SACRED HEART HIGH SCHOOL

HAMMERSMITH

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

for the period ended 31 August 2019

Registered Company No: 07941140

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REFERENCE & ADMINISTRATIVE DETAILS

Members of the Academy Trust

Name of Member	Date of Appointment
Sr. Christine Ann Edwards	1 March 2012
Sr. Lorraine Pratt	1 March 2012
Sr. Margaret Wilson	1 March 2012
Sr. Jane Maltby	1 March 2012
John Sills	3 November 2016

Governors (Trustees) 2018-19

Governor	Current Term of Office	
John Sills	22 Oct 2018 - 22 Oct 2022	Foundation Governor Chair of Governors
Lorraine Lawson*	15 July 2016 – 15 July 2020	Foundation Governor
David Kinchlea*	15 July 2018 – 15 July 2022	Foundation Governor
Janet Hopper	15 July 2016 – 15 July 2020	Foundation Governor
Sean Hayes	15 July 2016 – 15 July 2020	Foundation Governor
Heather Alston	15 July 2018 – 15 July 2022	Foundation Governor
Dr Michael Phelan	15 July 2016 – 15 July 2020	Foundation Governor
Gavin Leonard	1 Sept 2018 – 1 Sept 2022	Foundation Governor
Jackie Brown	15 Oct 2018 -15 Oct 2022	Foundation Governor
Marian Doyle*	n/a	Headteacher Governor
Maggie Lysaght*	16 Jan 2015 - 16 Jan 2019 and then renewed to 17 Jan 2019 -17 Jan 2022	Parent Governor
Kate Farmer	3 March 2018 – 3 March 2022	Parent Governor
Glen Hodgson*	3 March 2018 – 3 March 2022	Parent Governor
Hannah Johnson	18 Jan 2019 – 18 Jan 2023	Staff Governor
Lida Walsh	16 Jan 2015 - 16 Jan 2019	Parent Governor Term ended mid-year
Ann Gregory	20 Nov 2014 – 20 Nov 2018	Staff Governor Term ended mid-year

** = Members of the Staffing, Management & Finance Committee*

Note: Two further parent governors were elected on 8 Nov 2019 for 4 years each – Mr Patrick Sadd and Ms Maureen McCooke.

Company Secretary

Eileen Galvin

Senior Leadership Team 2018-19

Name	Role
Marian Doyle	Headteacher
Sharon O'Donovan	Associate Headteacher
Caitriona Powell	Assistant Headteacher
Philip Hambleton	Assistant Headteacher
Eleisha Maton	Assistant Headteacher
Y Khan / E Galvin	Business Managers

Principal and Registered Office

212 Hammersmith Road, London W6 7DG

Company Registration Number

7941140

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

NatWest, Strand Branch
38 Strand
London
WC2H 5JB

Solicitors

Browne Jacobson
6 Bevis Marks
London
EC3A 7BA

GOVERNORS' REPORT

For year ending 31 August 2019

1 STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 Constitution

Sacred Heart High School Hammersmith is a company limited by guarantee and an exempt charity. The Academy was formed on 8 February 2012. The charitable company's memorandum and articles of association together with the Funding Agreement are the primary governing documents of the Academy Trust.

The Governors act as the trustees for the charitable activities of Sacred Heart High School Hammersmith. They are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sacred Heart High School Hammersmith.

Details of the Governors who served throughout the year except as noted, are included in the table in section 1.2 above.

1.2 Members Liability

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

1.3 Governors' Indemnities

The Governors and employees of the Academy are covered by professional indemnity insurance should they be subject to a civil claim in respect of the performance of their duties.

1.4 Recruitment & Appointment/Election of Governors

The numbers of Governors shall not be less than three. In accordance with the Articles of Association the Academy Trust has 11 Foundation Governors, 1 Staff Governor, 2 Local Community Governors, 5 Parent Governors, Co-opted Governors, and the Headteacher. Further Governors may be appointed subject to the conditions laid down in the Articles of Association. There must always be a majority of Foundation Governors.

Foundation Governors are recruited based on their eligibility, specialist skills and knowledge on the recommendation of the Society of the Sacred Heart. Parent Governors are Parents/Carers of pupils within the School at the time of their election. They are elected by Parents/Carers of pupils by secret ballot and the Staff Governor is elected by staff members, again by secret ballot. Local community Governors are appointed in liaison with the Local Authority or other local groups. The Headteacher is an ex-offico Governor.

The Governors are elected to the various committees at a full Governors' Meeting based on their skills, knowledge, areas of interest and preference. The term of office for each Governor is 4 years.

1.5 Induction and Training of Governors

New Governors are invited to the school prior to their first governing body meeting. They follow an induction programme, which includes an explanation of their role, in respect of the school, the company and the implications of being an exempt Charity. They are invited to meet staff members in order to familiarise themselves with the running of the School. They also receive copies of policies and procedures and other relevant documentation.

All Governors are encouraged to attend professional training courses and to meet and question external advisors.

1.6 Organisational Structure

The organisational structure of the school has two levels:

- The Governing Body including the Headteacher;
- The Senior Leadership Team as listed on page 2.

The aim of the management structure is to distribute leadership and responsibility and encourage involvement in decision making at all levels as well as to ensure good practice in terms of professional development.

The governing body is responsible for the strategy adopted by the school, which is then implemented by the Headteacher and Senior Team

There are four main subcommittees of the Governing Body, which meet, at least termly. There is also a Governors' Admissions Committee, which meets when required, and an independent Admissions Panel to consider appeals.

- **Ethos Committee** – monitor and review implementation of Mission Statement, links with parents and the community, attendance target, safeguarding, draft admission policies.
- **Curriculum Committee** - ensure that National Curriculum is taught to all pupils, ensures that Religious Education is delivered in accordance with the Trust Deed for the School and Diocesan policy. Set targets for achievement of pupils and monitor progress and results.
- **Staffing, Management and Finance Committee** - plan, prepare and monitor the school budget and finance. Ensure the budget reflects the Academy's prioritised educational objectives. Monitor, evaluate and review the Performance Management Policy. Review the Headteacher's Performance and pay. Review the staffing structure on a yearly basis through the budget.
    - **Pay Sub-Committee** to determine appropriate pay ranges for all individual staff; ensure pay decisions are fair and equitable and link with the school's performance management policy; ensure accurate and up to date person spec and job descriptions are maintained.
- **Premises & Health and Safety Committee** – manage, review and update the School's Health & Safety Policy, consider and determine needs for capital projects, in line with the School's objectives and assessment management priorities. Ensure best value in awarding of contracts and works.

