

Registration number: 08665067

The Hallam Schools' Partnership Academy Trust

(A company limited by guarantee)

Annual Report and Financial statements

for the Year Ended 31 August 2015

The Hallam Schools' Partnership Academy Trust

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 11
Governance Statement	12 to 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees' Responsibilities	16
Independent Auditor's Report on the Financial Statements	17 to 18
Independent Reporting Accountant's Report on Regularity	19 to 20
Consolidated Statement of Financial Activities incorporating Income and Expenditure Account	21 to 22
Consolidated Balance Sheet	23
Balance Sheet	24
Consolidated Cash Flow Statement	25
Notes to the Financial Statements	26 to 55
Appendix 1 - 3	

The Hallam Schools' Partnership Academy Trust

Reference and Administrative Details

Governors and Trustees (Directors)	J Cape J Conway Rt Rev J Rawsthorne (Resigned 1 September 2014) Rt Rev Ralph Heskett (appointed 1 September 2014)
Company Secretary	E Whittaker
Registered office	Hallam Pastoral Centre ST. Charles Street Sheffield South Yorkshire S9 3WU
Company Registration Number	08665067
Auditors	Marriott Gibbs Rees Wallis Limited Chartered Certified Accountants and Registered Auditors 13 - 17 Paradise Square Sheffield South Yorkshire S1 2DE
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG12 1BJ

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The Academy Trust was incorporated on 27 August 2013 and is a company limited by guarantee. Charitable status has been applied for to register as an exempt charity. The first school joined the Academy Trust on the 1st December 2013 (See note 28). The Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees act as the Trustees for the charitable activities of The Hallam Schools' Partnership Academy Trust and are also the directors of the charitable company and the group for the purposes of company law.

Details of the Trustees who served throughout the period, except as noted, 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 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.

Trustees' indemnities

Trustees now benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £1,000,000.

Principal Activity

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic Schools designated as such ("the Academies") which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Canon Law.

Method of recruitment and appointment or election of Trustees

As set out in the Memorandum and Articles of Association for the Hallam Schools' Partnership Academy Trust.

A Local Governing Body (LGB) for each individual school was set up post conversion to undertake the day to day running of the school in line with the agreed Scheme of Delegation. The individual schools methods are stated below.

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

St John Fisher Primary, a Catholic Voluntary Academy

The Diocesan Bishop appoints a minimum of 9 Foundation Governors so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. In 2013-14 there were 7 Foundation Governors at the beginning of the academic year. Applications for any vacant Foundation Governor positions are forwarded to the Bishop for approval prior to appointment.

The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy. The parent receiving the highest number of votes shall be appointed.

The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member receiving the highest number of votes shall be appointed.

A Community Governor may be appointed by the Governing Body provided that the person who is appointed as the Community Governor is not an employee of the Academy Trust and lives and works in the community.

An Executive Officer was appointed by the Hallam Schools' Partnership Academy Trust to attend Governors' meetings.

A list of school governors during the period is shown at Appendix 3

St Joseph's School, a Catholic Voluntary Academy

The Diocesan Bishop appoints a minimum of 6 Foundation Governors so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. In 2014-15 there were 6 Foundation Governors at the beginning of the academic year. Applications for any vacant Foundation Governor positions are forwarded to the Bishop for approval prior to appointment.

The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy. The parent receiving the highest number of votes shall be appointed.

The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member receiving the highest number of votes shall be appointed.

A Community Governor may be appointed by the Governing Body provided that the person who is appointed as the Community Governor is not an employee of the Academy Trust and lives and works in the community.

An Executive Officer was appointed by the Hallam Schools' Partnership Academy Trust to attend Governors' meetings.

A list of school governors during the period is shown at Appendix 3

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Emmaus Catholic and Church of England Primary School, A Catholic and Church of England Voluntary Academy

The Bishop of Hallam and The Bishop of Sheffield appoint a minimum of 8 Foundation Governors- 4 from the Diocese of Sheffield and 4 from the Diocese of Hallam so as to ensure that at all times the number of Foundation Governors exceeds the total number of other Governors (excluding Foundation Governors) by at least 2. In 2014-15 there were 8 Foundation Governors at the beginning of the academic year. Applications for any vacant Foundation Governor positions are forwarded to the Bishop of Hallam and Bishop of Sheffield for approval prior to appointment.

The arrangements made for the election of a Parent Governor provides for every person who is entitled to vote in the election to have an opportunity to do so by post or, if they prefer, by having their ballot paper returned to the Academy Trust by a registered pupil at the Academy. The parent receiving the highest number of votes shall be appointed.

The arrangements made for the election of a Staff Governor provides for every member of staff who is entitled to vote in the election to have an opportunity to do so. The Staff member receiving the highest number of votes shall be appointed.

An Executive Officer was appointed by the Hallam Schools' Partnership Academy Trust to attend Governors' meetings.

A list of school governors during the period is shown at Appendix 3

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Directors/Governors will depend upon their existing experience. Director/Governor induction tends to be done informally and is tailored specifically to the individual. LGB training has included a standard session for all LGB members, provided by the Multi-Academy Trust (MAT) governance consultant with subsequent additional training courses as per the skill set needs of the individual LGBs, taking advantage of specific courses offered by the Local Authority and other bodies.

Organisational structure

The Board meets at least monthly to closely monitor the academic progress of previously underperforming schools within the MAT, as required by Ofsted and the Department for Education (DfE). The MAT, utilises the professional expertise of the Diocese of Hallam Leaders Forum to ensure rapid recovery. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale. The focus of the Board is to oversee the rapid improvement of any school in serious difficulty until it is judged to be securely good by Ofsted. The Sponsor Body will then make arrangements for the school to return to full delegated authority as a member of a local family of schools. In most cases this will be as a member of the local Umbrella Trust.

The Board of Directors/Governors have delegated to the LGB responsibility for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments with the exception of the appointment of the Headteacher/Deputy Headteacher.

The Trustees and Board of Directors/Governors have devolved responsibility for day to day management of each academy to the LGB and Headteacher/Principal. The LGB of each school has sub-committees looking at:

- school improvement and staffing
- finance, premises and resources
- ethos (this includes members of the local worshipping community)

The leadership structure of each individual school within the MAT is tailored to meet the needs of the specific school, dependent on its number on roll, its academy action plan, its levels of SEN and its budget.

Appendix 2 shows the leadership teams at each school.

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Risk management

The Academy Trust has appointed Executive Officers to work with the three schools currently in the MAT to monitor the delegated risk management processes as detailed in the individual school reports.

Connected organisations, including related party relationships

The Diocese of Hallam (a company limited by guarantee with company registration number 1593544) is a related party as the Bishop of Hallam is a Director of the Academy Trust and he is also a Trustee of the Diocese of Hallam.

