamwic Education Trust includes the following academies:

<b>School Name</b>	<b>LA Area</b>	<b>School Leader</b>
Upper Shirley High School	Southampton	Stuart Woods
Wordsworth Primary School	Southampton	Rick Page
Shirley Junior School	Southampton	Annette Hixon
Shirley Infant School	Southampton	Cate Gregory
Hollybrook Junior School	Southampton	Jane Wood
Hollybrook Infant School	Southampton	Jane Wood
Southampton Children's Hospital School	Southampton	Nell Giles
Harefield Primary School	Southampton	Georgia Radford
Beechwood Junior School	Southampton	Sue Marsh
Townhill Infant School	Southampton	Bev Corbin
Glenfield Infant School	Southampton	Jo Dorricott/Liz Carrie
Weston Park Primary School	Southampton	Vacant
Westover Primary School	Portsmouth	Anthony Martin
Gatcombe Park Primary School	Portsmouth	Ian Baker
Hamworthy Park Junior School	Poole	Damian Hewitt
Twin Sails Infant School & Nursery	Poole	Damian Hewitt
Bearwood Primary School & Nursery	Poole	Laura Bennett
Springdale First School	Poole	Susannah Hill
Ludlow Infant Academy	Southampton	Bev Corbin
Thornhill Primary School	Southampton	Kerry Stamp
Sholing Junior School	Southampton	Marc Parnell
Sholing Infant School	Southampton	Lisa Houghton
Branksome Heath Junior School	Poole	Suzy Hayward
Sylvan Infant School	Poole	Suzy Hayward
Talbot Primary School	Poole	Kate Curtis
Bishop Aldhelm's C of E Primary School	Poole	Scott Tait

Academies that have joined the trust since 1 September 2018 are as follows:

<b>School Name</b>	<b>LA Area</b>	<b>School Leader</b>
Lytchett Matravers Primary School	Dorset	Simon France
Upton Junior School	Dorset	Andy Gould
Upton Infant School	Dorset	Duncan Churchill

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Structure, Governance and Management**

**Constitution**

The trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the trust. The trustees of Hamwic Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Hamwic Education Trust.

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

**Members' Liability**

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

**Trustees' Indemnities**

Subject to the provisions of the Companies Act 2006 every trustee or other officer of the company shall be indemnified out of the assets of the company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

**Method of Recruitment and Appointment or Election of Trustees**

Trustees are appointed by the board of members. They are selected from a variety of sources such as the local community, businesses within the community, local educational establishments or Academy Ambassadors. All prospective trustees are interviewed by members prior to appointment. Where the prospective trustee is a foundation/diocese trustee, this appointment is overseen by the corporate diocese member. The term of office for any trustee is 4 years and thereafter they may be re-appointed. The board of trustees are a skills based body made up of a diverse range of experienced professionals.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new trustees will depend on their existing experience. Where necessary, induction will include training on educational, legal and financial matters. All new trustees will be provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as trustees. Induction will be carried out informally and will be tailored specifically to the individual trustee.

**Organisational Structure**

Hamwic Education Trust's organisational structure consists of three levels: the board of trustees, regional partnership boards and the academies local governing bodies. This organisational structure is intended to devolve responsibility and encourage involvement in decision making at all levels.

The board of trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the trust's financial & operational performance and making strategic decisions about the direction of the trust, approving major items of expenditure and making executive team appointments. The board of trustees have approved a scheme of financial delegation which clearly sets out the level of financial authority delegated to the local governing bodies, school leaders and members of the academies leadership teams.

The regional partnership boards are made up of the chair of each local governing body within the regional partnership, the school leader from each academy within the regional partnership and co-opted partners. They coordinate community based strategies around school improvement and the wider curriculum.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The board of trustees operate a governance & ethos committee, which is made up of the chair of the board of trustees and the chair of each regional partnership board. This committee reviews governance, the performance of the managed services team and feeds into performance management of the Chief Executive Officer.

The board of trustees operates a finance & audit committee, which reports to the board of trustees. The finance & audit committee is responsible for developing the financial strategy for the trust, budgeting, external audit, internal audit, risk management and financial monitoring.

The academy local governing bodies are made up from a variety of sources including (but not limited to) parents, staff, members of the local community and businesses in the local community. They are responsible for the academy's standards, finance, premises and health & safety.

Individual academy leadership teams consist of the senior management at each academy. They are responsible for developing & implementing plans which seek to deliver the best possible education for its students within agreed budgets and the scheme of delegation approved by the board of trustees.

**Arrangement for Setting Pay and Remuneration of Key Management Personnel**

Pay arrangements for key management personnel are set by the remuneration committee. Benchmarking against other multi-academy trusts and other charitable institutions is carried out on an annual basis. Robust targets are set for each individual leader with pay awards being dependent on the success in meeting these targets.

Pay arrangements for school leaders are led by local governing bodies with support from Hamwic Education Trust. Local governing bodies utilise the STPCD to set the parameters for key management personnel pay. Targets are set for each individual leader with increments being awarded for performance and success in meeting these targets.

**Trade Union Facility Time**

*Relevant union officials:*

Number of employees who were relevant union officials during the year	4
Full-time equivalent employee number	3.05

*Percentage of time spent on facility time:*

<u>Percentage of time</u>	<u>Number of employees</u>
0%	3
1%-50%	1
51%-99%	0
100%	0

*Percentage of pay bill spent on facility time:*

Total cost of facility time	£99
Total pay bill	£16,395,586
Percentage of the total pay bill spent on facility time	0.00%

*Paid trade union activities:*

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.00%
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Related Parties and other Connected Charities and Organisations**

Hamwic Education Trust is related to four multi-academy trusts; Jefferys Education Trust, Edwin Jones Trust, The Ridings Trust and The Hillary Trust and their umbrella trust; Hamwic Trust (please refer to the Governance Review for more information).

For the period 1 September 2017 to 30 November 2017, Hamwic Education Trust provided the central services to Jefferys Education Trust, which covered standards, finance, HR, IT and health & safety.

For the period 1 September 2017 to 28 February 2018, Hamwic Education Trust provided the central services to The Hillary Trust which, covered standards, finance, HR, IT and health & safety.

The academies within these trusts paid a proportion of their budget share for these services, which are delivered at cost. During the period ended 31 August 2018 the amounts of these payments were as follows:

- Jefferys Education Trust - £141,176
- The Hillary Trust - £126,234

All of the above mentioned organisations have been dissolved, or are in the process of dissolution, as at the date of signing these accounts.

**Objectives and Activities**

**Objects and Aims**

Hamwic Education Trust's principal activity is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, operating and developing local academies.

In accordance with the Articles of Association, the trust has entered into Funding Agreements approved by the Secretary of State for Education. The Funding Agreements specify, amongst other things, the basis for admitting students to the academies, the catchment area from which students are drawn, and that the curriculum should comply with the substance of the National Curriculum.

**Objectives, Strategies and Activities**

Hamwic Education Trust aims to develop outstanding academies who are at the heart of the communities that they serve.

The vision for Hamwic Education Trust is to establish a self-improving learning community where school leaders take a collective responsibility and are accountable for children's wellbeing and for standards of the education provision within the trust.

