

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 15
Statement on regularity, propriety and compliance	16
Statement of Trustees' responsibilities	17
Independent auditors' report on the financial statements	18 - 20
Independent reporting accountant's assurance report on regularity	21 - 22
Statement of financial activities incorporating income and expenditure account	23
Balance sheet	24
Statement of cash flows	25
Notes to the financial statements	26 - 45

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

R Edmondson
S Wells
Southwark Diocesan Board of Education

Trustees

R Edmondson, Chair of Trustees
B Stanislaus, Headteacher and accounting officer
Y Adepegba
J Battye (resigned 3 November 2016)
D Blake, Staff Trustee
J Carlsson
C Charies
J Fern
A Garden (appointed 25 January 2017)
S Gates (resigned 31 August 2017)
M R Mallett
H Reid
D Watson, Staff Trustee
S Wells

Company registered number

07984073

Company name

St Martin-in-the-Fields High School for Girls

Principal and registered office

155 Tulse Hill, London, SW2 3UP

Company secretary

I Lancaster

Senior management team

B Stanislaus, Headteacher
S Poole, Deputy Head
S Wilson, Deputy Head
E Gooch, School Business Manager

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

Bankers

Lloyds Bank plc, 364/366 Lordship Lane, East Dulwich, London, SE22 8NA

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017

Advisers (continued)

Solicitors

Winckworth Sherwood, Minerva House, 5 Montague Close, London, SE1 9BB

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2016 to 31 August 2017. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an academy for pupils aged 11 to 19 serving a catchment area in South London. It has a pupil capacity of 928 and had a roll of 645 in the school census on 18 May 2017.

Structure, Governance and Management

Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of St Martin-in-the-Fields High School for Girls are also the directors of the charitable company for the purpose of company law.

The charitable company is known as St. Martin-in-the Fields High School for Girls .

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

Members' liability

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

Trustees' indemnities

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

Method of recruitment and appointment or election of trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- No less than twelve foundation trustees, appointed by the members under Article 50
- Three staff trustees, appointed by the trustees under Article 50A
- Up to one local authority trustee, appointed by the local authority under Article 51
- Up to one sponsor trustee, appointed by the trustees under Article 51A
- Four parent trustees elected by parents or appointed by the trustees under Articles 53-58
- The Headteacher
- Any additional trustees, if appointed by the Secretary of State under Article 62, 62A or 68A
- Any further trustees, if appointed by the Secretary of State under Article 63 or Article 68A; and

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- Up to three co-opted trustees appointed by the trustees under Article 59

The term of office for any trustee shall be four years save for the ex officio foundation governors. The Headteacher's term of office runs parallel with her term of employment. Subject to remaining eligible to be a particular type of trustee any trustee may be reappointed or re-elected.

Policies and procedures adopted for the induction and training of trustees

During the period under review, the trustees held four meetings for all trustees. In addition there were regular meetings covering finance, curriculum, premises and personnel. The training and induction provided for new trustees will depend on their experience. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

Organisational structure

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executive who are the senior leadership team.

The board of trustees has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The board of trustees has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Headteacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The Headteacher assumes the accounting officer role.

Pay policy for key management personnel

Arrangements for setting the pay and remuneration of the senior leadership team are governed by the academy's pay policy and by its appraisal policy. All teaching staff including the Headteacher are assessed in terms of their performance of their role and responsibilities against their objectives and the relevant standards. The appraisal of the senior leadership team is carried out by the Headteacher and individuals' pay is determined either by the Head or by the pay committee upon recommendation from the Head. The appraisal of the Headteacher is carried out by a maximum of three appointed trustees in conjunction with an external adviser and her pay is determined by the pay committee upon recommendation from those trustees.

None of the trustees are paid apart from the staff trustees who are paid in the normal course of their employment.

Connected organisations, including related party relationships

St Martin-in-the-Fields High School for Girls is a stand-alone academy, established as such in 2012.