Objectives and activities

Objects and aims

The principal object and activity of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic Schools designated as such ("the Academies") which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and all Canon Law.

The principal object and activity of the charitable Company is the operation to support three schools to provide free education and care for pupils of different abilities.

The aims of the Academy during the year ended 31 August 2015 are summarised below:

- to provide rapid and sustained improvement to the standard of educational attainment and achievement of all pupils
- to establish high quality leadership in each school
- to provide a broad and balanced curriculum, including extra curricular activities
- to develop students as more effective learners
- to develop each school site to enable students to achieve their full potential
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- to ensure that the learning needs of all pupils are effectively met, including those with SEN and EAL
- to provide value for money for the funds expended
- to comply with all appropriate statutory and curriculum requirements
- to develop links with high quality providers
- to develop the ethos of each school within the context of each individual community
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

Through the Hallam Schools' Partnership Academy Trust, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values, set within a distinctively Catholic context.

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Objectives, strategies and activities

Key priorities for the year are contained in our Academy Action Plan for each school, which is available on each school website. Areas for improvement were identified following the Ofsted inspection of the predecessor school which put them into a category, or showed them to be in danger of going into a category, and were approved by the DfE.

Improvement focuses identified for this year include:

- to improve the quality of teaching and learning
- to review the structure of each school to best meet the needs of the students and the available budget
- to develop a consistent tracking, monitoring and reporting system across all schools
- to develop the learning environment to engage students, staff and parents and help improve attendance rates
- to improve the performance
- to improve key relationships with the local community and improve the public and parental perception of each school, thus leading to higher admission applications

The objectives, and how they will be achieved, of the three schools are as follows:

Faith

To create an environment where the Gospel values can be clearly seen and felt in all aspects of school life.

This will be achieved by:

- Effective, thorough planning of the 'Come & See' syllabus, daily act of collective worship and other liturgies.
- The practice of gospel values by staff, especially the demonstration of tolerance, forgiveness and honesty.
- Showing children they are valued within the Parish Community who are partners in the spiritual and moral development of children.
- Encourage in the sense of responsibility that comes with being a citizen in our school and to realise their part in the global community.
- Regular newsletters and involvement of Parents in school on a daily basis - visits, maths, reading and other events.
- Invitations to Parents and Governors to welcome them to attend assemblies

Curriculum

To achieve the highest academic standards possible for every child.

This will be achieved by:

- reviewing and monitoring our whole approach to long term curriculum planning, ensuring continuity and progression
- reviewing and monitoring our medium term planning
- policy documents for each area
- weekly planning showing a variety of teaching styles and differentiation of work
- setting up thorough systems of assessment, which will inform future planning
- bright, regularly changed interactive, informative displays, including a mixture of two and three-dimensional work
- providing easily accessible and well-labelled resources in all areas of school
- numerical and curricular targets set for each year
- providing interesting activities and experiences across the whole curriculum and ensuring that all children have equal access to the curriculum
- encouraging and developing parental support and understanding of the curriculum
- two open evenings per year for reporting on progress and an end of year written report
- encouragement and praise of good effort, behaviour, learning and progress
- teachers will endeavour to foster a sense of respect for all individuals and experiences across a variety of cultures

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Moral

To establish a sense of worth, which will lead to - respect for self and others

This will be achieved by:

- Behaviour policy which includes, positive behaviour incentives
- Continuation of school council to which representatives are elected by their peers, where they can discuss, reflect and value other pupils
- High expectations of standards of behaviour and academic achievement
- Opportunities for older children to support and help younger children e.g. Foundation Stage Buddies, playground friends, sport leaders and reading partners
- Regular reporting of pupils' successes to parents
- Encouragement of collaborative work across the curriculum
- Extra-curricular activities available where children will be encouraged to work as team members
- Inviting school community service groups - police, health etc. into school to discuss their work
- Maintaining regular contact with the school Parish.

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Academy Trust aims to advance for the public benefit, education in the Diocese of Hallam. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and developing schools, offering a broad curriculum set within a distinctively Catholic context.

The schools in the MAT provide opportunities for children, their parents, the parish and the local communities that they serve through a range of extra-curricular activities and opportunities.

As a MAT, we are working to support all of the schools within the MAT and to develop a culture of mutual support and development across these schools and the wider Catholic community. Within the broader diocesan context, each of these schools remains part of the broader family of church schools and part of that network. The commitment to developing a high quality curriculum, delivered by well trained and effective teaching and support staff, and the sharing of expertise is already under way.

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Achievements and performance

The support structures provided and action taken by the HSPAT have enabled all three schools to address successfully areas of under-performance so that the two schools which entered the Trust initially are now performing at a level which would be regarded by Ofsted as 'Good'. The school which entered the Trust more recently is making good progress. See individual school reports below.

The data for the end of Key Stage 1 and 2 are contained in appendix 1 to the financial statements.

Going concern

After making appropriate enquiries, the Governing Body 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.

Principal risks and uncertainties

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial – the Academy has considerable reliance on continued Government funding through the EFA. In the period ended 31 August 2015 69% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. However, if the value of transfers from Local Authorities is removed, this income figure represents 90%.

Failures in governance and/or management – the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational – the continuing success of the Academy Trust is dependent on implementing rapid and sustained educational achievement in its academies and continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection – the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing – the success of the Academy Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds – the Academy Trust has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy will continue to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and will be reviewed and updated on a regular basis.

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report (continued)

Financial review

Income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes.

At the year ended 31 August 2015 the total Fund balances at individual academies (note 17) totalled (£118,934), however this is due to the pension liability of £1,137,000, which as stated in note 26 would be met by the Department for Education in the event of Academy closure.

At 31 August 2015 the net book value of fixed assets was £466,997 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 26 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated include Charges and Lettings, Asset Management and Insurance.

Trustees have devolved responsibility for appointing a Responsible Officer to each school. Each school has appointed an external agent to undertake a programme of internal checks on the financial controls.

Financial and risk management objectives and policies

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described by each school below. Where significant financial risk still remains they have ensured they have adequate insurance cover.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 26 to the financial statements, represents a significant potential liability. However, 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 of Education. This guarantee came into force on 18 July 2013.

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report (continued)

Reserves policy

The Board of Directors have reviewed the reserve levels of the individual schools. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The board have approved individual school plans to spend the majority of its revenue income each year on the students in its care; but also to maintain a level of free reserved that will be adequate to provide a stable base for the continuing operation of the Academy whilst ensuring that excessive funds are not accumulated. The level of reserves required will be reviewed each year by the Board.

These free reserves are held for the investment in buildings, smooth any change in pupil led funding and to provide for any unforeseen liabilities. These reserves will provide a cushion to deal with unexpected emergencies such as urgent maintenance, as well as sums that are set aside from this each year for planned replacement of capital items such as ICT infrastructure etc.