Hamwic Education Trust is passionate about the central role of education in improving individual life chances for children and young people. We believe in a local education, with the freedom to collectively support the needs of the local community.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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Hamwic Education Trust is committed to:

- Improving outcomes and pathways to employment opportunities for students
- Creating a self-improving school system, based on shared values of respect, perseverance, cooperation and trust
- Holding the academies within the trust to account for standards
- Ensuring a collective responsibility and accountability by academies for student outcomes
- Developing high quality systems and structures allowing school leaders to focus on teaching and learning
- Recruiting and developing high quality staff and CPD opportunities
- Meeting the needs of the local community
- Developing community engagement
- Promoting an all through curriculum by linking learning through the different phases of education
- Retaining individual academies' local identity

**Public Benefit**

The trustees have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by the trust is the maintenance and development of the high quality education provided by the trust to the young people of the communities the academies serve.

In doing this the trust not only offers a broadly-based academic education but aims to educate the whole individual. A very wide-range of extra-curricular activities including educational trips and visits are offered and undertaken.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Strategic Report**

**Achievements and Performance**

The trust had one Ofsted inspection during the year ending 31 August 2018 with Gatcombe Park Primary School maintaining its Good judgement.

**GCSE Achievement:**

	<u>Hamwic Education Trust (2018)</u>	<u>National</u>
Progress 8 Score	+0.31	+0.00
Attainment 8 Score	52 points	44 points
Grade 9 – 4 in English & Maths	73%	59.1%
Grade 9 – 5 in English & Maths	52%	39.9%
EBACC Average Point Score	4.54 points	3.83 points

**Key Stage 2 Achievement:**

Performance for schools who have been with the trust (and its predecessor multi-academy trusts) for greater than 3 years:

	<u>Hamwic Education Trust (2018)</u>	<u>National</u>
Reading	84%	75%
Writing	85%	78%
GPAS	83%	78%
Maths	86%	76%
Combined	74%	64%

Performance for schools who have been with the trust (and its predecessor multi-academy trusts) for less than 3 years:

	<u>Hamwic Education Trust (2018)</u>	<u>National</u>
Reading	67%	75%
Writing	75%	78%
GPAS	68%	78%
Maths	69%	76%
Combined	55%	64%

**Key Stage 1 Achievement:**

Performance for schools who have been with the trust (and its predecessor multi-academy trusts) for greater than 3 years:

	<u>Hamwic Education Trust (2018)</u>	<u>National</u>
Reading	82%	75%
Writing	78%	70%
Maths	82%	76%

Performance for schools who have been with the trust (and its predecessor multi-academy trusts) for less than 3 years:

	<u>Hamwic Education Trust (2018)</u>	<u>National</u>
Reading	73%	75%
Writing	70%	70%
Maths	73%	76%

**Early Years Achievement:**

Students achieving a 'Good Level of Development' for the year was 74% (2017 – 62%) compared to the national average of 72% (2017 - 71%).

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Key Performance Indicators**

**Ofsted:**

As at 31 August 2018, six academies had an Ofsted judgement of Outstanding, sixteen had Ofsted judgements of Good and four had Ofsted judgements of Requires Improvement (two of whom are sponsored academies).

**Financial Key Performance Indicators:**

Staff Costs / GAG Income – 109% (2017 – 124%)

Staff Costs / Total Income (Excluding income transferred on conversions) – 80% (2017 – 68%)

Revenue Reserves / GAG Income – 15% (2017 – 95%)

Current Assets less Current Liabilities – £6,091k (2017 - £1,262k)

Current Ratio – 2.51 (2017 – 2.12)

**Going Concern**

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

**Financial Review**

**Overview**

The majority of the trust's income is obtained from the Department for Education in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The trust also receives grants for fixed assets from the Department for Education. In accordance with the Charities Statement of Recommended Practice (FRS 102), 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 ending 31 August 2018 Hamwic Education Trust received total income of £108,181k of which £67,557k related to income transferred from local authorities and existing academies on conversion. Of this sum £29,982k was received from the Department of Education via the Education Funding Agency in respect of its General Annual Grant, used for its day to day running costs, and other revenue grants. Other grants and income amounted to £10,702k.

Costs for the year totalled £40,746k including depreciation of £1,391k.

The in-year surplus for the year ending 31 August 2018 was £67,435k. This is inclusive of £67,557k of income transferred from local authorities and existing academies on conversion.

After taking into account the actuarial assessed gain on the LGPS of £3,126k, the trust had a net movement in funds of £70,561k for the year ended 31 August 2018.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Reserves policy**

The trust is predominantly funded by grants from the Department for Education, the use of which is regulated by its funding agreement. The majority of these grants are used by the trust in the accounting period for which they are given.

The board of trustees have approved a policy that states that individual schools within the trust will hold no more than 8% of its annual general annual grant in revenue reserves. Where schools hold reserves in excess of this 8%, they have plans to utilise them on educational activities which will be spent over the next 2 years.

In addition, the board of trustees have approved the central level of reserves to be £150k which is restricted to the following uses:

- As a loan to support academies in financial difficulties
- To support any unplanned emergency expenditure
- To support school improvement projects

All reserves policies are reviewed annually.

The level of free reserves held in the unrestricted fund as at 31 August 2018 was £4,316k. The level of reserves held in the restricted fund (excluding pension reserves) at the year ended 31 August 2018 was £84k. Therefore, the net surplus held in reserves as at 31 August 2018 was £4,400k.

All reserves held by the trust will be used to further the educational activities of the trust.

**Investment Policy**

The board of trustees have approved an investment policy which is based on a risk averse principle. Any funds above the approved minimum level are able to be placed with a limited number of institutions with high credit ratings only.

**Principal Risks and Uncertainties**

The board of trustees have assessed the risks to which the trust are exposed and have implemented actions to mitigate or eliminate them. The risk management process dictates that the trust and all academies produce risk registers which are accompanied by a range of mitigation strategies (including ensuring policies are up to date, and that relevant members of senior staff are assigned to own each risk).

The internal audit function of the trust is designed to test that key risks have been identified and that mitigation strategies are in place and robust.

The major risks, which have been identified by the board of trustees and have mitigation strategies in place are:

- Long term financial sustainability (including reductions in funding, student numbers, staffing costs, etc.)
- Financial fraud
- Health & safety
- Disaster recovery
- Data breaches
- Safeguarding
- Loss of key staff

Where appropriate there is adequate insurance cover in place to mitigate any residual risk.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Fundraising**

As part of its work in the community, the trust undertakes various fundraising activities. The trust raises funds in order to support its own operations and also to make donations to local & national charities. The trust undertakes all such activities itself, with the help of its students and their families. In relation to fundraising, the trustees confirm that:

- No unsolicited approaches are made to members of the public
- No commercial participators are used
- No regulatory schemes or standards are applicable
- No complaints were made to the trust during the year

**Plans for future periods**

The trust had twenty six academies as at 31 August 2018. On 1 November 2018 Lytchett Matravers Primary School, Upton Junior School and Upton Infant School joined the trust.

Opportunities for expanding the number of academies within Hamwic Education Trust will continue to be explored.

Future plans for the trust are focused on raising standards, educational outcomes and Ofsted judgements for all academies.

**Funds held as custodian trustee on behalf of others**

The trust does not act as custodian trustee on behalf of any others.

**Employee involvement**

During the year, the policy of providing employees with information about the trust has been via internal media methods, regular meetings and conferences, which allow a free flow of information.