We are members of SL6 (South London Sixth) in collaboration with Dunraven, Elm Green and (until 31 August 2017) La Retraite, a partnership that was established in 2003. City Heights E-Act Academy has joined from 1 September 2017. An SL6 liaison committee meets termly to oversee the vision and direction of the collaboration and the headteachers and Heads of 6th Form meet half termly respectively.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

The academy is connected with two governors' charities the accounts of which are independently examined annually and whose finances are monitored closely by the finance committee and the full governing body.

Objectives and Activities

Objects and aims

The principal object and activity of the academy is:

(a) The operation of St. Martin-in-the Fields High School as a Church of England school offering education for public benefit, with a broad and balanced curriculum and conducted in accordance with the principles and practices of the Church of England.

(b) To promote for the benefit of the inhabitants of Tulse Hill and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

The academy has entered into a funding agreement with the Secretary of State for Education. The agreement specifies, amongst other things, that the academy will be at the heart of its community promoting community cohesion and sharing facilities; the basis for admitting students to the academy; that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

Objectives, strategies and activities

The Academy's main strategy is encompassed in the Academy's Aim, which is simple – to provide an exceptional education for girls of all abilities to enable them to achieve to their full potential. It was the aim of the original school's founders in 1699 and is still the Academy's aim today.

Our commitment to academic excellence and personal well-being is total. Through challenge and a supportive, caring environment, girls shine and grow together in faith and knowledge, developing their unique gifts and talents both in the classroom and in the wider life of the school and beyond.

The girls at St. Martin's are at the heart of our purpose and vision. They will be empowered to fulfil their learning potential because they are informed, ambitious, resilient; they respect and value education and being educated. Our girls will fulfil their academic potential, but more than this, they will develop the skills, competencies and personal qualities and characteristics that will help them to be successful in the future in whatever route they choose to take.

A St. Martin's Girl is articulate and charismatic, and will become a:

- **Responsible** individual, with a strong sense of community, an understanding of the importance of courtesy, appropriate behaviour towards others and the environment.
- **Confident** individual, able to think independently, confident in her academic and social capability and working within a strong moral framework.
- **Spiritual** individual, compassionately sensitive to the needs of others and self; instilled with a heightened sense

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

of morality and culturally aware.

• **Successful** individual who works hard, accepts challenges and is determined, scholarly and makes exceptional progress.

The Academy's motto, **CARITATE ET DISCIPLINA - WITH LOVE AND LEARNING**, embodies our vision and is timeless. Schooling, more than anything, is about achieving success and having a zest for learning with plenty of awe and wonder. Quite simply, St Martin's is a great place to work - for staff and students alike. Both academic and social achievement is supported, encouraged and celebrated.

Our Christian Values of **Service, Justice, Compassion and Perseverance** shine through all that we do, and we believe that God's guidance will give our girls the insight to see realistically what is; and provide them with the vision to dream of all the possibilities that can be. We believe that it is important to develop core values by which to live and cultivate moral virtues that support and form character, spiritual awareness and self-esteem.

Public benefit

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- o Raising money for local, national and international charities.
- o Providing community events such as as Easter and Christmas events for children and senior citizens.
- o Sports Leader programmes that provide sporting activities to local Primary Schools.
- o Facilitating the involvement of students alongside Tulse Hill Forum, Holy Trinity church and the High Trees' Community Development Trust in making a 'Neighbourhood Plan' for Tulse Hill.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Key Performance Indicators

The GCSE exam results for June 2017 at KS4 were as follows:

2017 Headline Figures	Actual	National	Difference
Attainment 8	43.7	44.2	-0.5
Progress 8	-0.25	0.00	-0.25
EBacc Entries	53.0%	38.1%	+14.9%
EBacc Achieved (Strong Pass)	20.2%	21.1%	-0.9%
EBacc Achieved (Standard Pass)	24.6%	23.5%	+1.1%
Eng & Maths Threshold (Strong)	32.8%	39.1%	-6.3%
Eng & Maths Threshold (Standard)	53.7%	58.5%	-4.8%
English (Strong Pass)	67.2%	59.9%	+7.3%
English (Standard Pass)	81.3%	74.8%	+6.5%
Mathematics (Strong Pass)	35.8%	48.3%	-12.5%
Mathematics (Standard Pass)	56.7%	68.9%	-12.2%