Investment policy

The Board of Directors are firmly committed to ensuring that all funds under their control are administered under a risk adverse investment strategy. As such the Board do not consider the investment of surplus funds as a primary activity.

The Hallam Schools' Partnership Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Funds held as Custodian Trustee on behalf of others

The Academy and its Trustees do not act as the custodian Trustees of any other Charity.

Auditor

In so far as the Trustees are aware:

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

Reappointment of auditor

The auditors Marriott Gibbs Rees Wallis Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on ~~29.01.2016~~ and signed on its behalf by:



J Cape
Governor and trustee

The Hallam Schools' Partnership Academy Trust

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Hallam Schools' Partnership Academy 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 Governing Body has delegated the day-to-day responsibility to E Whittaker, 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 The Hallam Schools' Partnership Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 17 times during the year. Attendance during the year at meetings of the Governing Body was 84%.

Review of value for money

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

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

Regularly benchmarking financial performance against other academy trusts to demonstrate that the Trust provides good value for money.

The schools within the MAT have invested in the services of a suitably qualified Responsible Officer (RO). The RO reviews key financial policies, systems and procedures, including the use of tenders and presents reports on compliance to the Governance and Finance Committee

Arranging joint CPD/Inset day training with other schools to spread the cost.

Tender exercises are undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts remain competitive. The Academy does not enter into any contracts longer than 3 years in length.

Explores every opportunity to generate income through hire of Academy facilities. Income is also generated from small grant applications which help to support the wider curriculum.

Reviews expenditure within each budget heading annually and make adjustments based on the effectiveness of strategies introduced in previous years, curriculum offer and any new strategies identified in the Academy Development Plan.

Where possible, collaborates with other Trusts to keep procurement costs are kept to a minimum.

Meetings of the audit committee

The Audit Committee is a sub-committee of the main Governing Body. Its purpose is to The finance and Audit committee is a sub-committee of the main board of trustees. Its purpose is to oversee matters of internal controls, external audit, budget planning, risk management and management accounting.

The first meeting of this sub-committee is to occur after the period end. The full board had previously taken on full responsibility to oversee financial matters. Attendance at meetings during the year was as follows:

The Hallam Schools' Partnership Academy Trust

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 The Hallam Schools' Partnership Academy Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed Mrs T Havenhand, Marriott Gibbs Rees Wallis Limited as responsible officer (RO)

The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Issues reported by the RO to date are contained in the quarterly reports submitted to the full governing body. There were no material control or other issues reported by the RO to date. The responsible officer's reports are available for inspection on request.

The Hallam Schools' Partnership Academy Trust

Governance Statement (continued)

Review of effectiveness

As Accounting Officer, E Whittaker has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the responsible officer ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who 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 and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 29.01.2016 and signed on its behalf by:



J Cape
Governor and trustee

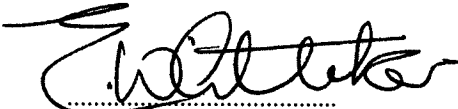
The Hallam Schools' Partnership Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of The Hallam Schools' Partnership Academy Trust I have considered my responsibility to notify the academy trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust Governing Body 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.

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 Governing Body and EFA.



E Whittaker
Accounting officer

The Hallam Schools' Partnership Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who are 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 Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on ~~29.01.2016~~ and signed on its behalf by:



J Cape
Governor and trustee

The Hallam Schools' Partnership Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Hallam Schools' Partnership Academy Trust

We have audited the financial statements of The Hallam Schools' Partnership Academy Trust for the year ended 31 August 2015, which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements have been prepared under the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 16), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2015 and of the group's 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 the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

The Hallam Schools' Partnership Academy Trust

**Independent Auditor's Report on the Financial Statements to the Members of The Hallam
Schools' Partnership Academy Trust (continued)**

Matters on which we are required to report by exception

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

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.



.....
David John Marriott FCCA (Senior Statutory Auditor)

For and on behalf of

Marriott Gibbs Rees Wallis Limited
Chartered Certified Accountants
Statutory Auditors

13 - 17 Paradise Square
Sheffield
South Yorkshire
S1 2DE

Date: 29/1/16

The Hallam Schools' Partnership Academy Trust

Independent Reporting Accountant's Report on Regularity to The Hallam Schools' Partnership Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Hallam Schools' Partnership Academy Trust during the period 1 September 2014 to 31 August 2015 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 the Governing Body and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Governing Body and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Governing Body and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2012, 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 2013. 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 from 1 September 2014 to 31 August 2015 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 2014 to 2015 issued by the Education Funding Agency We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The Work undertaken to draw to our conclusion includes:

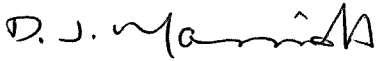
- The assessment and evaluation of relevant control procedures adopted by the Academy Trust
- Assessing the risk of material irregularity
- Undertaking limited testing of income and expenditure, including identifying and testing funding agreements in place

The Hallam Schools' Partnership Academy Trust

**Independent Reporting Accountant's Report on Regularity to The Hallam Schools'
Partnership Academy Trust and the Education Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
David John Marriott FCCA

For and on behalf of

Marriott Gibbs Rees Wallis Limited
Chartered Certified Accountants

13 - 17 Paradise Square
Sheffield
South Yorkshire
S1 2DE

Date: 29.1.16.....

The Hallam Schools' Partnership Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income					
Transfer on conversion	2	-	-	-	528,312
Other voluntary income	2	110,557	75,799	-	84,413
Activities for generating funds	3	4,837	747	-	1,995
Investment income	4	587	-	587	151
<i>Incoming resources from charitable activities:</i>					
Funding for the Academy's educational operations	5	-	3,607,524	430,549	1,542,185
<i>Other incoming resources</i>					
Other incoming resources	6	13,425	83,820	-	82,718
Total incoming resources		<u>129,406</u>	<u>3,767,890</u>	<u>4,327,845</u>	<u>2,239,774</u>
Resources expended					
<i>Cost of generating funds:</i>					
Costs of generating voluntary income		-	1,870	-	-
Cost of generating funds		-	360	-	-
<i>Charitable activities:</i>					
Academy's educational operations		84,500	3,748,951	15,517	1,703,825
Governance costs	9	-	25,847	-	18,683
Total resources expended	7	<u>84,500</u>	<u>3,777,028</u>	<u>15,517</u>	<u>1,722,508</u>
Net incoming/(outgoing) resources before transfers		<u>44,906</u>	<u>(9,138)</u>	<u>450,800</u>	<u>517,266</u>

The Hallam Schools' Partnership Academy Trust

**Consolidated Statement of Financial Activities for the Year Ended 31 August 2015
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)**