**Employees and employment practice**

The trust pursues an employment policy of equal opportunity and strives to follow best practice in recruitment and selection. It does not discriminate on the grounds of race, nationality, sex, marital status, disability, religious or political beliefs.

**Disabled employees**

The trust gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the trust's policy wherever practicable to provide continuing employment under normal terms & conditions and to provide training & career development & promotion to disabled employees wherever appropriate.

**Auditor**

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all the 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 Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2018 and signed on the board's behalf by:

.....  
  
**D Ellis**

**Chair of Trustees**

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**HAMWIC EDUCATION TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Hamwic Education Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of possible</b>
D Ellis, Chairperson	3	5
J Drummond	5	5
C Nugent	4	5
S Rafter	4	5
C Newman	2	2
P Bray	2	2

Changes to the composition of the board of trustees occurred during the year as per the trust's governance review.

**Governance Review**

As the Education & Skills Funding Agency (ESFA) and the Department for Education (DfE) no longer allow umbrella trusts where the umbrella trust exercises control over multi-academy trusts, Hamwic Trust was asked by the DfE to restructure to a single multi-academy trust. This restructure was undertaken across the whole of Hamwic Trust and all of the multi-academy trusts that it had control over. This restructure was carried out in consultation with the trust's legal advisors and was completed on 28 February 2018.

The restructure ensures compliance with ESFA and DfE requirements.

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**GOVERNANCE STATEMENT (continued)**

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The outcomes of this restructure (at the governance review) are as follows:

- Hamwic Education Trust was incorporated to which all the academies in the multi-academy trusts operating under Hamwic Trust have now transferred.
- The articles of Hamwic Education Trust include diocese requirements that will allow it to include church schools.
- No less than 50% of the members of Hamwic Education Trust are required to be appointed by the Diocese.
- No less than 50% of the trustees of Hamwic Education Trust are required to be appointed by the Diocese.
- Hamwic Education Trust will only have independent trustees.
- Partnership boards have been implemented to retain the local identity of each community Hamwic Education Trust operates in.
- The continuation of three committees within Hamwic Education Trust:
  - o Governance & Ethos Committee – members are the chair of Hamwic Education Trust & each partnership board. This committee reviews governance, the performance of the managed services team and feeds into performance management of the Chief Executive Officer.
  - o Finance & Audit Committee – made up of a representation from the board of trustees and other co-opted individuals. This committee is responsible for reviewing internal controls, approving budgets, approving financial statements and reviewing risk.
  - o Remuneration Committee – responsible for setting pay levels for the executive team and to carry out performance management of the Chief Executive Officer.
- Local governing bodies are able to determine their own structure and to decide what other committees they may have.

The impact of the above ensures that Hamwic Education Trust complies with the requirements set out by the ESFA and DfE. There are clear lines of accountability, less conflicts of interests and more structured processes as defined in the scheme of delegation.

The trust will conduct its next self-evaluation during the next twelve months and on an annual basis thereafter.

**Finance & Audit Committee**

The finance & audit committee is a sub-committee of the board of trustees. It is composed of representation from the board of trustees and regional partnership boards. Its responsibilities cover:

- Internal controls and risk management
- Compliance, whistleblowing and fraud
- Internal audit
- External audit and statutory financial reporting
- Financial strategy
- Budgeting
- Financial monitoring and review

Attendance at meetings during the year was as follows:

Member	Meetings attended	Out of possible
D Ellis, Chairperson	3	3
C Newman	1	1
N Reichelt	2	3
I Miller	2	3
H Moxam	1	2
A Harvey	0	2
B Meldrum	0	3

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**GOVERNANCE STATEMENT (continued)**

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**Review of Value for Money**

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

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

**Focus on Individual Pupils.** Pupil Premium funds have been utilised to support those pupils with differing needs or requiring extra one to one support by employing extra resources to cater for those pupils. Family support workers are employed to work across multiple academies to support families & students that require further support. Academies within the trust have collaboratively procured other services including educational psychologists and speech & language therapists.

**Teaching School & SCITT.** The trust operated two teaching schools and a SCITT during the year ending 31 August 2018. These offered various training courses and CPD opportunities to the schools within the alliance leading to an improvement in educational outcomes as well as developing trainee teachers.

**Managed Services Team.** The trust is able to support academies by providing support in finance, HR, IT and premises, enabling academies to focus on teaching and learning.

**Collaboration.** The trust works with other schools within Southampton, Portsmouth, Poole & Dorset and also deploys a number of staff to other schools to share and demonstrate good practice. The trust also works collaboratively in sharing educational resources and experience.

**Quantifying Improvements.** The trust has maintained a healthy financial position and has been able to support schools in achieving better outcomes through projects, better procurement and achieving economies of scale.

**Financial Governance & Oversight.** Financial governance is informed and reviewed by external auditors, regular management reporting to the CEO, the board of trustees, the internal audit function and the finance & audit committee. Consolidated management accounts are prepared monthly and are reviewed by the CEO, the board of trustees & the finance & audit committee. Any decisions that affect spending proposals and discussed at board of trustee level. Budgeting is treated as an ongoing activity which is regularly updated to reflect the changing environment. Long term budgets are also prepared regularly to assist in achieving value for money.

**Better Procurement.** During the year the trust has managed to achieve value for money in procurement. Services and contracts have been reviewed and in some cases terminated where there is a duplication or the service is no longer required.

**Effective Benchmarking.** The trust has utilised robust and detailed internal benchmarking reports to improve value for money during the year.

**Reviewing Controls & Managing Risks.** The internal audit function within the trust has been updated to review all areas of control and risk. Regular reports are monitored by school leaders, local governing bodies, the CEO and the board of trustees who provide the appropriate challenge.

**Capital Funding.** The trust received schools condition allocation funding to develop and improve the estates across the trust.

Over the next year the trust will continue to focus on identifying areas where potential cost savings can be achieved and better value obtained.

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (continued)**

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**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Hamwic Education Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

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

**The Risk and Control Framework**

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

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

The board of trustees has considered the need for a specific internal audit function and outsourced internal audit reviews to Mazars during the year ending 31 August 2018.

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

- testing compliance with the Academies Financial Handbook
- reviewing the due diligence that the trust undertakes when taking on new schools
- testing IT security processes & procedures
- reviewing how strategic decisions are made by the trust

On a regular basis, the auditor reports to the board of trustees through the finance & audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (continued)**

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**Review of Effectiveness**

As accounting officer, the Chief Executive Officer 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 auditors;
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 12 December 2018 and signed on their behalf, by:



.....  
**D Ellis**  
**Chair of Trustees**



.....  
**R Farmer**  
**Accounting Officer**

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Hamwic Education Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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



.....  
**R Farmer**  
**Accounting Officer**

Date: 12 December 2018

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- 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 trust will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2018 and signed on its behalf by:

  
.....  
**D Ellis**  
**Chair of Trustees**

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HAMWIC EDUCATION TRUST**

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**OPINION**

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

In our opinion the financial statements:

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

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HAMWIC EDUCATION TRUST**

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**OTHER INFORMATION**

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

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the trustees' report including the Strategic report for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report and the Strategic report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HAMWIC EDUCATION TRUST**

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**RESPONSIBILITIES OF TRUSTEES**

The responsibilities of the trustees (who also act as company directors of Hamwic Education Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**USE OF OUR REPORT**

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



Richard Hurst FCA (Senior statutory auditor)  
for and on behalf of

**Hopper Williams & Bell Limited**

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Date: 14 December 2018

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HAMWIC  
EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 16 June 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hamwic Education Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF HAMWIC EDUCATION TRUST'S ACCOUNTING OFFICER AND  
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Hamwic Education Trust's funding agreement with the Secretary of State for Education dated 24 May 2017, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HAMWIC  
EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

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**SUMMARY OF WORK UNDERTAKEN**

We carried out the following:

- planning of assurance procedures including identifying key risks;
- substantive testing including analytical review;
- concluding on procedures carried out.