Attainment 8 Bucket Scores	Actual	National	Difference
English	10.5	9.2	+1.3
Mathematics	7.8	8.3	-0.5
EBacc	11.1	12.4	-1.3
Open	14.3	14.3	0.0

National data sourced from:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/651218/SFR57_2017_Main_Text.pdf

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Pupil destinations after Key Stage 4

	School	Lambeth	National
2015 cohort of 142 students	96%	92%	94%

The A-Level exam results for June 2017 were as follows:

	Actual	National	Difference
Number of students at the end of 16-18 studies	73	N/A	
A level cohort and results			
Number of students enrolled to study mainly A level qualifications	96.9% (64)	96.1%	+0.8%
Average point score per A level entry	27.18	31.79	-4.61
Average grade per A level entry	C-	C+	
Achieving AAB or higher in at least 2 facilitating subjects	7.5%	17.0%	-9.5%
Points for a student's best 3 A-levels	25.08	34.97	-9.89
Applied General cohort and results			
Number of students enrolled to study mainly Applied General qualifications	90.9% (22)	87.9%	+3.0%
Average point score per Applied entry	37.09	34.70	+2.39
Average grade per Applied entry	Dist+	Dist	

Students staying in education or employment for at least 2 terms after 16 to 18 study

	School	Lambeth	National
2014 cohort of 53 students	85%	87%	88%

Attendance

	2016/17
Authorised	4.87%
Unauthorised	3.47%
Total	8.34

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Going concern

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

a. Financial Review

During the period, ESFA/LA grants received totalled to £5,823,095 (2016: £6,464,757). Other income included within restricted funds totalled to £55,992 (2016: £58,534). Restricted fund expenditure totalled to £5,442,935 (2016: £6,386,587).

The main source of unrestricted income is donations, totalling to £710 (2016: £933).

Most of the Academy's income is obtained from the Education Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 month period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2005), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Part of the financial strategy and commitment of the academy will be to build up the level of reserves such that they will maintain the current assets and facilitate investment back into the school in the form of additional resources and facilities, both in the long term and short term, in conjunction with the school improvement plan and school aims. It will also be building up reserves to protect against anticipated changes in funding due to fluctuations in the school roll.

The Governors through the Finance Committee and Headteacher receive financial progress reports throughout the year and compare actuals against budgets submitted to the Education and Skills Funding Agency.

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- o permanent endowment funds
- o expendable endowment funds
- o restricted income funds
- o any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the academy and is to be spent at the trustees'

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

discretion in furtherance of any of the academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The trustees will keep this level of reserves under review at each Finance Committee meeting and aim to build and maintain the reserves level by entering into cost effective agreements which are in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £827,696 (2016: £275,195). This balance includes unrestricted funds (free reserves) of £3,426 (2016: £2,716), which is considered below the appropriate level for the Academy, and restricted funds of £824,270 (2016: £272,479). The trustees will continue to monitor the level of reserves at each finance committee meeting as stated above. The trustees have decided that the appropriate level of free reserves should be in the region of two months' expenditure, excluding fixed asset expenditure. The reason for this is to provide sufficient working capital to cover any unexpected expenditure and delays between spending and receipt of grants.

Users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the academy recognises a significant pension fund deficit totalling to £812,000 (2016: £2,065,000). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount, which is guaranteed by the ESFA.

The academy is committed to building up its free reserves to protect against anticipated changes in funding due to fluctuations in the school roll and potentially the new national funding arrangements.

Investment Policy

It should be noted that the academy has substantial power with regards to investments due to cash balances held. Investment policies are determined by the board of trustees. This ensures the level of funds the academy holds can cover any immediate expenditure, without exposing the academy to additional risk. Should any potential investment opportunity arise this would be escalated to the Board for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2017, no investments were held.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and will be updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The surplus of secondary places in Lambeth is problematic and we have instigated a proactive recruitment policy. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls and this is explained in more detail in the

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Governance Statement.

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2017.