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Net income/(expenditure) for the year	44,906	(9,138)	415,032	450,800	517,266
Other recognised gains and losses					
Opening defined benefit pension scheme liability	-	-	-	-	(931,000)
Actuarial gains on defined benefit pension schemes	26	(46,000)	-	(46,000)	(110,000)
Net movement in funds/(deficit)	44,906	(55,138)	415,032	404,800	(523,734)
Reconciliation of funds					
Total Funds/(deficit) brought forward at 1 September 2014	58,970	(817,160)	234,456	(523,734)	-
Total Funds/(deficit) carried forward at 31 August 2015	103,876	(872,298)	649,488	(118,934)	(523,734)

All of the Academy's activities derive from continuing operations during the above two periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

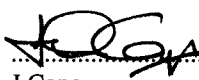
The Hallam Schools' Partnership Academy Trust

(Registration number: 08665067)

Consolidated Balance Sheet as at 31 August 2015

	Note	31 August 2015 £	31 August 2014 £
Fixed assets			
Tangible assets	14	466,997	243,653
Current assets			
Debtors	15	111,393	244,116
Cash at bank and in hand		<u>678,601</u>	<u>400,377</u>
		789,994	644,493
Creditors: Amounts falling due within one year	16	<u>(238,925)</u>	<u>(353,880)</u>
Net current assets		<u>551,069</u>	<u>290,613</u>
Total assets less current liabilities		<u>1,018,066</u>	<u>534,266</u>
Net assets excluding pension liability		1,018,066	534,266
Pension scheme liability	26	<u>(1,137,000)</u>	<u>(1,058,000)</u>
Net liabilities including pension liability		<u>(118,934)</u>	<u>(523,734)</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		231,175	214,729
Restricted fixed asset fund		649,488	234,456
Restricted pension fund		(1,137,000)	(1,058,000)
Other restricted fund		<u>33,527</u>	<u>26,111</u>
		(222,810)	(582,704)
Unrestricted funds			
Unrestricted general fund		<u>103,876</u>	<u>58,970</u>
Total funds		<u>(118,934)</u>	<u>(523,734)</u>

The financial statements on pages 21 to 55 were approved by the Trustees, and authorised for issue on ~~29.08.2014~~ and signed on their behalf by:




 J Cape
 Governor and trustee

The Hallam Schools' Partnership Academy Trust

(Registration number: 08665067)
Balance Sheet as at 31 August 2015

	Note	31 August 2015 £	31 August 2014 £
Current assets			
Cash at bank and in hand		20,676	64,370
Creditors: Amounts falling due within one year	16	<u>(6,358)</u>	<u>(6,520)</u>
Total assets less current liabilities		<u>14,318</u>	<u>57,850</u>
Net assets excluding pension liability		<u>14,318</u>	<u>57,850</u>
Net assets including pension liability		<u>14,318</u>	<u>57,850</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		<u>14,318</u>	<u>57,850</u>
Total funds		<u>14,318</u>	<u>57,850</u>

The financial statements were approved by the Trustees, and authorised for issue on ~~29.01.2016~~ and signed on their behalf by:


.....
J Cape
Governor and trustee

The Hallam Schools' Partnership Academy Trust

Consolidated Cash Flow Statement for the Year Ended 31 August 2015

	Note	31 August 2015 £	31 August 2014 £
Net cash inflow from operating activities	21	528,575	963,051
Cash transferred on conversion to an academy trust		-	(308,973)
Returns on investments and servicing of finance	22	587	151
Capital expenditure and financial investment	23	<u>(250,938)</u>	<u>(253,852)</u>
Increase in cash in the year	24	<u>278,224</u>	<u>400,377</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year		278,224	400,377
Net funds at 1 September 2014		<u>400,377</u>	<u>-</u>
Net funds at 31 August 2015		<u>678,601</u>	<u>400,377</u>

All of the cash flows are derived from continuing operations during the above two periods.

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

The financial statements consolidate the accounts of Hallam Schools' Partnership Academy Trust and all of its subsidiary undertakings ('Subsidiaries').

The results of subsidiaries acquired during the period are included from the effective date of acquisition.

The Academy Trust has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The Income and expenditure account for the period dealt with in the accounts of the Academy Trust was (£43,532).

Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Donations

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

Other income

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

Donated services and gifts in kind

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

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Cost of generating funds

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

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Each school within the MAT has set a de minimis limit at which items above that are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Leasehold land	Over the life of the lease - 125 years
Building improvements	2% straight line
Furniture and equipment	10, 20 and 25% straight line
Computer equipment	25 and 33% straight line

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Taxation

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

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other 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 Education Funding Agency/Department for Education.

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 31 August 2014 £
Transfer on conversion	-	-	-	528,312
Other voluntary income				
Educational trips and visits	26,057	26,849	52,906	29,639
Other donations	84,500	48,950	133,450	54,774
	<u>110,557</u>	<u>75,799</u>	<u>186,356</u>	<u>84,413</u>
Total voluntary income	<u>110,557</u>	<u>75,799</u>	<u>186,356</u>	<u>612,725</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 31 August 2014 £
Catering income	-	622	622	-
Other sales	4,837	125	4,962	1,995
	<u>4,837</u>	<u>747</u>	<u>5,584</u>	<u>1,995</u>

4 Investment income

	Unrestricted funds £	Total 2015 £	Total 31 August 2014 £
Short term deposits	<u>587</u>	<u>587</u>	<u>151</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Funding for Academy's educational operations

	School	Restricted funds £	Restricted fixed asset funds £	Total 2015 £	Total 31 August 2014 £
DfE/EFA capital grants					
Capital Grants	S John Fisher Primary - A Catholic Voluntary Academy	-	430,549	430,549	-
DfE/EFA revenue grants					
General Annual Grant (GAG)	Emmaus Catholic and Church of England Primary School	1,302,096	-	1,302,096	112,246
General Annual Grant (GAG)	S John Fisher Primary - A Catholic Voluntary Academy	828,088	-	828,088	618,859
General Annual Grant (GAG)	St Joseph's School, A Catholic Voluntary Academy	756,540	-	756,540	638,764
Pupil premium	Emmaus Catholic and Church of England Primary School	188,999	-	188,999	-
Pupil premium	S John Fisher Primary - A Catholic Voluntary Academy	41,798	-	41,798	13,660
DCSF grant		-	-	-	125,000
Pupil premium	St Joseph's School, A Catholic Voluntary Academy	65,932	-	65,932	27,611

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Funding for Academy's educational operations (continued)