Substantive testing included the following procedures:

- confirming that activities conform to the trust's framework of authorities;
- considering the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- evaluating the general control environment of the trust;
- testing a sample of transactions to consider whether the transaction is permissible within the trust's framework of authorities;
- confirming whether any extra-contractual payments have been made and whether appropriate authority was obtained;
- reviewing documentation for evidence of borrowing and confirming if approval was obtained from the ESFA;
- confirming whether ESFA approval was obtained for any disposals of assets;
- reviewing the internal control procedures relating to charge cards;
- reviewing for any indication of purchases for personal use by staff or officers;
- reviewing the list of suppliers to consider whether supplies are from related parties;
- considering whether income generating activities are permissible within the trust's charitable objects;
- reviewing whether lettings to related parties are made at favourable rates.

**CONCLUSION**

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



Richard Hurst FCA

**Hopper Williams & Bell Limited**

Statutory Auditor  
Highland House  
Mayflower Close  
Chandlers Ford  
Eastleigh  
Hampshire  
SO53 4AR

Date: 14 December 2018

**HAMWIC EDUCATION TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

		Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
	Note					
<b>INCOME FROM:</b>						
Donations & capital grants:						
Transfer from local authority on conversion	2	1,003	(1,955)	10,722	9,770	21,808
Transfer from existing academies on conversion	2	2,583	(8,057)	63,261	57,787	1,879
Other donations and capital grants	2	91	-	3,226	3,317	27
Charitable activities	3	-	35,142	-	35,142	1,720
Teaching schools	27	41	121	-	162	-
Other trading activities	4	1,252	745	-	1,997	423
Investments	5	6	-	-	6	-
<b>TOTAL INCOME</b>		<b>4,976</b>	<b>25,996</b>	<b>77,209</b>	<b>108,181</b>	<b>25,857</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		23	39,203	1,392	40,618	1,930
Teaching schools	27	-	128	-	128	-
<b>TOTAL EXPENDITURE</b>	6	<b>23</b>	<b>39,331</b>	<b>1,392</b>	<b>40,746</b>	<b>1,930</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>4,953</b>	<b>(13,335)</b>	<b>75,817</b>	<b>67,435</b>	<b>23,927</b>
Transfers between Funds	16	(1,659)	1,372	287	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>3,294</b>	<b>(11,963)</b>	<b>76,104</b>	<b>67,435</b>	<b>23,927</b>
Actuarial gains on defined benefit pension schemes	19	-	3,126	-	3,126	148
<b>NET MOVEMENT IN FUNDS</b>		<b>3,294</b>	<b>(8,837)</b>	<b>76,104</b>	<b>70,561</b>	<b>24,075</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		1,022	(3,934)	26,987	24,075	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>4,316</b>	<b>(12,771)</b>	<b>103,091</b>	<b>94,636</b>	<b>24,075</b>

**HAMWIC EDUCATION TRUST**  
(A company limited by guarantee)  
REGISTERED NUMBER: 10749662

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£000	2018 £000	2017 £000
<b>FIXED ASSETS</b>				
Tangible assets	12		101,401	26,857
<b>CURRENT ASSETS</b>				
Debtors	13	3,675		1,647
Cash at bank and in hand		6,450		743
		<u>10,125</u>		<u>2,390</u>
<b>CREDITORS: amounts falling due within one year</b>	15	<u>(4,035)</u>		<u>(1,128)</u>
<b>NET CURRENT ASSETS</b>			<u>6,090</u>	<u>1,262</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>107,491</u>	<u>28,119</u>
Defined benefit pension scheme liability	19		<u>(12,855)</u>	<u>(4,044)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>94,636</u></u>	<u><u>24,075</u></u>
<b>FUNDS OF THE TRUST</b>				
Restricted income funds:				
Restricted income funds	16	84		110
Restricted fixed asset funds	16	103,091		26,987
		<u>103,175</u>		<u>27,097</u>
Restricted income funds excluding pension liability				
Pension reserve		<u>(12,855)</u>		<u>(4,044)</u>
Total restricted income funds			<u>90,320</u>	<u>23,053</u>
Unrestricted income funds	16		<u>4,316</u>	<u>1,022</u>
<b>TOTAL FUNDS</b>			<u><u>94,636</u></u>	<u><u>24,075</u></u>

The financial statements on pages 24 to 61 were approved by the trustees, and authorised for issue, on 12 December 2018 and are signed on their behalf, by:

  
 .....  
**D Ellis**  
 Chair of Trustees

**HAMWIC EDUCATION TRUST**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £000	2017 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	<u>4,427</u>	<u>1,015</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		6	-
Purchase of tangible fixed assets		(1,965)	(297)
Capital grants from DfE		<u>3,239</u>	<u>25</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>1,280</u>	<u>(272)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>5,707</b>	<b>743</b>
Cash and cash equivalents brought forward		<u>743</u>	<u>-</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>6,450</u></u>	<u><u>743</u></u>

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Hamwic Education Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Going concern**

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

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

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

Grants are included in the Statement of Financial Activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

Where assets are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the transfer of an existing academy into the trust within Income and donations and capital grants.

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

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

Expenditure on charitable activities are costs incurred on the trust's educational operations, including support costs and those costs relating to the governance of the trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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**HAMWIC EDUCATION TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £3,000 are capitalised 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

As described in note 12, the trust occupies school land and buildings under supplementary agreements with the Diocese of Salisbury.

The trustees have considered the license arrangements for each school's land and buildings in the context of the accounting requirement set out in the Academies Accounts Direction 2017 to 2018 and have determined that the conditions required to conclude that the trust has control over 1 of the school's properties are not met and consequently those land and buildings are not recognised in the financial statements. The license arrangements allow the trust to occupy the land and buildings free of charge and no income or expenditure is recognised for the rent free occupation because the trustees do not consider that a reliable measure of the amount the trust would otherwise have to pay to secure the premises can be made

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term freehold land	-	Not provided
Long-term freehold property	-	50 years straight line
Long-term leasehold land	-	Not provided
Long-term leasehold property	-	50 years straight line
Furniture and fixtures	-	5 years straight line
Plant and equipment	-	5 years straight line
Motor vehicles	-	5 years straight line
Computer equipment	-	5 years straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Long leasehold land has not been depreciated as it is similar to freehold land, which does not require depreciation.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.6 Operating leases**

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

**1.7 Debtors**

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

**1.8 Cash at Bank and in hand**

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

**1.9 Liabilities and provisions**

Liabilities and provisions 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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.10 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or other financial instruments. Amounts due to the trust's wholly owned subsidiary are held at face value less any impairment.