Plans for Future Periods

SUMMARY OF THREE YEAR STRATEGIC VISION AND PRIORITIES - OUR 3 Rs
RECRUITMENT - R1

- Creative and targeted marketing with primary schools to enhance the reputation and improve the school status as one of first choice.
- High staff morale with accountable, cohesive, consistent leadership and management which is proactive to external change and the pressures of financial constraints.
- High quality and financially robust staffing structure ensuring long term viability and sustainability for the school to be high achieving and popular.
- Highly literate and numerate students who are fully confident when articulating themselves so they become successful learners and achieve their full potential.
- Maintain and sustain the effective management of the school budget and resource management.
- Create financial stability that enables a building strategy to begin to enhance the fabric of the school and create an environment that meets the expectations of a 21st century curriculum against the backdrop of its own unique USP.
- St Martin's to be at the heart of the local community and will have strengthened its existing links with schools, organisations, families and the business world, to foster positive and productive reciprocal relationships.

RESULTS - R2

- Embedded, coherent and rigorous 11-19 curriculum with new specifications in Maths and English firmly embedded at GCSE and other option courses secure for first accreditation. Sustained extensive range of courses appropriate for all students reflecting cultural diversity of St Martin's.
- Highest quality teaching, never less than typically good and with frequently outstanding underpinned by high quality and targeted professional development and training thereby creating aspirational, creative, independent and resilient learners who embrace risk, learn from their mistakes and make outstanding progress.
- Strengthen middle leadership & secure accountability across curriculum areas.
- An embedded and inclusive professional learning community enjoyed by students and staff with continuous active learning dialogue resulting in sustained progress for students and professional growth for staff.
- Rigorous school systems and structures including performance appraisal that drives challenging school improvement and directly impacts on student progress.
- Embed a culture of outstanding and ambitious progress for all our students that compares highly favourably with national and local averages and leaves no group falling behind our highest expectations of attainment.
- Ensure that all staff and students embrace the significance of the 2016 progress and attainment performance indicators, resulting in high PB and A8.
- Rigorous governance that challenges all aspects of school improvement and holds the leadership to account for standards and robustly and effectively tackling underperformance at all levels.

REPUTATION - R3

- The highest standards of personal behaviour and individual responsibility and leadership within the school and in the local community.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- Promote and embed a zero tolerance culture with high expectations for behaviour ensuring the school code aligns with an effective sanctions structure that is consistently managed at all times in all areas of the school, underpinned by our Christian ethos and values.
- Full student understanding and appreciation of the wide range of cultural influences which have shaped them as individuals and as part of the wider collective local and national community leading to their confident preparation for life in Modern Britain.

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and its trustees did not act as custodian trustee during the current or previous period.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 21 November 2017 and signed on its behalf by:

Mr R Edmondson
Chair of Trustees



ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Martin-in-the-Fields High School for Girls and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
R Edmondson, Chair of Trustees	4	4
B Stanislaus, Headteacher and accounting officer	4	4
Y Adepegba	3	4
J Battye	0	1
D Blake, Staff Trustee	4	4
J Carlsson	4	4
C Charles	2	4
J Fern	3	4
A Garden	2	2
S Gates	3	4
M R Mallett	2	4
H Reid	3	4
D Watson, Staff Trustee	2	4
S Wells	2	4

The board has continued to support the school in achieving its three priorities of recruitment, results and reputation. During 2016-17, changes to the school uniform were agreed and changes made to the dining area, aimed at fostering a greater sense of pride in the school. A chapel has been created, ready for a new chaplain starting on 1 September 2017. Data has been rigorously scrutinised and the board has continued to support senior leadership in reducing staffing costs to a level in line with the school's current and anticipated future roll and to a lower percentage of the overall budget.

Trustees self-evaluated in the following ways during the year 1 September 2016 to 31 August 2017.