	School	Restricted funds £	Restricted fixed asset funds £	Total 2015 £	Total 31 August 2014 £
Other DfE/EFA Grants	Emmaus Catholic and Church of England Primary School	74,719	-	74,719	-
Other DfE/EFA Grants	S John Fisher Primary - A Catholic Voluntary Academy	115,878	-	115,878	-
Other DfE/EFA Grants	St Joseph's School, A Catholic Voluntary Academy	74,998	-	74,998	-
Other DfE/EFA Grants		<u>6,358</u>	-	<u>6,358</u>	-
		<u>3,455,406</u>	-	<u>3,455,406</u>	<u>1,536,140</u>
Other government grants					
Local Authority grants	Emmaus Catholic and Church of England Primary School	69,856	-	69,856	-
Local Authority grants	S John Fisher Primary - A Catholic Voluntary Academy	19,900	-	19,900	3,333
Local Authority grants	St Joseph's School, A Catholic Voluntary Academy	<u>62,362</u>	-	<u>62,362</u>	<u>2,712</u>
		<u>152,118</u>	-	<u>152,118</u>	<u>6,045</u>
Total grants		<u><u>3,607,524</u></u>	<u><u>430,549</u></u>	<u><u>4,038,073</u></u>	<u><u>1,542,185</u></u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

6 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 31 August 2014 £
Sale of uniforms	-	-	-	161
Sale of School Meals-Pupils	-	18,715	18,715	25,449
Milk Income	-	2,132	2,132	1,368
Recoverable Charges	-	-	-	518
Insurance Claim Receipts	8,378	-	8,378	23,443
Other Income Non Govt	-	35,842	35,842	-
Adult Meal Income	-	318	318	276
Pupil Meals Income	-	26,813	26,813	28,575
Reimb - Teachers Supply Claims	3,600	-	3,600	1,440
Reimb-Non Teachers Supply Claims	-	-	-	60
Rents General	1,447	-	1,447	1,428
	<u>13,425</u>	<u>83,820</u>	<u>97,245</u>	<u>82,718</u>

7 Resources expended

	Staff costs £	Premises £	Other costs £	Total 2015 £	Total 31 August 2014 £
Costs of generating voluntary income	-	-	1,870	1,870	-
Costs of activities for generating funds	-	-	360	360	-
Academy's educational operations					
Direct costs	2,178,215	-	180,728	2,358,943	1,030,267
Allocated support costs	<u>541,682</u>	<u>379,971</u>	<u>568,372</u>	<u>1,490,025</u>	<u>673,558</u>
	2,719,897	379,971	749,100	3,848,968	1,703,825
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>25,847</u>	<u>25,847</u>	<u>18,683</u>
	<u>2,719,897</u>	<u>379,971</u>	<u>777,177</u>	<u>3,877,045</u>	<u>1,722,508</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2015 £	Total 31 August 2014 £
Direct costs					
Teaching and educational support staff costs	-	2,178,215	-	2,178,215	941,660
Educational supplies	-	87,250	-	87,250	20,145
Staff development	-	30,561	-	30,561	15,559
Educational consultancy	-	9,789	-	9,789	23,176
Other direct costs	-	53,128	-	53,128	29,727
	<u>-</u>	<u>2,358,943</u>	<u>-</u>	<u>2,358,943</u>	<u>1,030,267</u>
Allocated support costs					
Support staff costs	-	508,682	-	508,682	181,810
FRS 17 service cost adjustment	-	33,000	-	33,000	17,000
Depreciation	-	12,077	15,517	27,594	10,199
Maintenance of premises and equipment	-	100,087	-	100,087	75,252
Cleaning	-	38,936	-	38,936	26,161
Rent, rates and utilities	84,500	104,523	-	189,023	78,060
Insurance	-	24,331	-	24,331	11,696
Recruitment and support	-	107,200	-	107,200	48,345
Security and transport	-	31,567	-	31,567	26,247
Catering	-	174,162	-	174,162	79,925
Bank interest and charges	-	120	-	120	83
Professional fees	-	75,565	-	75,565	55,143
Other support costs	-	35,999	-	35,999	4,579
Technology costs	-	60,763	-	60,763	37,637
Printing, postage and stationery	-	35,877	-	35,877	11,495
Staff and liability insurance	-	47,119	-	47,119	9,926
	<u>84,500</u>	<u>1,390,008</u>	<u>15,517</u>	<u>1,490,025</u>	<u>673,558</u>
	<u>84,500</u>	<u>3,748,951</u>	<u>15,517</u>	<u>3,848,968</u>	<u>1,703,825</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Governance costs

	Total 2015 £	Total 31 August 2014 £
Legal and professional fees	-	4,860
Auditors' remuneration		
Audit of financial statements	11,327	6,600
Other audit services	7,350	3,000
Responsible officer audit	7,170	3,930
Support costs	-	293
	<u>25,847</u>	<u>18,683</u>

10 Staff

Staff costs

	2015 £	31 August 2014 £
Staff costs during the year were:		
Wages and salaries	2,066,994	877,910
Social security costs	125,308	56,638
Pension costs	379,238	153,244
Supply teacher costs	148,357	52,678
	<u>2,719,897</u>	<u>1,140,470</u>

Staff numbers

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

	31 August 2015 No	31 August 2014 No
Charitable Activities		
Teachers	26	24
Administration and support	38	47
Management	13	11
	<u>77</u>	<u>82</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

10 Staff (continued)

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	31 August 2015 No	31 August 2014 No
£60,001 - £70,000	2	1
£70,001 - £80,000	<u>1</u>	<u>-</u>

3 (2014 - 1) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £25,060 (2014 - £6,709).

11 Central services

No central services were provided by the trust to its academies during the period and no central charges arose.

The trust has delegated authority to each individual school.

12 Related party transactions - trustees' remuneration and expenses

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

Other related party transactions involving the trustees are set out in note 27.

13 Trustees' and officers' insurance

At the year end the Academy was in the process of arranging trustees' and officers' insurance. This insurance cover was taken out post year end at a cost of £526 and protects the trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim.

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

14 Tangible fixed assets

Group

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2014	140,000	77,411	36,328	253,739
Additions	234,733	-	16,205	250,938
At 31 August 2015	<u>374,733</u>	<u>77,411</u>	<u>52,533</u>	<u>504,677</u>
Depreciation				
At 1 September 2014	733	3,707	5,646	10,086
Charge for the year	1,903	14,586	11,105	27,594
At 31 August 2015	<u>2,636</u>	<u>18,293</u>	<u>16,751</u>	<u>37,680</u>
Net book value				
At 31 August 2015	<u>372,097</u>	<u>59,118</u>	<u>35,782</u>	<u>466,997</u>
At 31 August 2014	<u>139,267</u>	<u>73,704</u>	<u>30,682</u>	<u>243,653</u>

15 Debtors

	Group		Company
	31 August 2015 £	31 August 2014 £	31 August 2015 £
Trade debtors	160	1,575	-
Prepayments	15,510	21,629	-
Accrued grant and other income	44,730	-	-
VAT recoverable	44,635	45,391	-
Other debtors	6,358	175,521	-
	<u>111,393</u>	<u>244,116</u>	<u>-</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