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**1. ACCOUNTING POLICIES (continued)**

**1.11 Taxation**

The 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 trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.12 Pensions**

Retirement benefits to employees of the trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.13 Fund accounting**

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.14 Conversion to an academy trust**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transactions are set out in note 23.

**1.15 Critical accounting estimates and areas of judgment**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

There are no other critical areas of judgement.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Transfer from local authority on conversion	1,003	(1,955)	10,722	9,770	21,808
Transfer from existing academies on conversion	2,583	(8,057)	63,261	57,787	1,879
	<u>3,586</u>	<u>(10,012)</u>	<u>73,983</u>	<u>67,557</u>	<u>23,687</u>
Donations	91	-	-	91	2
Capital Grants	-	-	3,226	3,226	25
	<u>91</u>	<u>-</u>	<u>3,226</u>	<u>3,317</u>	<u>27</u>
	<u>3,677</u>	<u>(10,012)</u>	<u>77,209</u>	<u>70,874</u>	<u>23,714</u>
<i>Total 2017</i>	<u>790</u>	<u>(4,068)</u>	<u>26,992</u>	<u>23,714</u>	

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	29,982	29,982	1,192
Start Up Grants	-	100	100	190
Other DfE/ESFA grants	-	3,961	3,961	331
	<u>-</u>	<u>34,043</u>	<u>34,043</u>	<u>1,713</u>
<b>Other government grants</b>				
Local authority grants	-	458	458	-
Special educational projects	-	641	641	9
	<u>-</u>	<u>1,099</u>	<u>1,099</u>	<u>9</u>
	<u>-</u>	<u>35,142</u>	<u>35,142</u>	<u>1,722</u>
<i>Total 2017</i>	<u>-</u>	<u>1,721</u>	<u>1,721</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Hire of facilities	151	-	151	15
Catering income	-	372	372	1
Shop income	16	-	16	-
Trip income	-	373	373	2
Club income	385	-	385	1
Consultancy income	339	-	339	396
Music income	44	-	44	-
Other income	317	-	317	8
	<u>1,252</u>	<u>745</u>	<u>1,997</u>	<u>423</u>
<i>Total 2017</i>	<u>420</u>	<u>3</u>	<u>423</u>	

**5. INVESTMENT INCOME**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Short term deposits	<u>6</u>	<u>-</u>	<u>6</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**6. EXPENDITURE**

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Trust's educational operations:					
Direct costs	24,860	-	2,155	27,015	932
Support costs	7,750	1,546	4,307	13,603	998
Teaching schools	72	1	55	128	-
	<u>32,682</u>	<u>1,547</u>	<u>6,517</u>	<u>40,746</u>	<u>1,930</u>
<i>Total 2017</i>	<u>1,482</u>	<u>49</u>	<u>399</u>	<u>1,930</u>	

**7. ANALYSIS OF SUPPORT COSTS**

	Educational operations £000	Total 2018 £000	Total 2017 £000
Technology costs	386	386	14
Premises costs	1,546	1,546	70
Governance costs	226	226	146
Other costs	2,303	2,303	116
Wages and salaries	4,483	4,483	371
National insurance	337	337	33
Pension cost	2,930	2,930	192
Depreciation	1,392	1,392	56
	<u>13,603</u>	<u>13,603</u>	<u>998</u>
<i>Total 2017</i>	<u>998</u>	<u>998</u>	

**8. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets:		
- owned by the charity	1,392	56
Auditors' remuneration - audit	60	27
Auditors' remuneration - other services	15	-
Operating lease rentals	<u>115</u>	<u>5</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	24,002	1,065
Social security costs	2,131	93
Operating costs of defined benefit pension schemes	5,963	301
	<u>32,096</u>	<u>1,459</u>
Agency staff costs	523	23
Staff restructuring costs	63	-
	<u>32,682</u>	<u>1,482</u>

Staff restructuring costs comprise:

	2018 £000	2017 £000
Redundancy payments	29	-
Severance payments	34	-
	<u>63</u>	<u>-</u>

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £33,973 (2017: £nil). Individually, the payments were: £14,000 made on 12 March 2018, £17,620 made on 27 April 2018 and £2,353 made on 16 August 2018.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. STAFF COSTS (continued)**

**c. Staff numbers**

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

	2018 No.	2017 No.
Teachers	386	58
Management	70	11
Support	807	163
	1,263	232

**d. Higher paid staff**

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	10	0
In the band £70,001 - £80,000	8	3
In the band £80,001 - £90,000	2	0
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	0	1
In the band £110,001 - £120,000	2	0
In the band £150,001 - £160,000	1	0

The above bandings have been annualised to give a true and fair view.

The number of employees whose benefits exceeding £60,000 increased during the year due to the growth of the trust.

**e. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of staff costs in respect of key management personnel was £522,566 (2017: £97,962).

**10. TRUSTEES' REMUNERATION AND EXPENSES**

During the year ended 31 August 2018, no trustees received any remuneration (2017: £NIL).

During the year ended 31 August 2018, no trustees received any benefits in kind (2017: £NIL).

During the year ended 31 August 2018, expenses totalling £1,463 (2017: £897) were reimbursed to 3 Trustees (2017: 3).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. CENTRAL SERVICES**

The trust has provided the following central services to its academies during the year:

- Standards
- Human resources services
- Financial and legal services
- Educational support services
- Information technology services
- Health and safety services
- Facility management services
- Leadership and management services

The trust charges for these services on the following basis:

Flat percentage of GAG income (5% for secondary schools and 5.5% for all other schools).

The actual amounts charged during the year were as follows:

	2018 £000	2017 £000
Branksome Heath Junior School	61	20
Sylvan Infant School	72	23
Ludlow Infant Academy	56	14
Weston Park Primary School	133	16
Talbot Primary School	104	13
Upper Shirley High School	154	-
Shirley Junior School	51	-
Shirley Infant School	38	-
Hollybrook Junior School	31	-
Hollybrook Infant School	27	-
Southampton Children's Hospital School	22	-
Wordsworth Primary School	81	-
Harefield Primary School	85	-
Beechwood Junior School	73	-
Townhill Infant School	57	-
Glenfield Infant School	56	-
Hamwic Teaching School	2	-
Beechwood Teaching School	2	-
Hamwic SCITT	2	-
Westover Primary School	67	-
Gatcombe Park Primary School	42	-
Thornhill Primary School	74	-
Sholing Junior School	34	-
Sholing Infant School	32	-
Hamworthy Park Junior School	38	-
Twin Sails Infant & Nursery School	33	-
Bearwood Primary & Nursery School	21	-
Springdale First School	26	-
Bishop Aldhelm's C of E Primary School	103	-
	<u>1,577</u>	<u>86</u>
Total		

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. TANGIBLE FIXED ASSETS**

	Long-term freehold property £000	Long-term leasehold property £000	Assets under construct- ion £000	Furniture and fixtures £000	Motor vehicles £000
<b>Cost</b>					
At 1 September 2017	-	26,619	224	59	-
Additions	20,798	53,252	1,192	160	7
Transfer between classes	7,604	(7,604)	-	-	-
At 31 August 2018	28,402	72,267	1,416	219	7
<b>Depreciation</b>					
At 1 September 2017	-	53	-	3	-
Charge for the year	318	878	-	49	3
Transfer between classes	6	(6)	-	-	-
At 31 August 2018	324	925	-	52	3
<b>Net book value</b>					
At 31 August 2018	28,078	71,342	1,416	167	4
At 31 August 2017	-	26,566	224	56	-

	Computer equipment £000	Total £000
<b>Cost</b>		
At 1 September 2017	12	26,914
Additions	527	75,936
Transfer between classes	-	-
At 31 August 2018	539	102,850
<b>Depreciation</b>		
At 1 September 2017	1	57
Charge for the year	144	1,392
Transfer between classes	-	-
At 31 August 2018	145	1,449
<b>Net book value</b>		
At 31 August 2018	394	101,401
At 31 August 2017	11	26,857

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. TANGIBLE FIXED ASSETS (continued)**

In addition to the land and buildings disclosed above, the trust has also entered into a supplementary agreement with a notice period of 2 years with the Diocese of Salisbury who are the legal owners of the land and buildings of Bishop Aldhelm's C of E Primary School. These land and buildings were valued by an unconnected firm of chartered surveyors on the 3 August 2017 at £6,000,000.