Additional ad hoc committees are set up as required.

Ofsted, September 2017

Governance is strong; governors are highly active in their support of the school.

The Senior Leadership Team run the Academy at an executive level and implement the policies and decisions of the Governors through agreed Scheme of Delegation. The Senior Leadership Team (as listed on page 2) control and authorise the spending of budgets. Curriculum budgets are devolved to Heads of Departments. The Headteacher and the Business Manager meet regularly to monitor and review the current cash flow and budget requirements.

Ofsted, September 2017

'Sacred Heart High School is an exceptional school led by an outstanding Headteacher. The Headteacher, together with her senior team, works tirelessly to promote the principle of academic excellence on which the school was founded.'

'Senior leaders constantly reflect on how they can do even more to support their pupils'.

'Leaders actively promote equality of opportunity. Pupils are encouraged to discuss other faiths and cultures. They develop a keen sense of respect and tolerance for others.'

'Leaders' use of funding to support pupils who have special educational needs and/or disabilities has significant impact.'

'The school uses the pupil premium funding very effectively.'

1.7 Pay and Remuneration of Key Management Personnel

The key management personnel are defined as the Governing Body and the Senior Staff at the school. Trustees (Governors) are not paid for their work as trustees, although two governors are employed at the school.

The arrangements for the setting of their pay are set out below.

Pay Review for Headteacher

On appointment of the Headteacher, the Governing Body will assign a seven-point Individual School Range (ISR), normally based on the school group size, as determined by the School Teachers' Review Body. Exceptionally, the Governing Body may offer a higher ISR to reflect market conditions or experience of a candidate. There will be no overlap of ISR between that of the Head teacher and leadership posts. The Head teacher will be appointed on one of the first 4 points on the ISR.

Progression on the ISR will be subject to an annual appraisal of performance, drawing upon the school priorities and conducted by the Salaries Committee, who will determine the ISR and award one increment for sustained high quality performance or two where it has been exceptional. The pay review will be completed by 31st December.

Additional payments may be considered if:

- the school is causing concern;
- there would be substantial difficulty filling a vacant post or retaining a head teacher;
- the Head teacher has undertaken significant continuing professional development outside the school day or activities relating to the provision of teacher training;
- the Headteacher has assumed additional responsibilities related to the raising of standards in other schools.

Pay Review for Other Leadership Posts

On appointment, the Governing Body will determine a 5-point ISR from within the Leadership Scale in the national pay-scales with no overlap between the Headteacher and other posts and beginning on one of the first 3 points. The range will be determined according to responsibilities and experience and may vary.

Progression will be subject to an annual appraisal of performance conducted by the Headteacher or a more senior member of the team and reported to the Staffing, Management and Finance Committee, which may award one increment for sustained high quality

performance or two where it has been exceptional, completed by 31st October or during the year if there is a significant increase in responsibilities, or it is necessary to consider a retention payment.

1.8 Connected Organisations, included Related Party Relationships

The Society of the Sacred Heart owns the land on which the School is situated. The Society of the Sacred Heart is an international religious congregation of women, founded in Paris in 1800 for the work of education. Sacred Heart High School Hammersmith is a member of the international network of Sacred Heart Schools and Colleges. There is an international meeting of the heads of Sacred Heart Schools every four years, a European meeting every two years, and a national meeting annually. In England each of the Sacred Heart Schools liaises with the Sacred Heart co-ordinator to ensure that the vision of Sacred Heart education is maintained.

The Sacred Heart Parent Teacher and Friends Association is an association set up by Parents to raise funds for the work of the School.

2 OBJECTIVES AND ACTIVITIES

2.1 Objects and Aims

The Academy Trust's object is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing, a Catholic school, which shall offer a broad and balanced curriculum.

The school was founded by the Society of Sacred Heart and is part of the educational mission of the Catholic Church. The school is to be conducted as a Catholic School in accordance with the teachings and disciplines of the Roman Catholic Church, and in accordance with the characteristics of Sacred Heart education and the Trust Deed of the Society of the Sacred Heart, and, in particular:

a) religious education is to be in accordance with the teachings, doctrines, discipline and general and particular normalities of the Catholic Church;

b) religious worship is to be in accordance with the rites, practices, discipline and liturgical normalities of the Catholic Church;

and

c) at all times the School is to serve as a witness to the Catholic faith in Our Lord Jesus Christ.

Through all aspects of its work, the School responds to the call to help each person become more fully human and thus to come closer to God in the setting of a Catholic community of faith and learning. The School is conscious, within this call, of the need to emphasise the role and dignity of women within the Church, society and the world and to help girls develop a critical understanding of their potential so that they can make their contribution in society with dignity and faith. The School is part of an international network of Sacred Heart schools and colleges, which provides opportunities for collaborative work internationally.

2.2 Key Priorities

These are taken from Sacred Heart's School Improvement Plan 2018-19

CATHOLIC LIFE OF THE SCHOOL

Continued affirmation of our Sacred Heart ethos, philosophy and traditions, excellent opportunities for pupil and staff faith formation, participation in liturgical and sacramental celebrations and action in service for social justice

LEADERSHIP AND MANAGEMENT
To ensure robust and rigorous leadership at all levels to secure continuous improvement, high expectations and outstanding achievement for all.

TEACHING, LEARNING & ASSESSMENT
A clearly articulated rigorous curriculum aligned with national standards, 21st century skills and Gospel values, supported by highly effective teaching, and informed by well researched pedagogical approaches to strengthen learning and assessment

PERSONAL DEVELOPMENT, BEHAVIOUR & WELLBEING
The creation, implementation and evaluation of highly effective policies and practices which ensure the flourishing of pupils' personal development, mental health and emotional wellbeing.

ACHIEVEMENT & STANDARDS
Highly sophisticated, robust and rigorous systems in place for target setting, tracking and monitoring pupil data leading to exceptional progress for all.

TEACHING SCHOOL
Strengthen and develop support for partner schools in the areas of initial teacher training, professional development, research & development and school-to-school support, with an aim to improve standards of learning, teaching and school leadership and to improve outcomes for pupils.

2.3 Public Benefit

The primary purpose of Sacred Heart High School Hammersmith is the advancement of education of its pupils who come from a range of backgrounds. Inextricably linked with this purpose is the aim of contributing to the public good. With this in mind, and in setting the School's objectives and planning its activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

In particular, through the various links with other schools and groups, through the outreach and leadership work done as part of the Teaching School, charity work and pupil services, the School aims to contribute considerable benefit to the local community. More than that, by developing articulate and critical learners who are confident they can make a difference in society, in justice and faith, the Academy contributes to the long term building up and support of the wider community.