1. They carried out a skills audit so that they could identify training needs and also identify any gaps in the skills required on the board of trustees.
2. They set up a governance working party to consider whether the board of trustees had the right number and type of trustees for effective governance. The working party met twice and made recommendations to the board of trustees at their meeting on 26 June, which were agreed. Work will now start on changing the Articles in order for these changes to take effect
3. At their meeting on 26 June trustees considered a request from Lambeth to complete a governance self-evaluation form and discussed the best way of doing this. Responses from individual trustees will be collated and a collective response to the self-evaluation form will be completed at the board's meeting on 21 November.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to make sure that the Academy is following the ESFA's financial regulations.

As for the board as a whole, its particular challenge has been to continue supporting senior leadership in reducing staffing costs to a level in line with the school's current and anticipated future roll and to a lower percentage of the overall budget.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Y Adepegba	0	4
J Fern	3	4
S Gates	4	4
H Reid	3	4
B Stanislaus	4	4
D Watson	2	4

REVIEW OF VALUE FOR MONEY

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

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

- o Rationalizing the timetable
- o Reducing staffing costs to a level in line with the school's current and anticipated future roll and to a lower percentage of the overall budget
- o Monitoring expenditure more robustly.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 St Martin-in-the-Fields High School for Girls for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy'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.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

In particular, it includes:

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Umer M Siddiqui FCCA as internal auditor.

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

- o testing of payroll systems
- o testing of purchase systems
- o testing of control account/bank reconciliations

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

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 21 November 2017 and signed on their behalf, by:

Mr R Edmondson
Chair of Trustees



B Stanislaus, Headteacher and
Accounting Officer



ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Martin-in-the-Fields High School for Girls I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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 2016.

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



Beverley Stanislaus
Accounting Officer

Date: 21 November 2017

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as governors of St Martin-in-the-Fields High School for Girls and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

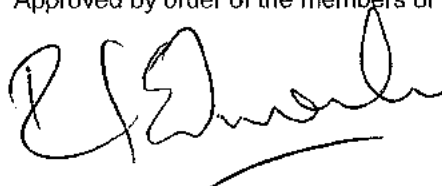
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 21 November 2017 and signed on its behalf by:



Mr R Edmondson
Chair of Trustees

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS**

OPINION

We have audited the financial statements of St Martin-in-the-Fields High School for Girls (the 'academy') for the year ended 31 August 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 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 2016 to 2017 issued by the Education and 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS**

our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 Trustees' 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 Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

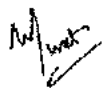
ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS**

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.

 for Landau Baker Limited

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
21 November 2017

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 February 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Martin-in-the-Fields High School for Girls during the year 1 September 2016 to 31 August 2017 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 St Martin-in-the-Fields High School for Girls and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Martin-in-the-Fields High School for Girls 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 St Martin-in-the-Fields High School for Girls and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of St Martin-in-the-Fields High School for Girls's funding agreement with the Secretary of State for Education dated 1 April 2012, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 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.

The work undertaken to draw to our conclusion includes:

- Review and verification of evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Review of the Academy Trust's internal control procedures, specifically in respect to regularity, propriety and compliance.
- Focussed testing, driven by our audit of the financial statements, principally checking that:
 - o Grant income received has been expensed on prescribed expenditure; and

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST MARTIN-
IN-THE-FIELDS HIGH SCHOOL FOR GIRLS AND THE EDUCATION AND SKILLS FUNDING AGENCY**
(continued)

- o Expenditure has been appropriately authorised in accordance with the procedures outlined in the Academy Trust's financial procedures manual.
- Discussions and written representations from the Accounting Officer and other key management personnel

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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

21 November 2017

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	-	671,963	671,963	244,749
Charitable activities	5	-	5,806,128	-	5,806,128	6,427,937
Other trading activities	3	-	55,992	-	55,992	28,534
Investments	4	710	-	-	710	933
TOTAL INCOME		710	5,862,120	671,963	6,534,793	6,702,153
EXPENDITURE ON:						
Charitable activities		-	5,428,110	74,020	5,502,130	6,410,043
TOTAL EXPENDITURE	6	-	5,428,110	74,020	5,502,130	6,410,043
NET INCOME BEFORE TRANSFERS		710	434,010	597,943	1,032,663	292,110
Transfers between Funds	18	-	(114,361)	114,361	-	-
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		710	319,649	712,304	1,032,663	292,110
Actuarial gains/(losses) on defined benefit pension schemes	22	-	1,483,000	-	1,483,000	(1,388,000)
NET MOVEMENT IN FUNDS		710	1,802,649	712,304	2,515,663	(1,095,890)
RECONCILIATION OF FUNDS:						
Total funds brought forward		2,716	(1,792,521)	305,225	(1,484,580)	(388,690)
TOTAL FUNDS CARRIED FORWARD		3,426	10,128	1,017,529	1,031,083	(1,484,580)


ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)
REGISTERED NUMBER: 07984073

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	15		726,104		305,225
CURRENT ASSETS					
Debtors	16	144,426		136,611	
Cash at bank and in hand		1,136,451		347,664	
		<u>1,280,877</u>		<u>484,275</u>	
CREDITORS: amounts falling due within one year	17	(163,898)		(209,080)	
NET CURRENT ASSETS			<u>1,116,979</u>		<u>275,195</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined benefit pension scheme liability	22		<u>(812,000)</u>		<u>(2,065,000)</u>
NET ASSETS/(LIABILITIES) INCLUDING PENSION SCHEME LIABILITIES			<u><u>1,031,083</u></u>		<u><u>(1,484,580)</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	18	822,128		272,479	
Restricted fixed asset funds	18	1,017,529		305,225	
		<u>1,839,657</u>		<u>577,704</u>	
Restricted income funds excluding pension liability					
Pension reserve		<u>(812,000)</u>		<u>(2,065,000)</u>	
Total restricted income funds			<u>1,027,657</u>		<u>(1,487,296)</u>
Unrestricted income funds	18		<u>3,426</u>		<u>2,716</u>
TOTAL FUNDS/(DEFICIT)			<u><u>1,031,083</u></u>		<u><u>(1,484,580)</u></u>

The financial statements on pages 22 to 44 were approved by the Trustees, and authorised for issue, on 21 November 2017 and are signed on their behalf, by:

Mr R Edmondson
Chair of Trustees



ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017	2016
		£	£
Cash flows from operating activities			
Net cash provided by operating activities	20	611,723	332,888
		<hr/>	<hr/>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(494,899)	(250,075)
Capital grants from DfE/ESFA		671,963	214,749
		<hr/>	<hr/>
Net cash provided by/(used in) investing activities		177,064	(35,326)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		788,787	297,562
Cash and cash equivalents brought forward		347,664	50,102
		<hr/>	<hr/>
Cash and cash equivalents carried forward		1,136,451	347,664
		<hr/> <hr/>	<hr/> <hr/>

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Martin-in-the-Fields High School for Girls 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 Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

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

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

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

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

Expenditure on charitable activities are costs incurred on the 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.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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:

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

Short-term leasehold property	-	10% straight line basis
Motor vehicles	-	10% Straight-line basis
Fixtures and fittings	-	20% Straight-line basis
Office equipment	-	20% Straight-line basis
Computer equipment	-	33% Straight-line basis

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

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.

1.8 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 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.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.11 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 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. 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. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.12 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 22, 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.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.13 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

1.14 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 22, 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 August 2017 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

2. Donations and Capital Grants

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	-	-	-	-	30,000
Capital grants	-	-	671,963	671,963	214,749
	-	-	671,963	671,963	244,749
<i>Total 2016</i>	30,000	-	214,749	244,749	

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

3. OTHER TRADING ACTIVITIES

	Restricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
School Journey Income	20,696	20,696	18,576
Other Income	35,296	35,296	9,958
	<u>55,992</u>	<u>55,992</u>	<u>28,534</u>
<i>Total 2016</i>	<u>28,534</u>	<u>28,534</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
Investment income	710	-	710	933
	<u>710</u>	<u>-</u>	<u>710</u>	
<i>Total 2016</i>	<u>933</u>	<u>-</u>	<u>933</u>	