16 Creditors: amounts falling due within one year

	Group		Company	
	31 August 2015 £	31 August 2014 £	31 August 2015 £	31 August 2014 £
Trade creditors	85,952	81,538	-	-
Other taxation and social security	30,599	26,987	-	-
Pension scheme creditor	4,650	7,803	-	-
Accruals	45,630	126,784	6,358	6,520
Deferred income	72,094	110,768	-	-
	<u>238,925</u>	<u>353,880</u>	<u>6,358</u>	<u>6,520</u>
Group				

**31 August
2015
£**

Deferred income

Deferred income at 1 September 2014	110,768
Resources deferred in the period	72,094
Amounts released from previous periods	<u>(110,768)</u>
Deferred income at 31 August 2015	<u>72,094</u>

Devolved capital - relates to 2015/16 academic year

Free school meal funding - relates to 2015/16 academic year

Capital grants received - relates to 2015/16 academic year

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

17 Funds

Group

	Balance at 01 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
Restricted general funds					
GAG	150,233	2,886,724	(2,903,112)	1,695	135,540
DCSF grant	64,496	-	(50,178)	-	14,318
Other DfE/EFA grants	-	720,800	(639,483)	-	81,317
	<u>214,729</u>	<u>3,607,524</u>	<u>(3,592,773)</u>	<u>1,695</u>	<u>231,175</u>
Restricted fixed asset funds					
Restricted fixed assets	234,456	430,549	(15,517)	-	649,488
Restricted pension funds					
Defined benefit pension liability	(1,058,000)	-	(33,000)	(46,000)	(1,137,000)
Other restricted funds					
School fund	9,533	6,625	(12,312)	-	3,846
Governors/ building fund	12,821	2,878	(12,361)	(1,695)	1,643
Big lottery fund	-	10,000	-	-	10,000
Other restricted funds	3,757	140,863	(126,582)	-	18,038
	<u>26,111</u>	<u>160,366</u>	<u>(151,255)</u>	<u>(1,695)</u>	<u>33,527</u>
Total restricted funds	(582,704)	4,198,439	(3,792,545)	(46,000)	(222,810)
Unrestricted funds					
Unrestricted general funds	58,970	129,406	(84,500)	-	103,876
Total funds	<u>(523,734)</u>	<u>4,327,845</u>	<u>(3,877,045)</u>	<u>(46,000)</u>	<u>(118,934)</u>

Company

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Balance at 31 August 2015 £
Restricted general funds				
DCSF grant	57,850	-	(43,532)	14,318
Other DfE/EFA grant	-	6,358	(6,358)	-
	<u>57,850</u>	<u>6,358</u>	<u>(49,890)</u>	<u>14,318</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

17 Funds (continued)

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

Restricted general funds

General Annual Grant (GAG) - Income receivable from the Education Funding Agency to fund the educational operations and running costs of the Academy.

Pupil Premium - Additional funding given to schools so that they can support their disadvantaged pupils and close the attainment gap between them and their peers.

Special needs (banded) funding - Additional funding given to schools so that they can support pupils with special educational needs.

Academy sponsorship - Money received from DCSF to fund the educational operations and running costs of the Academy.

School fund - Restricted voluntary funds received for activities, trips and other fundraising activities which in turn is used for the benefit of the pupils.

Defined pension liability - The deficit on the local government pension scheme has been recognised against restricted funds in order to match it against GAG as recommended by the Accounts Direction published by the EFA.

Other restricted funds

Governor's fund - Voluntary funds received to help towards the upkeep of the school buildings and grounds.

Restricted fixed asset funds

DfE capital grants - Funding provided for capital maintenance/items.

Donation of assets on conversion - Assets donated to the Academy by Local Authority on conversion.

Unrestricted general funds

Funds available to spend for the general purposes of the Academy.

Transfers

Transfers to GAG from unrestricted funds amounted to £192,871 and related to funds transferred from local authority and donations from parents for exam books.

Transfers from GAG to restricted fixed assets funds amounting to £24,979 related to the purchase of educational equipment.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

17 Funds (continued)

	Total £
Emmaus Catholic and Church of England Primary School	89,247
S John Fisher Primary - A Catholic Voluntary Academy	181,807
St Joseph's School, A Catholic Voluntary Academy	83,206
The Hallam Schools' Partnership Academy Trust	<u>14,318</u>
Total before fixed assets and pension reserve	368,578
Pension scheme liability	(1,137,000)
Restricted fixed asset fund	<u>649,488</u>
Total	<u><u>(118,934)</u></u>

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total £
Emmaus Catholic and Church of England Primary School	1,122,068	138,462	41,205	554,923	1,856,658
S John Fisher Primary - A Catholic Voluntary Academy	608,916	119,987	18,878	262,373	1,010,154
St Joseph's School, A Catholic Voluntary Academy	447,230	250,231	27,168	276,046	1,000,675
The Hallam Schools' Partnership Academy Trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>553</u>	<u>553</u>
Academy Trust	<u><u>2,178,214</u></u>	<u><u>508,680</u></u>	<u><u>87,251</u></u>	<u><u>1,093,895</u></u>	<u><u>3,868,040</u></u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

18 Analysis of net assets between funds

Group

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	19,971	447,026	466,997
Current assets	103,876	483,656	202,462	789,994
Current liabilities	-	(238,925)	-	(238,925)
Pension scheme liability	-	(1,137,000)	-	(1,137,000)
Total net assets	103,876	(872,298)	649,488	(118,934)

Company

	Restricted general funds £	Total funds £
Current assets	20,676	20,676
Current liabilities	(6,358)	(6,358)
Total net assets	14,318	14,318

19 Capital commitments

Group

	31 August 2015 £	31 August 2014 £
Contracted for, but not provided in the financial statements	-	234,733

20 Financial commitments

Group

Operating leases - group

At 31 August 2015 the Group had annual commitments under non-cancellable operating leases as follows:

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

20 Financial commitments (continued)

Operating leases which expire:

	31 August 2015 £	31 August 2014 £
Other		
Within two to five years	<u>15,267</u>	<u>15,267</u>

21 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	31 August 2015 £	31 August 2014 £
Net income	450,800	517,266
Depreciation	27,594	10,199
Cash transferred on conversion to an academy trust	-	308,973
Interest receivable	(587)	(151)
FRS17 service cost adjustment	33,000	17,000
Decrease/(increase) in debtors	132,723	(244,116)
(Decrease)/increase in creditors	<u>(114,955)</u>	<u>353,880</u>
Net cash inflow from operating activities	<u>528,575</u>	<u>963,051</u>

22 Returns on investments and servicing of finance

	31 August 2015 £	31 August 2014 £
Interest received	<u>587</u>	<u>151</u>
Net cash inflow from returns on investments and servicing of finance	<u>587</u>	<u>151</u>

23 Capital expenditure and financial investment

	31 August 2015 £	31 August 2014 £
Purchase of tangible fixed assets	<u>(250,938)</u>	<u>(34,514)</u>

24 Analysis of changes in net funds

	At 1 September 2014 £	Cash flows £	At 31 August 2015 £
Cash at bank and in hand	<u>400,377</u>	<u>278,224</u>	<u>678,601</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

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 Pension and similar obligations

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

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

Contributions amounting to £7,803(2014 - (7,803)) were payable to the schemes at 31 August 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

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

The key elements of the valuation and subsequent consultation are:

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

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

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

The pension costs paid to TPS in the period amounted to £180,383 (2014: £102,374).