The School celebrates the ethnic and cultural diversity of its pupils and families (Black History week, International events, PSE, Liturgies, Family Day) as a source of richness. Initiatives such as parent induction sessions and meetings to promote school/home partnership before pupils join the School, parental information evenings, PTFA activities, and liturgies contribute to building a community with shared values.

Pupils are engaged with local charities and parishes; they also participate in Youth Parliament and Duke of Edinburgh activities.

The School also values and uses its international identity as a Sacred Heart school, with links to schools and colleges across the world and in very different circumstances, such as Uganda, South America, Taiwan and Mexico.

Within the curriculum, the School ensures that pupils appreciate other faith traditions and that pupils are critically involved in learning about debating justice, and geopolitical issues. Joined up PSHE lessons for pupils in different year groups provide opportunities for pupils of different ages, years, and form and ability groups to work together and are planned and led by pupils. Through video conferencing and school activities, we have been able to broaden pupils' contact, awareness and experience of particular issues, groups and schools.

Ofsted, September 2017

'Senior leaders have established a caring environment where pupils from all backgrounds excel.'

'Teachers have developed a culture of openness and tolerance. The incidence of bullying and prejudice incidents are exceptionally low.'

3 ACHIEVEMENTS AND STANDARDS

3.1 GCSE Headline figures

Based on is based first entry result, (not including discounted pupils)	**No. of pupils**	**%**
Pupils in Year 11 achieving 9-4 in English	159	97.5
Pupils in Year 11 achieving 9-5 in English	154	94.5
Pupils in Year 11 achieving 9-4 in mathematics	144	88.3
Pupils in Year 11 achieving 9-5 in mathematics	130	79.8
Pupils in Year 11 achieving 9-4 in English and mathematics	144	88.3
Pupils in Year 11 achieving 9-5 in English and mathematics	130	79.8
Pupils achieving the English Baccalaureate (based on grade 4 'standard passes')	122	74.8
Pupils achieving the English Baccalaureate (based on grade 5 'standard passes')	105	64.4

Attainment 8 score	64.95
Indicative Progress 8 score (after adjustment for extreme pupil scores)	1.03
Progress 8 score for English element	1.14
Progress 8 score for maths element	0.59

The results for this year have demonstrated exceptional progress for the large majority of pupils. **52% percent of all grades were awarded 7-9 in comparison to 21.9% nationally.**

Headteacher and senior leaders ensure the highest standards of academic excellence through excellent teaching and well researched interventions to maximise learning.

GCSE Performance Measures	**2017**	**2018**	**2019**
Students achieving Ebacc grades 9-4	77%	80%	75%
Students entered who achieved Ebacc	86%	94%	90%

Ofsted 2017, September 2017

'Leaders set exceptionally high targets for themselves and their pupils. They promote an ethos that 'postcode and background must not limit pupils' outcomes'. This ethos is realised in the very good progress made by disadvantaged pupils.'

'Disadvantaged pupils and pupils who have special educational needs and/or disabilities make progress, which is much greater than pupils with the same starting points nationally.'

'The pupil premium and Year 7 catch-up funding is used very effectively. The impact of this funding is seen in the excellent outcomes achieved by disadvantaged pupils.'

3.2 A-level Results

	2016 %	2017 %	2018 %	2019 %	National Average 2019	Diff. from National Average in 2018 (% points)
A*	5.1	11.8	10.3	**8.1**	7.8	+ 0.3
A*-A	23.9	34.5	33.0	**29.5**	25.5	+ 4.0
A*-B	59.8	63.9	58.2	**57.8**	51.6	+ 6.2
A*-E	100.0	100.0	99.0	**99.4**	97.6	+ 1.8

Ofsted 2017, September 2017

'Leaders in the sixth form are extremely effective. They have high expectations for their students. They know their students very well as individuals. They set demanding targets for the students and carry out regular reviews of their progress against these targets. Outcomes for students are improving year on year.'

4 FINANCIAL REVIEW

4.1 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.

4.2 Key Financial Performance Indicators

The Key Financial Indicators used by the Governors to assess Performance of the School area:

- Pupil outcomes
- Staff : pupil ratio
- Quality of teaching and learning
- Funding level received per pupil
- Outcomes of departmental reviews

- Student and parent satisfaction
- Producing a balanced budget which meets the Academy needs with an adequate reserve
- Level of success of the school in accessing other funding opportunities, including capital grants

4.3 Overview

Most of the School's income is obtained from the Department for Education (DfE), principally in the form of a recurrent annual grant, the use of which is restricted to cover the normal running costs of the School. The grants received from the DfE during the period ended 31 August 2019 totalled £6,386,068 (2018: £6,103,898) and the associated expenditure totalled £6,295,581 (2018: £6,416,026) (excluding transfers). These are shown as restricted funds in the Statement of Financial Activities.

The fixed asset fund includes assets acquired on conversion and restricted asset grants provided by the DfE and local authority. Total income is £76,996 (2018: £151,549). The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned plus improvements to the buildings owned by the Society of Sacred Heart; expenditure of £248,407 (2018: £58,798) has been made in the current year. The balance of the fund at the period end totalled £652,526 (2018: £805,294) (including transfers), which is in line with the net book value of assets held on the balance sheet (plus Condition Improvement Fund amounts in 2018).

During the year ending 31 August 2019, total income of £7,268,262 (2018: £6,884,903) (excluding restricted fixed asset funds) was lower than expenditure of £6,972,949 (2018: £6,975,733) (excluding fixed asset costs) by £295,313 surplus (2018: £90,830 deficit).

The Academy took on pension liabilities relating to staff members transferred from its predecessor school that were part of the Local Government Defined Benefits pension scheme. As at 31 August 2019, the scheme's liabilities exceeded its assets by £1,791,000 (2018: £1,261,000). Where the amount of pension scheme assets being held is less than the liability value, the implication is that we will eventually need to make good this deficit. It is therefore treated as a provision in our financial statements, although this does not need to be paid immediately, nor does it affect the current cash contributions paid by us as an employer to the local government pension scheme.