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

St Martin In the Fields High School for Girls

	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants			
General Annual Grant	5,305,564	5,305,564	5,831,313
Pupil Premium	290,435	290,435	327,888
Bursary Fund	5,234	5,234	(5,234)
Other ESFA Grants	41,703	41,703	4,500
	<u>5,642,936</u>	<u>5,642,936</u>	<u>6,158,467</u>
Other government grants			
SEN Funding	32,792	32,792	32,169
Other LA grants	126,871	126,871	210,478
	<u>159,663</u>	<u>159,663</u>	<u>242,647</u>
Other funding			
Other Income	3,529	3,529	26,823
	<u>3,529</u>	<u>3,529</u>	<u>26,823</u>
	<u>5,806,128</u>	<u>5,806,128</u>	<u>6,427,937</u>
<i>Total 2016</i>	<u>6,427,937</u>	<u>6,427,937</u>	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Educational Activities:					
Direct costs	3,523,793	140,635	457,244	4,121,672	4,960,311
Support costs	737,810	223,603	419,045	1,380,458	1,449,732
	<u>4,261,603</u>	<u>364,238</u>	<u>876,289</u>	<u>5,502,130</u>	<u>6,410,043</u>
<i>Total 2016</i>	<u>5,148,452</u>	<u>353,244</u>	<u>908,347</u>	<u>6,410,043</u>	

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Educational Activities	4,121,672	1,380,458	5,502,130	6,410,043
<i>Total 2016</i>	<u>4,960,311</u>	<u>1,449,732</u>	<u>6,410,043</u>	

8. DIRECT COSTS

	Educational Activities £	Total 2017 £	Total 2016 £
Educational Supplies	218,624	218,624	246,221
Supply Teaching Costs	408,586	408,586	297,976
Professional Fees	321	321	3,210
Premises Maintenance	140,635	140,635	132,144
Insurance	21,608	21,608	27,399
ICT	9,878	9,878	17,173
Catering Expenditure	110,917	110,917	117,424
Other staff costs	21,876	21,876	10,385
Other student costs	-	-	18,551
Wages and salaries	2,498,094	2,498,094	3,263,359
National insurance	274,292	274,292	320,928
Pension costs	342,821	342,821	445,265
Depreciation	74,020	74,020	60,276
	<u>4,121,672</u>	<u>4,121,672</u>	<u>4,960,311</u>
<i>At 31 August 2016</i>	<u>4,960,311</u>	<u>4,960,311</u>	

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

9. SUPPORT COSTS

	Educational Activities	Total 2017	<i>Total 2016</i>
	£	£	£
Pension finance costs	42,000	42,000	19,000
Educational Supplies	2,862	2,862	21,637
Other support staff costs	6,706	6,706	10,797
Professional Fees	34,950	34,950	-
Premises Maintenance	19,348	19,348	29,204
Cleaning	112,871	112,871	93,209
Water & rates	49,318	49,318	39,125
Utility	42,066	42,066	59,562
Redundancy staff costs	7,903	7,903	127,273
ICT	44,230	44,230	103,014
Catering expenditure	2,675	2,675	6,202
Other staff costs	41,248	41,248	9,473
Admin Supplies	100,491	100,491	91,880
Reprographic	8,530	8,530	19,380
School Journey	22,708	22,708	16,631
Other student costs	5,290	5,290	10,537
Other Expenses	16,601	16,601	15,939
IT Managed Service Costs	79,750	79,750	85,167
Governance costs	17,710	17,710	8,848
Wages and salaries	426,067	426,067	469,643
National insurance	42,491	42,491	41,781
Pension cost	254,643	254,643	171,430
	<u>1,380,458</u>	<u>1,380,458</u>	<u>1,449,732</u>
<i>At 31 August 2016</i>	<u>1,449,732</u>	<u>1,449,732</u>	

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	74,020	60,276
Auditors' remuneration - audit	4,000	4,000
Auditors' remuneration - other services	2,500	2,250
Operating lease rentals	11,179	11,179
	<u>91,700</u>	<u>77,700</u>

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

11. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	2,924,161	3,733,002
Social security costs	316,783	362,709
Operating costs of defined benefit pension schemes	597,464	616,695
	3,838,408	4,712,406
Supply teaching costs	408,586	297,976
Redundancy payments	7,903	127,273
Support staff supply costs	6,706	10,797
	4,261,603	5,148,452

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

	2017	2016
	No.	No.
Management	5	6
Teacher	46	56
Educational Support and Admin	31	35
	82	97

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

	2017	2016
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	2	1
In the band £90,001 - £100,000	1	1

5 of the above employees participated in the Teachers' Pension Scheme (2015: 4)

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 person contributions) received by key management personnel for their services to the academy trust was £353,280 (2016 - £351,537).