**13. DEBTORS**

	2018 £000	2017 £000
Trade debtors	75	18
Other debtors	2,712	1,468
Prepayments and accrued income	595	116
VAT recoverable	293	45
	3,675	1,647

**14. TRUSTEES' AND OFFICERS' INSURANCE**

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

**15. CREDITORS: Amounts falling due within one year**

	2018 £000	2017 £000
Trade creditors	811	487
Other taxation and social security	595	131
Other creditors	1,028	246
Accruals and deferred income	1,601	264
	4,035	1,128
<b>Deferred income</b>	<b>£000</b>	<b>£000</b>
Deferred income at 1 September 2017	240	-
Resources deferred during the year	1,093	240
Amounts released from previous years	(240)	-
Deferred income at 31 August 2018	1,093	240

Deferred income represents amounts received for universal infant free school meals, special educational projects, trip income and other grants which are in respect of the forthcoming year.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. STATEMENT OF FUNDS**

	Brought forward £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
<b>Unrestricted funds</b>						
Unrestricted funds	1,022	4,976	(23)	(1,659)	-	4,316
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	29,982	(29,982)	-	-	-
Start Up Grant	110	100	(140)	-	-	70
Pupil Premium	-	2,490	(2,490)	-	-	-
Teaching School	-	121	(128)	7	-	-
SCITT	-	99	(85)	-	-	14
Other grants	-	2,690	(2,690)	-	-	-
Other Educational Activities	-	526	(1,891)	1,365	-	-
Pension reserve	(4,044)	(10,012)	(1,925)	-	3,126	(12,855)
	<u>(3,934)</u>	<u>25,996</u>	<u>(39,331)</u>	<u>1,372</u>	<u>3,126</u>	<u>(12,771)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds	26,857	73,970	(1,392)	1,965	-	101,400
DfE/ESFA capital grants	3	3,226	-	(1,561)	-	1,668
DfE/ESFA capital grant transferred on conversion	6	13	-	(19)	-	-
CIF - Glazing	4	-	-	-	-	4
CIF - Ceiling & lighting	3	-	-	-	-	3
CIF - Heating	2	-	-	-	-	2
CIF - Fire protection	56	-	-	(44)	-	12
CIF - Toilet	56	-	-	(54)	-	2
	<u>26,987</u>	<u>77,209</u>	<u>(1,392)</u>	<u>287</u>	<u>-</u>	<u>103,091</u>
Total restricted funds	<u>23,053</u>	<u>103,205</u>	<u>(40,723)</u>	<u>1,659</u>	<u>3,126</u>	<u>90,320</u>
Total of funds	<u>24,075</u>	<u>108,181</u>	<u>(40,746)</u>	<u>-</u>	<u>3,126</u>	<u>94,636</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. STATEMENT OF FUNDS (continued)**

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

**General annual grant**

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the following funding streams:

- school budget share;
- minimum funding guarantee;
- education services grant;
- rates.

**Start up grant**

This is funding received from the DfE to cover the one-off expenses associated with conversion to academy status.

**Other DfE/ESFA grants**

This is funding received from the ESFA for specific purposes, for example pupil premium funding.

**Teaching School**

Teaching schools are outstanding schools that work with others to provide high quality training and development to new and experienced school staff. This is funding received from the DfE/ESFA for this purpose.

**Schools Direct**

This is funding received from the DfE/ESFA in respect of School Direct courses for initial teacher training.

**Local authority grants**

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

**Other educational activities**

This includes all other educational income/expenditure.

**Pension reserve**

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the academy on conversion.

**Fixed asset fund**

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £000</b>	<i>Total 2017 £000</i>
Branksome Heath Junior School	97	109
Sylvan Infant School	316	194
Ludlow Infant Academy	186	209
Weston Park Primary School	203	257
Talbot Primary School	278	147
Hamwic Education Trust	150	216
Upper Shirley High School	281	-
Shirley Junior School	43	-
Shirley Infant School	109	-
Hollybrook Junior School	(58)	-
Hollybrook Infant School	199	-
Southampton Children's Hospital School	273	-
Wordsworth Primary School	171	-
Harefield Primary School	787	-
Beechwood Junior School	(65)	-
Townhill Infant School	100	-
Glenfield Infant School	14	-
Hamwic Teaching School	88	-
Beechwood Teaching School	(12)	-
Hamwic SCITT	14	-
Westover Primary School	(59)	-
Gatcombe Park Primary School	31	-
Thornhill Primary School	243	-
Sholing Junior School	273	-
Sholing Infant School	144	-
Hamworthy Park Junior School	33	-
Twin Sails Infant & Nursery School	42	-
Bearwood Primary & Nursery School	23	-
Springdale First School	14	-
Bishop Aldhelm's C of E Primary School	341	-
Jefferys Education Partnership	141	-
Total before fixed asset fund and pension reserve	<b>4,400</b>	<i>1,132</i>
Restricted fixed asset fund	<b>103,091</b>	<i>26,987</i>
Pension reserve	<b>(12,855)</b>	<i>(4,044)</i>
Total	<b>94,636</b>	<i>24,075</i>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. STATEMENT OF FUNDS (continued)**

The following academies are carrying net deficits on their portion of the funds as follows:

<b>Name of academy</b>	<b>Amount of deficit £000</b>
Hollybrook Junior School	(58)
Beechwood Junior School	(65)
Westover Primary School	(59)

Hollybrook Junior School is in a deficit position due to the investment required to facilitate school improvement during a period of low pupil numbers. The school has developed a medium term budget that returns to a surplus position over the next 24 months via increasing pupil numbers and reviewing staffing structures.

Beechwood Junior School is in a deficit position due to the impact of lagged funding during a period of growth. The growth phase of the school has now been completed and the school is working towards eliminating the deficit. The actions taken include reviewing all areas of income & expenditure, reviewing staffing structure & succession planning and ensuring the maintenance of the quality of teaching & learning.

Westover Primary School is in a deficit position due to the investment required to facilitate school improvement during a period of low pupil numbers and growth. The school has developed a medium term budget that returns to a surplus position over the next 24 months via increasing pupil numbers, reviewing staffing structures and reviewing non-staffing expenditure.