4.4 Financial and Risk Management Objectives and Policies

Sacred Heart High School Hammersmith is subject to various risks as is common with other Academies. Structures and procedures are in place to identify and mitigate financial risks as discussed throughout this report. The Local Government Pension Scheme is currently in deficit, but at present there are no plans to change the agreed contribution rates or any current cash flow risk.

4.5 Principal Risks and Uncertainties

The Governors keep under review the strategic risks facing the School and the programmes that help to manage or mitigate the risk.

September 2019 saw an increase in Sixth Form recruitment for the first time in a couple of years. This was welcome news to the Governing Body following a challenging period but the Sixth Form remains a risk. The market is volatile and the hope is that more year 11 students stay on to Sixth Form when capacity at year 11 is reached next year. In addition, the introduction of a new BTEC Science course should attract more students in the future as it provides different pathways to Higher Education.

The grade II* listed buildings continue to be a challenge and require significant resources to be maintained, improved and be fit for purpose. This ongoing risk is regularly reviewed through the Premises committee.

4.6 Risk Management

The Governors have assessed the major risks to which the Academy is exposed, and have taken steps to reduce and manage these risks. Risks are managed and reduced through the workings of the Governing Body, Sub Committees, Senior Leadership Team and Staff. Governors' committees monitor, direct and evaluate curriculum and performance results; ethos; premises management; health and safety; and financial controls and procedures within the School.

Due to the volatility in student numbers and increased competition at Sixth form, recruitment remains challenging.

The National Fairer Funding formula continues to impact inner city schools across the country as funding is being levelled up. The LA's Schools' Forum influence the grant funding allocation currently but this will come to an end over the next couple of years.

4.7 Reserves Policy

As part of procedures in place within the School, the reserves levels are consistently monitored as part of the budget monitoring process, both at Governor level through the Finance committee and the Headteacher and Business Manager.

The Governors have decided to maintain reserve levels which are sufficient to maintain the needs of the Academy and to encompass variations within the Academy budget. At 31 August 2019 the Academy held free reserves of £3,441,790 (2018: £3,096,607). The School also holds a restricted GAG fund balance of £90,487 (2018: £nil), the purposes of which is for the objects of the Academy Trust.

The School holds a further £652,526 (2018: £805,294) in restricted asset funds tied up in the fixed assets of the Trust

The Governors have set aside the majority of these reserves as follows:

Capital Works	**2019/20**
Chapel	-£100,000
Bute Hall	-£500,000
Old Gym	-£1,000,000
DT	-£550,000
Boilers	-£350,000
Windows	-£200,000
IT	-£100,000
Refurb - Décor	-£200,000
	-3,000,000

4.8 Investment Policy

Sacred Heart High School Hammersmith's investment policy is based on a low risk short term bank deposit accounts.

4.9 Areas for Development

The school's vision remains unchanged as we move forward into 2019-20:

Teaching, Challenging, Transforming at the Heart of our School

As a school we commit to reaching new frontiers:

- Creating a culture of pupil - centred excellence which supports risk taking, respectful discourse and challenge to injustice;
- Seeking to provide a world class education for all pupils irrespective of their starting points;
- Educating all pupils through access to high quality creative learning experiences which stimulate and engage all to achieve highly;
- Embracing and using innovative technology to digitally transform and support highly effective learning for pupils and communication with stakeholders.

As a school we commit to living in a more human way:

- Placing at the core of all endeavours the uniqueness of the human person becoming fully alive;
- Responding to the needs of all: pupils, staff, parents, carers, other stakeholders and the wider community;
- Defending justice, peace and the integrity of creation, actively responding to those in need of our help, locally, nationally and globally by encouraging faithful stewardship of all our resources, cultivating high quality, inspirational learning environments.

As a school we commit to silencing ourselves:

- Making time and space to nurture a way of being, intrinsically centred on Christ and Gospel values;
- Deepening our encounter with God, enabling reflection, review and evaluation of our work as a Catholic school.

As a school we commit to being and acting as one single body:

- Embracing our Sacred Heart philosophy, ethos and traditions, enshrined in our mission statement;
- Valuing the importance of collaboration and engage in the sharing of knowledge and expertise;
- Empowering of our leaders, teachers and support staff so that all respond positively to our ethos and culture and are accountable for what they do;
- Transforming approaches to professional development to grow and nurture excellence in our staff.

Areas for development are identified as follows

Catholic Life of the School

- Developing the prayer, sacramental and liturgical life of the school
- Development of understanding Catholic Social Teaching and call to service
- Developing the philosophy and ethos of Sacred Heart education and links with the Sacred Heart Network
- Develop further links with parishes and parents

- Enhancing Chaplaincy provision 16 – 19

Leadership & Management

- Agree and develop a model and process to take forward the mission and vision for the school 2018 – 2021
- Develop a world class creative and innovative curriculum that engages all pupils leading to a thirst for learning and excellent outcomes
- Establish an individual and personalised model of professional learning that empowers all staff to take responsibility for their own professional growth and development as a Sacred heart Educator
- Strengthen and build on current work with networks beyond the school to advance excellence in all aspects of school life and become an outward facing school.
- To ensure a feasible three-year financial plan that includes both current and projected budgets and is the result of a collaborative process, emphasising faithful stewardship.
- Continued growth and development of the Governing Body informing and reviewing the strategic development of the school

Teaching, Learning and Assessment

- Strengthen highly effective, creative and innovative approaches to teaching and learning which engage and inspire all pupils enabling them to achieve their potential
- Implement approaches to High Performance Learning
- To strengthen whole school approaches to assessment

Personal Development, Behaviour & Well-Being

- To renew policy, practice and systems
- To renew and refine PSHE programme of study that supports the personal development of our students.
- To strengthen engagement of parents in the personal development and welfare of their daughters
- To continue to provide opportunities for students to enrich their learning
- To further strengthen leadership opportunities for all pupils
- To create, monitor and evaluate a Careers Curriculum centred on the eight Gatsby benchmarks
- To ensure a coherent whole school systemic approach to the provision of Mental Health and Emotional Wellbeing for all pupils and staff

Achievement & Standards

- To maintain highly effective systems and processes to secure excellent achievement and outcomes for all.

Ofsted 2017, September 2017

'Governors are aware of the strengths of the school and the areas for development.'

Fundraising disclosure

- Sacred Heart High School has not made any fundraising appeals to the general public during the year, and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties and as a result the school is not registered with the fundraising regulator and received no fundraising complaints in the year.

Trade Union Facility Time

- Sacred Heart High School had no employees who were relevant trade union officials during the year, and therefore incurred no costs in relation to paid facility time.