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

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

Local government pension schemes

Emmaus Catholic and Church of England Primary School

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £89,000 (2014 - £6,000), of which employer's contributions totalled £72,000 (2014 - £5,000) and employees' contributions totalled £17,000 (2014 - £1,000). The agreed contribution rates for future years are 12.8 for employers and Variable according to salary for employees. The scheme is managed by South Yorkshire Pension Authority.

Principal actuarial assumptions

	At 31 August 2015 %	At 31 August 2014 %
Rate of increase in salaries	4.05	3.95
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	4.00	4.00
Inflation assumptions (CPI)	2.30	2.20
Commutation of pensions to lump sums	50.00	50.00

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%
Adjustment to discount rate	£
Present value of total obligation	696,000
Projected service cost	61,000
	+ 0.1%
Adjustment to rate of inflation	£
Present value of total obligation	728,000
Projected service cost	66,000
	+ 1 Year
Adjustment to mortality age rating assumption	£
Present value of total obligation	724,000
Projected service cost	65,000

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males retiring today	23.00	22.90
Females retiring today	25.60	25.50
Retiring in 20 years		
Males retiring in 20 years	25.30	25.20
Females retiring in 20 years	28.40	28.30

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

The academy's share of the assets and liabilities in the scheme were:

	At 31 August 2015 £	At 31 August 2014 £
Equities	55,000	4,000
Government bonds	14,000	1,000
Other bonds	6,000	-
Property	11,000	1,000
Cash	2,000	-
Other	7,000	-
	<u>95,000</u>	<u>6,000</u>
Total market value of assets		
	<u>(712,000)</u>	<u>(594,000)</u>
Present value of scheme liabilities - funded		
Deficit in the scheme	<u>(617,000)</u>	<u>(588,000)</u>

The expected rates of return were:

	At 31 August 2015 %	At 31 August 2014 %
Equities	6.50	7.00
Government bonds	2.50	2.90
Other bonds	3.60	3.80
Property	6.10	6.20
Cash	.50	.50
Other	-	7.00

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £2,000 (2014 - £Nil).

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	31 August 2015 £	31 August 2014 £
Current service cost	61,000	4,000
Total operating charge	61,000	4,000

Analysis of pension finance income/(costs)

	31 August 2015 £	31 August 2014 £
Interest on pension liabilities	(24,000)	(1,000)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£57,000) (2014 - (£41,000)).

Movements in the present value of defined benefit obligation

	31 August 2015 £	31 August 2014 £
At 1 September	594,000	547,000
Current service cost	61,000	4,000
Interest cost	24,000	1,000
Employee contributions	17,000	1,000
Actuarial losses	16,000	41,000
At 31 August	712,000	594,000

Movements in the fair value of academy's share of scheme assets

	31 August 2015 £	31 August 2014 £
At 1 September	6,000	-
Employer contributions	72,000	5,000
Employee contributions	17,000	1,000
At 31 August	95,000	6,000

The estimated value of employer contributions for next period is £68,000 (2014 - £58,000).

History of experience adjustments

Amounts for the current and previous period are as follows:

	31 August 2015 £	31 August 2014 £
Present value of scheme liabilities	(712,000)	(594,000)
Fair value of scheme assets	95,000	6,000
Deficit in the scheme	(617,000)	(588,000)

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

Comparative figures have not been restated as permitted by FRS 17.

St John Fisher Primary - a Catholic Voluntary Academy

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £51,000 (2014 - £31,000), of which employer's contributions totalled £38,000 (2014 - £23,000) and employees' contributions totalled £13,000 (2014 - £8,000). The agreed contribution rates for future years are 18.2% per cent for employers and Variable according to salary for employees. The scheme is managed by South Yorkshire Pension Authority.

Principal actuarial assumptions

	At 31 August 2015 %	At 31 August 2014 %
Rate of increase in salaries	3.85	4.15
Rate of increase for pensions in payment/inflation	2.10	2.40
Discount rate for scheme liabilities	3.80	4.50
Inflation assumptions (CPI)	2.10	2.40
RPI increases	2.90	2.90
Commutation of pensions to lump sums	50.00	50.00

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%
Adjustment to discount rate	£
Present value of total obligation	660,000
Projected service cost	55,000
	+ 0.1%
Adjustment to rate of inflation	£
Present value of total obligation	684,000
Projected service cost	58,000
	+ 1 Year
Adjustment to mortality age rating assumption	£
Present value of total obligation	684,000
Projected service cost	57,000

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males retiring today	23.00	22.90
Females retiring today	25.60	25.50
Retiring in 20 years		
Males retiring in 20 years	25.30	25.20
Females retiring in 20 years	28.40	28.30

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

The academy's share of the assets and liabilities in the scheme were:

	At 31 August 2015 £	At 31 August 2014 £
Equities	322,000	294,000
Government bonds	78,000	63,000
Other bonds	32,000	32,000
Property	62,000	52,000
Cash	10,000	9,000
Other	39,000	31,000
	<u>543,000</u>	<u>481,000</u>
Total market value of assets	543,000	481,000
Present value of scheme liabilities - funded	<u>(672,000)</u>	<u>(583,000)</u>
Deficit in the scheme	<u>(129,000)</u>	<u>(102,000)</u>

The expected rates of return were:

	At 31 August 2015 %	At 31 August 2014 %
Equities	6.50	7.00
Government bonds	2.50	2.90
Other bonds	3.60	3.80
Property	6.10	6.20
Cash	.50	.50
Other	<u>6.50</u>	<u>7.00</u>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £14,000 (2014 - £32,000).

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	31 August 2015	31 August 2014
	£	£
Current service cost	56,000	31,000
Total operating charge	<u>56,000</u>	<u>31,000</u>

Analysis of pension finance income/(costs)

	31 August 2015	31 August 2014
	£	£
Expected return on pension scheme assets	29,000	19,000
Interest on pension liabilities	<u>(24,000)</u>	<u>(17,000)</u>
Pension finance income	<u>5,000</u>	<u>2,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£43,000) (2014 - (£29,000)).