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**16. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY COST**

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciat- ion £000	Total 2018 £000	Total 2017 £000
Branksome Heath Junior School	909	280	35	201	1,425	362
Sylvan Infant School	928	325	30	187	1,470	416
Ludlow Infant Academy	812	266	26	223	1,327	236
Weston Park Primary School	2,232	457	78	348	3,115	258
Talbot Primary School	1,710	387	56	274	2,427	196
Hamwic Education Trust	5	1,445	23	416	1,889	407
Upper Shirley High School	2,269	579	83	547	3,478	-
Shirley Junior School	753	177	45	173	1,148	-
Shirley Infant School	588	165	28	117	898	-
Hollybrook Junior School	500	153	20	127	800	-
Hollybrook Infant School	357	126	8	116	607	-
Southampton Children's Hospital School	347	45	9	20	421	-
Wordsworth Primary School	1,359	314	47	282	2,002	-
Harefield Primary School	1,330	317	53	337	2,037	-
Beechwood Junior School	1,160	254	57	321	1,792	-
Townhill Infant School	923	200	22	194	1,339	-
Glenfield Infant School	842	244	29	209	1,324	-
Hamwic Teaching School	20	1	-	24	45	-
Beechwood Teaching School	28	23	1	31	83	-
Hamwic SCITT	42	2	1	38	83	-
Westover Primary School	1,084	224	24	209	1,541	-

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. STATEMENT OF FUNDS (continued)**

Gatcombe Park Primary School	666	155	36	168	1,025	-
Thornhill Primary School	1,240	230	21	230	1,721	-
Sholing Junior School	587	126	23	134	870	-
Sholing Infant School	453	152	15	131	751	-
Hamworthy Park Junior School	699	223	16	149	1,087	-
Twin Sails Infant & Nursery School	645	184	14	120	963	-
Bearwood Primary & Nursery School	340	113	12	70	535	-
Springdale First School	409	152	13	79	653	-
Bishop Aldhelm's C of E Primary School	1,643	455	57	315	2,470	-
Jefferys Education Partnership	27	1	-	-	28	-
	<u>24,907</u>	<u>7,775</u>	<u>882</u>	<u>5,790</u>	<u>39,354</u>	<u>1,875</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Brought forward £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2017 £000</i>
Unrestricted funds	-	1,209	(1)	(186)	-	1,022
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	1,192	(1,192)	-	-	-
Start Up Grant	-	190	(80)	-	-	110
Pupil Premium	-	257	(257)	-	-	-
Other grants	-	83	(83)	-	-	-
Other Educational Activities	-	3	(138)	135	-	-
Pension reserve	-	(4,068)	(124)	-	148	(4,044)
	-	(2,343)	(1,874)	135	148	(3,934)
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds	-	26,617	(56)	297	-	26,858
DfE/ESFA capital grants	-	25	-	(22)	-	3
DfE/ESFA capital grant transferred on conversion	-	6	-	-	-	6
CIF - Glazing	-	4	-	-	-	4
CIF - Ceiling & lighting	-	2	-	-	-	2
CIF - Heating	-	2	-	-	-	2
CIF - Fire protection	-	124	-	(68)	-	56
CIF - Toilet	-	212	-	(156)	-	56
	-	26,992	(56)	51	-	26,987
Total restricted funds	-	24,649	(1,930)	186	148	23,053
Total of funds	-	25,858	(1,931)	-	148	24,075

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	101,400	101,400
Current assets	4,316	4,119	1,691	10,126
Creditors due within one year	-	(4,035)	-	(4,035)
Provisions for liabilities and charges	-	(12,855)	-	(12,855)
	<u>4,316</u>	<u>(12,771)</u>	<u>103,091</u>	<u>94,636</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
Tangible fixed assets	-	-	26,857	26,857
Current assets	1,022	1,239	130	2,391
Creditors due within one year	-	(1,129)	-	(1,129)
Provisions for liabilities and charges	-	(4,044)	-	(4,044)
	<u>1,022</u>	<u>(3,934)</u>	<u>26,987</u>	<u>24,075</u>

**18. CAPITAL COMMITMENTS**

At 31 August 2018 the trust had capital commitments as follows:

	2018 £000	2017 £000
Contracted for but not provided in these financial statements	<u>325</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**19. PENSION COMMITMENTS**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £583,127 were payable to the schemes at 31 August 2018 (2017 - £97,988) 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.

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the period amounted to £2,168,705 (2017 - £59,086).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. PENSION COMMITMENTS (continued)**

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £2,355,000 (2017 - £116,000), of which employer's contributions totalled £1,820,000 (2017 - £85,000) and employees' contributions totalled £535,000 (2017 - £31,000). The agreed contribution rates for future years are between 13.1% and 18.8% for employers and 5.5% - 12.5% for employees.

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

**Dorset County Pension Fund**

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.70 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	24.0	23.9
Females	26.1	26.0
Retiring in 20 years		
Males	26.3	26.2
Females	28.5	28.3

**Hampshire County Council Pension Fund**

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.50 %	3.40 %
Rate of increase for pensions in payment / inflation	2.00 %	1.90 %
Inflation assumption (CPI)	2.00 %	1.90 %

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. PENSION COMMITMENTS (continued)**

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

	2018	2017
Retiring today		
Males	24.1	24.0
Females	27.2	27.0
Retiring in 20 years		
Males	26.2	26.0
Females	29.4	29.3

	At 31 August 2018 £000	At 31 August 2017 £000
<b>Sensitivity analysis</b>		
Discount rate +0.1%	32,347	7,761
Discount rate -0.1%	34,074	8,195
Mortality assumption - 1 year increase	34,175	8,218
Mortality assumption - 1 year decrease	32,233	7,736

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	12,554	2,305
Gilts	4,158	787
Corporate bonds	186	25
Property	1,560	294
Cash and other liquid assets	402	113
Other bonds	333	186
Diversified growth fund	288	71
Infrastructure	205	72
Other	658	78
<b>Total market value of assets</b>	<b>20,344</b>	<b>3,931</b>

The actual return on scheme assets was £1,114,000 (2017 - £75,000).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**19. PENSION COMMITMENTS (continued)**

The amounts recognised in the statement of financial activities are as follows:

	2018 £000	2017 £000
Current service cost	(3,474)	(190)
Net interest cost	(270)	(19)
Administration expense	(1)	-
Total	<u>(3,745)</u>	<u>(209)</u>

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

	2018 £000	2017 £000
Opening defined benefit obligation	7,975	-
Upon conversion	4,411	6,890
Transferred in on existing academies joining the trust	18,818	919
Current service cost	3,474	190
Interest cost	652	35
Employee contributions	535	31
Actuarial gains	(2,394)	(89)
Benefits paid	(272)	(1)
Closing defined benefit obligation	<u>33,199</u>	<u>7,975</u>

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

	2018 £000	2017 £000
Opening fair value of scheme assets	3,931	-
Upon conversion	2,456	3,197
Transferred in on existing academies joining the trust	10,761	544
Interest income	382	16
Actuarial gains	732	59
Employer contributions	1,820	85
Employee contributions	535	31
Benefits paid	(272)	(1)
Administration expenses	(1)	-
Closing fair value of scheme assets	<u>20,344</u>	<u>3,931</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. OPERATING LEASE COMMITMENTS**