5 DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governor has taken all steps that they ought to have taken as a Governor in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

6 AUDITORS

The auditors, Haysmacintyre LLP have indicated their willingness to continue in office. The Designated Governors will propose a motion re-appointing the auditors at a meeting of the Governors.

Approved by order of the Governing Body as the company directors, on 2 December 2019 and signed on its behalf by:

John Sills
Chair of Governors

GOVERNANCE STATEMENT

For the period ending 31 August 2019

1 SCOPE OF RESPONSIBILITY

The Governors acknowledge overall responsibility for ensuring that Sacred Heart High School Hammersmith 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 the Headteacher as Accounting Officer, for ensuring that 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 Sacred Heart High School Hammersmith 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.

2 GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The full Governing Body met formally three times between 1 September 2016 and 31 August 2017. Attendance during the period was as follows:

Full Governor Meetings Attended 2018-19

Name	Full Governors' Meetings attended
Marian Doyle	3 of 3
John Sills, Chair	3 of 3
Lorraine Lawson, Vice Chair	2 of 3
Jacqui McShannon	0 of 0
Heather Alston	3 of 3
Sean Hayes	2 of 3
Dr Michael Phelan	1 of 3
David Kinchlea	3 of 3
Cllr Mike Cartwright	0 of 1
Maggie Lysaght	3 of 3
Lida Walsh	2 of 2
Gavin Leonard	3 of 3
Ann Gregory	1 of 3
Janet Hopper	2 of 3
Kate Farmer	1 of 3
Glen Hodgson	3 of 3
Jackie Brown	3 of 3

Ofsted 2017, September 2017

'Governors have undertaken a skills audit and a review by an external consultant.

Governance is now a real strength of the school.

Governors are aware of the strengths of the school and the areas for development.

Governors work closely with different areas across the school, including a highly effective safeguarding governor.

Governors support and challenge school leaders. They contributed fully to the development of the new teaching and learning policy'

2.1 Staffing, Management and Finance Committee

The Staffing, Management and Finance Committee is a sub-committee of the Governing body. The scope of this committee includes:

Finance

- Plan, and prepare the budget, in line with the School Development Plan (SDP), School Improvement Plan or Post Ofsted Action Plan, and present to the Governors for approval.
- Ensure the budget reflects the School's prioritised educational objectives.
- Monitor the budget and ensure expenditure stays within agreed limits, reporting significant potential variances to the Governors Body.
- Consider and contribute to the SDP.
- Identify and approve the allocation of surplus funds in line with SDP and priorities.
- Recommend whether to delegate the Governors' responsibility to spend the delegated budget and any grants, including Standards Fund grants to the Headteacher, and if so, to decide the amount to be delegated.
- To monitor compliance with approved financial procedure and consider action required as a result of internal/external audit reports.
- Monitor the implementation of the Charging Policy and remissions for school activities and review if necessary.
- To authorise expenditure, in line with the School's financial policy which is based on the Academies Financial Handbook within the agreed budget plan.

Performance Management and Pay Assessment

- Observe all statutory and contractual obligations.
- Monitor, evaluate and review the Performance Management Policy for teaching staff, including (see below).
- Review the Headteacher's Performance – two or three Governors, who are not employed at the School, are to be appointed by the Governors from amongst the committee, to carry out the review.
- Draft and recommend, and implement the Whole School Pay Policy for teachers and support staff, including reviewing the salaries and any discretionary allowances of the Headteacher, Deputy Headteacher and other staff in line with the performance reviews and the Whole School Pay Policy.

- Review the operation of the Performance Management Policy and Whole School Pay Policy and advise the Governors accordingly.

Staffing

- Draft and recommend the staffing structure of the school, in line with the School Improvement Plan.
- Undertake the recruitment and selection of the Headteacher and Deputy Headteacher.
- Ensure that every member of staff has a job description which is kept under regular periodic review.
- Implement the Disciplinary and Grievance Policy and Procedures adopted by the Governors.
- Monitor and review relevant aspects of the School Equality Plan.
- Oversee and advise on the continuing professional development of the school management and staff, in line with the educational priorities of the School and the recommendations made by the performance reviewers.
- Monitor and review training school activities.
- Draft and recommend relevant aspects of the School Improvement Plan (SIP) to the Governors.
- Take primary responsibility for matters concerning staff welfare.

Attendance at Staffing, Management & Finance Committee meetings 2017-18:

NAME	Staffing, Management & Finance Committee meetings attended
Marian Doyle	3 of 3
Lorraine Lawson, Vice Chair	2 of 3
David Kinchlea	3 of 3
Maggie Lysaght	3 of 3
Glen Hodgson	3 of 3

2.2 Review of Value for Money

The school seeks best value in all areas of procurement that is supported by a tendering policy and financial regulations to ensure that suppliers are reviewed and competitive quotes are assessed to achieve value for money. However, with large tenders the school looks to achieve value for money by joining a group of schools either through the Business Manager's network or the Local Authority (LA). This is not always possible particularly if the requirement is unique to the school. The Chapel has been in much need of refurbishment but as a historic building with grade II* listing any work would need to be managed accordingly. It was clear that the project would need to be phased particularly for funding and meeting planning permission requirements. The masonry and marble had probably not been touched since John Bentley designed the chapel in the 1800s. In order to identify the specialists for the job and seek value for money the school approached the Diocese of Westminster who helped identify approved suppliers who specialised in the restoration of historic buildings. This ensured that value for money was achieved and the quality of work was to a very high standard. The results from the first phase completed over the summer were stunning.

Following the end of the Tri-borough arrangement in April 2018 the LA informed the school that the current payroll provider had been given notice. This meant that the few schools left with the LA payroll provider were forced to change with the LA no longer being an option. A number of payroll providers were contacted with the final two being considered by the governing body who ensured that value for money was a high priority in making their choice. The new provider (another Local Authority) were slightly cheaper than the previous supplier and provided a high quality service during the transition. The contract is up to 3 years with a review scheduled at the end of year one.

2.3 The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sacred Heart High School Hammersmith for the period ended 31 August 2019 and up to the date of approval of the annual report and financial statements

2.4 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

2.5 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 Staffing, Management and Finance 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 Governors appointed David Clarke as Responsible Officer (RO) in this reporting year.

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

The checks carried out by the RO in the current period included:

- Payroll records and reports
- Bank and other reconciliations
- Banking procedures
- Petty cash
- Supplier scrutiny –invoicing and cheques
- Review of the recommendations of the external auditors

2.6 Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control.