Movements in the present value of defined benefit obligation

	31 August 2015	31 August 2014
	£	£
At 1 September	583,000	488,000
Current service cost	56,000	31,000
Interest cost	24,000	17,000
Employee contributions	13,000	8,000
Actuarial losses	-	42,000
Benefits paid	<u>(4,000)</u>	<u>(3,000)</u>
At 31 August	<u>672,000</u>	<u>583,000</u>

Movements in the fair value of academy's share of scheme assets

	31 August 2015	31 August 2014
	£	£
At 1 September	481,000	421,000
Expected return on assets	29,000	19,000
Actuarial (losses)/gains	(14,000)	13,000
Employer contributions	38,000	23,000
Employee contributions	13,000	8,000
Benefits paid	<u>(4,000)</u>	<u>(3,000)</u>
At 31 August	<u>543,000</u>	<u>481,000</u>

The estimated value of employer contributions for next period is £42,000 (2014 - £33,000).

History of experience adjustments

Amounts for the current period are as follows:

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

	31 August 2015	31 August 2014
	£	£
Present value of scheme liabilities	(672,000)	(583,000)
Fair value of scheme assets	<u>543,000</u>	<u>481,000</u>
Deficit in the scheme	<u>(129,000)</u>	<u>(102,000)</u>
	31 August 2015	31 August 2014
	%	%
Experience adjustments arising on scheme assets	(14,000)	13,000
Experience adjustments arising on scheme liabilities	<u>-</u>	<u>-</u>

Comparative figures have not been restated as permitted by FRS 17.

St Joseph's School, A Catholic Voluntary Academy

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £65,000 (2014 - £38,000), of which employer's contributions totalled £55,000 (2014 - £31,000) and employees' contributions totalled £10,000 (2014 - £7,000). The agreed contribution rates for future years are 20.7% per cent for employers and Variable according to salary per cent for employees. The scheme is managed by South Yorkshire Pension Authority.

Principal actuarial assumptions

	At 31 August 2015	At 31 August 2014
	%	%
Rate of increase in salaries	4.05	3.95
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	4.00	4.00
Inflation assumptions (CPI)	2.30	2.20
Commutation of pensions to lump sums	<u>50.00</u>	<u>50.00</u>

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%
Adjustment to discount rate	£
Present value of total obligation	538,000
Projected service cost	<u>50,000</u>
	+ 0.1%
Adjustment to rate of inflation	£
Present value of total obligation	561,000
Projected service cost	<u>53,000</u>
	+ 1 Year
Adjustment to mortality age rating assumption	£
Present value of total obligation	559,000
Projected service cost	<u>52,000</u>

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males retiring today	23.00	22.90
Females retiring today	25.60	25.50
Retiring in 20 years		
Males retiring in 20 years	25.30	25.20
Females retiring in 20 years	<u>28.40</u>	<u>28.30</u>

The academy's share of the assets and liabilities in the scheme were:

	At 31 August 2015 £	At 31 August 2014 £
Equities	95,000	55,000
Government bonds	23,000	12,000
Other bonds	9,000	6,000
Property	18,000	10,000
Cash	3,000	2,000
Other	<u>11,000</u>	<u>6,000</u>
Total market value of assets	159,000	91,000
Present value of scheme liabilities - funded	<u>(550,000)</u>	<u>(459,000)</u>
Deficit in the scheme	<u>(391,000)</u>	<u>(368,000)</u>

The expected rates of return were:

	At 31 August 2015 %	At 31 August 2014 %
Equities	6.50	7.00
Government bonds	2.50	2.90
Other bonds	3.50	3.80
Property	6.10	6.20
Cash	.50	.50
Other	<u>6.50</u>	<u>7.00</u>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £3,000 (2014 - £5,000).

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	31 August 2015	31 August 2014
	£	£
Current service cost	50,000	32,000
Total operating charge	<u>50,000</u>	<u>32,000</u>

Analysis of pension finance income/(costs)

	31 August 2015	31 August 2014
	£	£
Expected return on pension scheme assets	7,000	3,000
Interest on pension liabilities	<u>(20,000)</u>	<u>(13,000)</u>
Pension finance costs	<u>(13,000)</u>	<u>(10,000)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£55,000) (2014 - (£40,000)).

Movements in the present value of defined benefit obligation

	31 August 2015	31 August 2014
	£	£
At 1 September	459,000	365,000
Current service cost	50,000	32,000
Interest cost	20,000	13,000
Employee contributions	10,000	7,000
Actuarial losses	<u>11,000</u>	<u>42,000</u>
At 31 August	<u>550,000</u>	<u>459,000</u>

Movements in the fair value of academy's share of scheme assets

	31 August 2015	31 August 2014
	£	£
At 1 September	91,000	48,000
Expected return on assets	7,000	3,000
Actuarial (losses)/gains	(4,000)	2,000
Employer contributions	55,000	31,000
Employee contributions	<u>10,000</u>	<u>7,000</u>
At 31 August	<u>159,000</u>	<u>91,000</u>

The estimated value of employer contributions for next period is £54,000 (2014 - £51,000).

History of experience adjustments

Amounts for the current period are as follows:

The Hallam Schools' Partnership Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

26 Pension and similar obligations (continued)

	31 August 2015	31 August 2014
	£	£
Present value of scheme liabilities	(550,000)	(459,000)
Fair value of scheme assets	159,000	91,000
Deficit in the scheme	(391,000)	(368,000)
	31 August 2015	31 August 2014
	£	£
Experience adjustments arising on scheme assets	(4,000)	2,000
Experience adjustments arising on scheme liabilities	-	-

Comparative figures have not been restated as permitted by FRS 17.

27 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

During the year the academy made the following related party transactions:

Emmaus Catholic and Church of England Primary School

(Sponsored school)

During the period Hallam Schools' Partnership Academy Trust paid £24,477 (2014 - £5,600) to Emmaus Catholic and Church of England Primary School for Academy sponsorship. At the balance sheet date the amount due to Emmaus Catholic and Church of England Primary School was £Nil (2014 - £Nil).

St John Fisher Primary - a Catholic Voluntary Academy

(Sponsored school)

During the period The Hallam Schools' Partnership Academy Trust paid £10,849 (2014 - £29,026) to St John Fisher Primary - a Catholic Voluntary Academy. At the balance sheet date the amount due to St John Fisher Primary - a Catholic Voluntary Academy was £Nil (2014 - £6,645).

St Joseph's School, A Catholic Voluntary Academy

(Sponsored school)

During the period The Hallam Schools' Partnership Academy Trust paid £20,532 (2014- £25,826) to St Joseph's School, A Catholic Voluntary Academy. At the balance sheet date the amount due to St Joseph's School, A Catholic Voluntary Academy was £6,358 (2014 - £Nil).

The Diocese of Hallam

(Subscriber member)

During the period under review, the Academy had free use of the school premises and land owned by the Diocese of Hallam Trust. The accounts include a notional rent of £129,250 (2014 - £52,750) for the period, which is included in voluntary income and premises costs. At the balance sheet date the amount due to The Diocese of Hallam was £Nil (2014 - £Nil).