At 31 August 2018 the total of the trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £000	2017 £000
<b>Amounts payable:</b>		
Within 1 year	96	22
Between 1 and 5 years	102	29
Total	<u>198</u>	<u>51</u>

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

	2018 £000	2017 £000
Net income for the year (as per Statement of Financial Activities)	67,435	23,927
<b>Adjustment for:</b>		
Depreciation charges	1,392	56
Dividends, interest and rents from investments	(6)	-
Increase in debtors	(2,028)	(1,647)
Increase in creditors	2,906	1,129
Capital grants from DfE and other capital income	(3,239)	(25)
Defined benefit pension scheme obligation inherited	10,012	4,068
Defined benefit pension scheme cost less contributions payable	1,654	105
Defined benefit pension scheme finance cost	271	19
Net assets and liabilities from local authority on conversion	(10,722)	(26,617)
Transfer of existing academies moving into the trust	(63,248)	-
<b>Net cash provided by operating activities</b>	<u>4,427</u>	<u>1,015</u>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018 £000	2017 £000
Cash in hand and at bank	6,450	743
Total	<u>6,450</u>	<u>743</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**23. CONVERSION TO AN ACADEMY TRUST**

During the period, the following schools converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Hamwic Education Trust from the respective local authorities for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as donations.

The following tables set out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

**Bishop Aldhelm's C of E Primary School**

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds 2018 £000
Budget surplus / (deficit) on LA funds	276	-	-	276
LGPS pension surplus / (deficit)	-	(783)	-	(783)
Net assets	<u>276</u>	<u>(783)</u>	<u>-</u>	<u>(507)</u>

**Thornhill Primary School**

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds 2018 £000
Tangible fixed assets:				
Leasehold land and buildings	-	-	4,502	4,502
Budget surplus / (deficit) on LA funds	205	-	-	205
LGPS pension surplus / (deficit)	-	(506)	-	(506)
Net assets	<u>205</u>	<u>(506)</u>	<u>4,502</u>	<u>4,201</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Sholing Junior School**

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds 2018 £000
Tangible fixed assets:				
Leasehold land and buildings	-	-	4,095	4,095
Budget surplus / (deficit) on LA funds	307	-	-	307
LGPS pension surplus / (deficit)	-	(382)	-	(382)
Net assets	<u>307</u>	<u>(382)</u>	<u>4,095</u>	<u>4,020</u>

**Sholing Infant School**

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds 2018 £000
Tangible fixed assets:				
Leasehold land and buildings	-	-	2,125	2,125
Budget surplus / (deficit) on LA funds	138	-	-	138
LGPS pension surplus / (deficit)	-	(284)	-	(284)
Net assets	<u>138</u>	<u>(284)</u>	<u>2,125</u>	<u>1,979</u>

**Weston Park Primary School**

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds 2018 £000
Adjustment to budget surplus / (deficit) on LA funds	74	-	-	74
Net assets	<u>74</u>	<u>-</u>	<u>-</u>	<u>74</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Talbot Primary School**

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds 2018 £000
Adjustment to budget surplus / (deficit) on LA funds	3	-	-	3
Net assets	<u>3</u>	<u>-</u>	<u>-</u>	<u>3</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**24. TRANSFER OF EXISTING ACADEMIES INTO THE TRUST**

**Jefferys Education Trust**

	Value reporting by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b>Tangible fixed assets</b>			
Freehold property	20,456	-	20,456
Motor vehicles	7	-	7
Fixtures and fittings	62	-	62
Computer equipment	237	-	237
Debtors due within one year	532	-	532
Cash in bank and in hand	1,630	-	1,630
<b>Liabilities</b>			
Creditors due within one year	(776)	-	(776)
<b>Pensions</b>			
Pensions - pension scheme assets	5,028	-	5,028
Pensions - pension scheme liabilities	(7,665)	-	(7,665)
<b>Net assets</b>	<u>19,511</u>	<u>-</u>	<u>19,511</u>

**Edwin Jones Trust**

	Value reporting by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b>Tangible fixed assets</b>			
Leasehold property	15,364	-	15,364
Fixtures and fittings	39	-	39
Computer equipment	94	-	94
Debtors due within one year	295	-	295
Cash in bank and in hand	1,142	-	1,142
<b>Liabilities</b>			
Creditors due within one year	(436)	-	(436)
<b>Pensions</b>			
Pensions - pension scheme assets	2,637	-	2,637
Pensions - pension scheme liabilities	(4,288)	-	(4,288)
<b>Net assets</b>	<u>14,847</u>	<u>-</u>	<u>14,847</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**24. TRANSFER OF EXISTING ACADEMIES INTO THE TRUST (continued)**

**The Ridings Trust**

	Value reporting by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b>Tangible fixed assets</b>			
Leasehold property	4,598	-	4,598
Computer equipment	20	-	20
Debtors due within one year	72	-	72
Cash in bank and in hand	119	-	119
<b>Liabilities</b>			
Creditors due within one year	(188)	-	(188)
<b>Pensions</b>			
Pensions - pension scheme assets	997	-	997
Pensions - pension scheme liabilities	(1,587)	-	(1,587)
<b>Net assets</b>	<b>4,031</b>	<b>-</b>	<b>4,031</b>

**The Hillary Trust**

	Value reporting by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b>Tangible fixed assets</b>			
Leasehold property	21,424	-	21,424
Fixtures and fittings	21	-	21
Computer equipment	12	-	12
Debtors due within one year	213	-	213
Cash in bank and in hand	276	-	276
<b>Liabilities</b>			
Creditors due within one year	(296)	-	(296)
<b>Pensions</b>			
Pensions - pension scheme assets	2,099	-	2,099
Pensions - pension scheme liabilities	(5,278)	-	(5,278)
<b>Net assets</b>	<b>18,471</b>	<b>-</b>	<b>18,471</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**24. TRANSFER OF EXISTING ACADEMIES INTO THE TRUST (continued)**

**Hamwic Trust**

	Value reporting by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b>Tangible fixed assets</b>			
Freehold property	927	-	927
<b>Net assets</b>	<u>927</u>	<u>-</u>	<u>927</u>

**25. MEMBERS' LIABILITY**

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

**26. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10 (2017: £NIL).

**HAMWIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**27. TEACHING SCHOOL TRADING ACCOUNT**

	2018 £000	2018 £000	2017 £000	2017 £000
<b>INCOME</b>				
<b>DIRECT INCOME</b>				
Other income	121		-	
<b>OTHER INCOME</b>				
Fundraising and other trading activities	41		-	
<b>TOTAL INCOME</b>		162		-
<b>EXPENDITURE</b>				
<b>DIRECT EXPENDITURE</b>				
Direct staff costs	48		-	
<b>OTHER EXPENDITURE</b>				
Support staff costs	24		-	
Other support costs	56		-	
<b>TOTAL OTHER EXPENDITURE</b>	80		-	
<b>TOTAL EXPENDITURE</b>		128		-
<b>TRANSFERS BETWEEN FUNDS         EXCLUDING DEPRECIATION</b>		7		-
<b>SURPLUS FROM ALL SOURCES</b>		41		-
<b>TEACHING SCHOOL BALANCES AT         1 SEPTEMBER 2017</b>		-		-
<b>TEACHING SCHOOL BALANCES AT         31 AUGUST 2018</b>		41		-