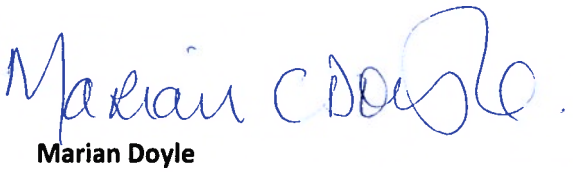
During the year in question the review has been informed by:

- the work of the 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 Staffing, Management and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 2 December 2019 and signed on its behalf by:

John Sills
Chair of Governors



Marian Doyle
Accounting Officer and Headteacher

GOVERNANCE STATEMENT ON REGULARITY, PROPRIETY & COMPLIANCE

For year ending 31 August 2019

As Accounting Officer of Sacred Heart High School Hammersmith 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 ESFA terms and conditions of funding, under the Funding Agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Marian Doyle
Accounting Officer

2 December 2019

STATEMENT OF GOVERNORS' RESPONSIBILITIES

For year ending 31 August 2019

The Governors (who act as trustees for charitable activities of Sacred Heart High School Hammersmith Limited and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency (ESFA), United Kingdom Accounting Standards (United Kingdome Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the 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 Governors are responsible for ensuring that in its conduct and operation, the Charitable Company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA have been applied for the purposes intended.

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

Approved by order of the members of the Governing Body on 2 December 2019 and signed on its behalf by:

John Sills
Chair of Governors

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SACRED HEART HIGH SCHOOL HAMMERSMITH

Opinion

We have audited the financial statements of Sacred Heart High School Hammersmith (the 'academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities, the Governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SACRED HEART HIGH SCHOOL HAMMERSMITH

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Thomas Wilson (Senior Statutory Auditor)

for and on behalf of

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG
2 December 2019

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SACRED HEART HIGH SCHOOL HAMMERSMITH AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sacred Heart High School Hammersmith during the year 1 September 2018 to 31 August 2019 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 Sacred Heart High School Hammersmith and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sacred Heart High School Hammersmith and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sacred Heart High School Hammersmith and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Sacred Heart High School Hammersmith's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Sacred Heart High School Hammersmith's funding agreement with the Secretary of State for Education dated 1 March 2012, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SACRED HEART HIGH SCHOOL HAMMERSMITH AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the Academy.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of expense claims.
- Review of minutes, bank certificates and related party declarations provided by Governors and senior management.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haysmacintyre LLP

Haysmacintyre LLP

Reporting accountant

10 Queen Street Place
London
EC4R 1AG

Date: 2/12/19

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants	2	105,361	-	76,996	182,357	219,094
Charitable activities:	5					
Teaching School		-	150,428	-	150,428	96,325
Funding for the academy trust's educational operations		382,884	6,596,941	-	6,979,825	6,688,893
Other trading activities	3	24,245	-	-	24,245	28,445
Investments	4	8,403	-	-	8,403	3,695
TOTAL INCOME		520,893	6,747,369	76,996	7,345,258	7,036,452
EXPENDITURE ON:						
Charitable activities:						
Teaching School		-	150,428	-	150,428	96,325
Academy trust educational operations		157,067	6,665,454	248,407	7,070,928	6,938,206
TOTAL EXPENDITURE	6	157,067	6,815,882	248,407	7,221,356	7,034,531
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		363,826	(68,513)	(171,411)	123,902	1,921
Transfers between Funds	15	(18,643)	-	18,643	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		345,183	(68,513)	(152,768)	123,902	1,921
Actuarial gains/(losses) on defined benefit pension schemes	19	-	(371,000)	-	(371,000)	398,000
NET MOVEMENT IN FUNDS		345,183	(439,513)	(152,768)	(247,098)	399,921
RECONCILIATION OF FUNDS:						
Total funds brought forward		3,096,607	(1,261,000)	805,294	2,640,901	2,240,980
TOTAL FUNDS CARRIED FORWARD		3,441,790	(1,700,513)	652,526	2,393,803	2,640,901

The notes on pages 30 to 50 form part of these financial statements.

SACRED HEART HIGH SCHOOL HAMMERSMITH
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07941140

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Tangible assets	12		652,526		675,936
CURRENT ASSETS					
Debtors	13	240,538		230,947	
Cash at bank and in hand		3,863,270		3,482,744	
		4,103,808		3,713,691	
CREDITORS: amounts falling due within one year	14	(571,531)		(487,726)	
NET CURRENT ASSETS			3,532,277		3,225,965
TOTAL ASSETS LESS CURRENT LIABILITIES			4,184,803		3,901,901
Defined benefit pension scheme liability	19		(1,791,000)		(1,261,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			2,393,803		2,640,901
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted income funds	15	90,487		-	
Restricted fixed asset funds	15	652,526		805,294	
Restricted fixed asset funds		743,013		805,294	
Pension reserve		(1,791,000)		(1,261,000)	
Total restricted funds			(1,047,987)		(455,706)
Unrestricted income funds	15		3,441,790		3,096,607
TOTAL FUNDS			2,393,803		2,640,901

The financial statements on pages 27 to 50 were approved by the Governors, and authorised for issue, on 2 December 2019 and are signed on their behalf, by:

John Sills
Chair of Trustees

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	17	313,770	106,694
Cash flows from investing activities:			
Interest received		8,403	3,695
Purchase of tangible fixed assets		(18,643)	-
Capital grants from DfE Group		76,996	22,191
Capital funding received from sponsors and others		-	129,358
Net cash provided by investing activities		66,756	155,244
Change in cash and cash equivalents in the year		380,526	261,938
Cash and cash equivalents brought forward		3,482,744	3,220,806
Cash and cash equivalents carried forward	18	3,863,270	3,482,744

The notes on pages 30 to 50 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Sacred Heart High School Hammersmith constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

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

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

The school has taken the decision not to incorporate the gift in kind associated with the ongoing use of the land and buildings of the school. The governors believe is that it is not possible to obtain an accurate measure of the current market value of any associated rental and therefore have decided to omit this from the financial statements.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £6,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities. and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years straight line
Furniture and fixtures	-	5- 10 years straight line
Computer equipment	-	3 years straight line

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. .

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

1.7 Taxation

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

1. ACCOUNTING POLICIES (continued)

1.8 Debtors

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

1.9 Cash at Bank and in hand

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

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1. ACCOUNTING POLICIES (continued)

1.11 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The School has taken the decision to not recognise its land and buildings on its balance sheet on the basis that the ownerships resides with an external charity.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	105,361	-	-	105,361	67,545
Capital Grants	-	-	76,996	76,996	151,549
	105,361	-	76,996	182,357	219,094
Total 2018	67,545	-	151,549	219,094	

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Rental income	24,245	-	24,245	28,445
Total 2018	28,445	-	28,445	

4. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Short term deposits	8,403	-	8,403	3,695
Total 2018	-	3,695	3,695	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Funding for Academy's education operations	382,884	6,596,941	6,979,825	6,688,893
Teaching school	-	150,428	150,428	96,325
	382,884	6,747,369	7,130,253	6,785,218
Total 2018	419,638	6,365,580	6,785,218	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
General Annual Grant (GAG)	-	6,551,977	6,551,977	6,247,362
	-	6,551,977	6,551,977	6,247,362
Local authority grants	-	44,964	44,964	21,893
	-	44,964	44,964	21,893
Other educational income	382,884	-	382,884	419,638
	382,884	-	382,884	419,638
	382,884	6,596,941	6,979,825	6,688,893
Total 2018	419,638	6,269,255	6,688,893	

6. EXPENDITURE

	Staff costs 2019 £	Premises 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Academy Trust's educational operations					
Direct costs	4,400,722	-	979,233	5,379,955	5,182,068
Support costs	709,324	654,469	436,302	1,800,095	1,838,148
Governance costs	-	-	41,306	41,306	14,315
	5,110,046	654,469	1,456,841	7,221,356	7,034,531
Total 2018	5,298,710	527,460	1,208,361	7,034,531	

7. CHARITABLE ACTIVITIES

	Total funds 2019 £	Total funds 2018 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	3,588,697	3,632,297
National insurance	358,452	361,438
Pension cost	453,574	439,271
Depreciation	27,662	44,406
Educational supplies	824,572	570,275
Examination fees	102,392	86,546
Staff development	24,606	47,835
	5,379,955	5,182,068
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	362,394	488,923
National insurance	51,929	66,781
Pension cost	295,000	310,000
Pension finance cost	32,000	37,000
Depreciation	14,392	14,392
Recruitment and support	19,980	19,980
Maintenance of premises and equipment	328,493	254,544
Cleaning	174,134	180,782
Rent and rates	37,028	(17,575)
Insurance	21,080	24,971
Utilities	114,814	109,709
Catering	59,212	59,701
Health and Safety	21,555	19,020
Professional fees - non governance	120,417	123,255
Other support costs	140,052	143,078
Technology costs	7,615	3,587
	1,800,095	1,838,148
	7,180,050	7,020,216
OTHER ACTIVITIES		
Governance costs	41,306	14,315
	7,221,356	7,034,531

8. NET INCOME/ (EXPENDITURE)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	42,053	58,798
Auditors' remuneration - audit (excluding VAT)	11,500	10,850
Auditors' remuneration - other services (excluding VAT)	4,800	4,000

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	3,740,523	3,865,802
Social security costs	410,381	428,219
Operating costs of defined benefit pension schemes	748,574	749,271
	4,899,478	5,043,292
Agency staff costs	204,655	166,781
Staff restructuring costs	5,913	88,637
	5,110,046	5,298,710

Staff restructuring costs comprise:

Redundancy payments	5,913	70,531
PILON payments	-	18,106
	5,913	88,637

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	67	74
Support Staff	33	27
	100	101

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	7	9
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	1
In the band £110,000 - £120,000	0	1
In the band £120,000 - £130,000	1	0

9. STAFF COSTS (continued)

8 (2018: 11) out of the above 9 (2018: 12) employees participated in a pension scheme. During the year to 31 August 2019, contributions totalling £121,256 (2018: £149,166) were made on behalf of these employees. Of the above employees, 6 (2018: 8) participated in the Teachers' Pension Scheme, contributions for these staff amounted to £88,242 (2018: 101,648). The other 2 (2018: 3) employees participated in the Local Government Pension Scheme, pension contributions amounted to £33,014 (2018: £47,517).

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £717,414 (2018: £899,062).

10. GOVERNORS' REMUNERATION AND EXPENSES

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

		2019 £	2018 £
M Doyle	Remuneration	120,000-125,000	110,000-115,000
	Pension contributions paid	15,000-20,000	15,000-20,000
E Gregory	Remuneration	5,000-10,000	25,000-30,000
	Pension contributions paid	0-5,000	0-5,000
H Johnson	Remuneration	30,000-35,000	
	Pension contributions paid	0-5,000	

During the year ended 31 August 2019, expenses totalling £200 (2018 - £199) were reimbursed to 1 Governor (2018 - 1).

11. GOVERNORS' AND OFFICERS' INSURANCE

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

12. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and fixtures £	Computer equipment £	Total £
Cost				
At 1 September 2018	719,600	297,012	533,743	1,550,355
Additions	-	11,550	7,093	18,643
At 31 August 2019	719,600	308,562	540,836	1,568,998
Depreciation				
At 1 September 2018	94,004	246,672	533,743	874,419
Charge for the year	14,392	25,297	2,364	42,053
At 31 August 2019	108,396	271,969	536,107	916,472
Net book value				
At 31 August 2019	611,204	36,593	4,729	652,526
At 31 August 2018	625,596	50,340	-	675,936

The Academy Trust company occupies land (including buildings) which are owned by The Society of the Sacred Heart. The Academy Trust occupies the land (and buildings) under a mere licence. The Trustees have give an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised on the balance sheet of the Academy Trust.

13. DEBTORS

	2019 £	2018 £
VAT Recoverable	126,811	101,020
Prepayments and accrued income	113,727	129,927
	240,538	230,947

14. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	140,692	106,527
Other taxation and social security	104,814	108,946
Other creditors	28,404	-
Accruals and deferred income	297,621	272,253
	571,531	487,726

	2019 £	2018 £
Deferred income		
Deferred income at 1 September 2018	17,678	17,678
Resources deferred during the year	71,002	47,810
Amounts released from previous years	(17,678)	(17,678)
Deferred income at 31 August 2019	71,002	47,810

At the balance sheet date the Academy Trust was holding funds received in advance from ESFA, DfE and for trips for the next academic year.

15. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	3,096,607	520,893	(157,067)	(18,643)	-	3,441,790
Restricted funds						
General Annual Grant (GAG)	-	6,386,068	(6,295,581)	-	-	90,487
Other DfE/ESFA grants	-	210,873	(210,873)	-	-	-
Teaching School	-	150,428	(150,428)	-	-	-
Pension reserve	(1,261,000)	-	(159,000)	-	(371,000)	(1,791,000)
	(1,261,000)	6,747,369	(6,815,882)	-	(371,000)	(1,700,513)
Restricted fixed asset funds						
Capital grants	368,239	76,996	(248,407)	18,643	-	215,471
Transferred on conversion	437,055	-	-	-	-	437,055
	805,294	76,996	(248,407)	18,643	-	652,526
Total restricted funds	(455,706)	6,824,365	(7,064,289)	18,643	(371,000)	(1,047,987)
Total of funds	2,640,901	7,345,258	(7,221,356)	-	(371,000)	2,393,803

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

The General Annual Grant (GAG) funding from the DfE for the Academy's operating costs.
Other DfE/EFA grants mainly relate to statemented funding.
The Restricted Asset Fund is specifically for the use on the Academy's fixed assets.

15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General Funds	2,993,246	515,628	(122,330)	(289,937)	-	3,096,607
Restricted funds						
General Annual Grant (GAG)	-	6,103,898	(6,416,026)	312,128	-	-
Other DfE/ESFA grants	-	169,052	(169,052)	-	-	-
Teaching School	-	96,325	(96,325)	-	-	-
Pension reserve	(1,487,000)	-	(172,000)	-	398,000	(1,261,000)
	(1,487,000)	6,369,275	(6,853,403)	312,128	398,000	(1,261,000)
Restricted fixed asset funds						
Capital grants	297,679	151,549	(58,798)	(22,191)	-	368,239
Transferred on conversion	437,055	-	-	-	-	437,055
Total restricted funds	(752,266)	6,520,824	(6,912,201)	289,937	398,000	(455,706)
Total of funds	2,240,980	7,036,452	(7,034,531)	-	398,000	2,640,901

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	652,526	652,526
Current assets	4,013,321	90,487	-	4,103,808
Creditors due within one year	(571,531)	-	-	(571,531)
Pension scheme liability	-	(1,791,000)	-	(1,791,000)
	3,441,790	(1,700,513)	652,526	2,393,803

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2018 £	2018 £	2018 £	2018 £
Tangible fixed assets	-	-	675,936	675,936
Current assets	3,096,607	487,726	129,358	3,713,691
Creditors due within one year	-	(487,726)	-	(487,726)
Provisions for liabilities and charges	-	(1,261,000)	-	(1,261,000)
	3,096,607	(1,261,000)	805,294	2,640,901

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

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	123,902	1,921
Adjustment for:		
Depreciation charges	42,053	58,798
Interest received on short term deposits	(8,403)	(3,695)
Increase in debtors	(9,590)	(17,656)
Increase in creditors	83,804	46,875
Capital grants from DfE and other capital income	(76,996)	(151,549)
Defined benefit pension scheme cost less contributions payable	127,000	135,000
Defined benefit pension scheme finance cost	32,000	37,000
Net cash provided by operating activities	313,770	106,694

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	16	450
Notice deposits (less than 3 months)	3,863,254	3,482,294
Total	3,863,270	3,482,744

19. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by The London Borough of Hammersmith and Fulham. Both are Multi-Employer Defined Benefit Pension Schemes.

19. PENSION COMMITMENTS (continued)

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

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

Teachers' Pension Scheme

Introduction

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

- The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

- On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

- The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

- In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

19. PENSION COMMITMENTS (continued)

The employer's pension costs paid to TPS in the period amounted to £453,574 (2018 - £*439,271*).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £219,000 (2018 - £*230,000*), of which employer's contributions totalled £168,000 (2018 - £*175,000*) and employees' contributions totalled £51,000 (2018 - £*55,000*). The agreed contribution rates for future years are 24.70% for employers and between 5.5 and 7.5% for employees.

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

	2019	2018
Discount rate for scheme liabilities	1.90 %	2.65 %
Rate of increase in salaries	3.70 %	3.80 %
Rate of increase for pensions in payment / inflation	2.20 %	2.30 %
Inflation assumption (CPI)	2.20 %	2.30 %

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

	2019	2018
Retiring today		
Males	23.4	24.5
Females	24.8	26.1
Retiring in 20 years		
Males	25.1	26.8
Females	26.6	28.5

Sensitivity analysis - Obligation balance if key assumptions changed by the stated amounts	At 31 August 2019 £	At 31 August 2018 £
Discount rate +0.1%	4,034,000	3,209,000
Discount rate -0.1%	4,245,000	3,375,000
Mortality assumption - 1 year increase	4,289,000	3,396,000
Mortality assumption - 1 year decrease	3,992,000	3,189,000
CPI rate +0.1%	4,232,000	3,366,000
CPI rate -0.1%	4,047,000	3,218,000

19. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2019 £	Fair value at 31 August 2018 £
Equities	1,137,000	1,176,000
Property	232,000	182,000
Cash	66,000	56,000
Cash plus funds	628,000	421,000
Investment funds	237,000	195,000
Asset backed securities	47,000	-
Total market value of assets	2,347,000	2,030,000

The actual return on scheme assets was £99,000 (2018 - *£42,000*).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2019 £	2018 £
Current service cost	(249,000)	(310,000)
Past service cost	(46,000)	-
Interest cost	(32,000)	(37,000)
Total	(327,000)	(347,000)

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

	2019 £	2018 £
Opening defined benefit obligation	3,291,000	3,246,000
Current service cost	249,000	310,000
Interest cost	88,000	85,000
Employee contributions	51,000	55,000
Actuarial losses/(gains)	413,000	(405,000)
Past service costs	46,000	-
Closing defined benefit obligation	4,138,000	3,291,000

19. PENSION COMMITMENTS (continued)

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

	2019 £	2018 £
Opening fair value of scheme assets	2,030,000	1,759,000
Interest income	57,000	49,000
Actuarial losses/(gains)	42,000	(7,000)
Employer contributions	168,000	175,000
Employee contributions	51,000	55,000
Admin expenses	(1,000)	(1,000)
Closing fair value of scheme assets	2,347,000	2,030,000

20. RELATED PARTY TRANSACTIONS

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

21. 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.

22. TEACHING SCHOOL TRADING ACCOUNT

	2019 £	2019 £	2018 £	2018 £
INCOME				
DIRECT INCOME				
Other income	150,428		96,325	
TOTAL INCOME		150,428		96,325
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	150,428		96,325	
TOTAL EXPENDITURE		150,428		96,325
SURPLUS FROM ALL SOURCES		-		-