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

12. RELATED PARTY TRANSACTIONS- TRUSTEES' REMUNERATION AND EXPENSES

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

		2017	2016
		£	£
B Stanislaus, Headteacher	Remuneration	95,000-100,000	95,000-100,000
	Pension contributions paid	15,000-20,000	15,000-20,000
D Watson, Staff Trustee	Remuneration	55,000-60,000	50,000-55,000
	Pension contributions paid	5,000-10,000	5,000-10,000
M Soares Da Silva (formerly Shattock) (Staff Trustee)	Remuneration	NIL	20,000-25,000
	Pension contributions paid	NIL	0-5,000
D Blake, Staff Trustee	Remuneration	50,000-55,000	50,000-55,000
	Pension contributions paid	5,000-10,000	5,000-10,000

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016 - £NIL).

Other related party transactions involving the trustees are set out in note 24.

13. TRUSTEES' 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 Trustees and officers indemnity element from the overall cost of the RPA scheme.

14. PENSION FINANCE CHARGES

	2017	2016
	£	£
Interest income on pension scheme assets	76,000	132,000
Interest on pension scheme liabilities	(118,000)	(151,000)
	<u>(42,000)</u>	<u>(19,000)</u>

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

15. TANGIBLE FIXED ASSETS

	Improvements to leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost						
At 1 September 2016	169,702	-	174,637	39,672	126,106	510,117
Additions	381,815	3,665	51,857	37,907	19,655	494,899
At 31 August 2017	<u>551,517</u>	<u>3,665</u>	<u>226,494</u>	<u>77,579</u>	<u>145,761</u>	<u>1,005,016</u>
Depreciation						
At 1 September 2016	-	-	53,544	35,043	116,305	204,892
Charge for the year	19,790	366	38,700	8,272	6,892	74,020
At 31 August 2017	<u>19,790</u>	<u>366</u>	<u>92,244</u>	<u>43,315</u>	<u>123,197</u>	<u>278,912</u>
Net book value						
At 31 August 2017	<u>531,727</u>	<u>3,299</u>	<u>134,250</u>	<u>34,264</u>	<u>22,564</u>	<u>726,104</u>
At 31 August 2016	<u>169,702</u>	<u>-</u>	<u>121,093</u>	<u>4,629</u>	<u>9,801</u>	<u>305,225</u>

The academy trust company occupies land provided to it by site trustees under a mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

In respect of having considered the fact that the academy trust company occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

16. DEBTORS

	2017 £	2016 £
Other debtors	33,272	64,837
Prepayments and accrued income	111,154	71,774
	<u>144,426</u>	<u>136,611</u>

17. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	88,201	26,845
Accruals and deferred income	75,697	182,235
	<u>163,898</u>	<u>209,080</u>

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

17. CREDITORS: Amounts falling due within one year (continued)

	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	21,714	23,510
Resources deferred during the year	23,431	21,714
Amounts released from previous years	(21,714)	(23,510)
Deferred income at 31 August 2017	23,431	21,714

At the balance sheet date the academy was holding £21,289 received in advance for ESFA Grant income and £2,142 of 16-19 bursary income

18. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds - all funds	2,716	710	-	-	-	3,426
Restricted funds						
Restricted Funds - all funds	272,479	5,862,120	(5,198,110)	(114,361)	-	822,128
Pension reserve	(2,065,000)	-	(230,000)	-	1,483,000	(812,000)
	(1,792,521)	5,862,120	(5,428,110)	(114,361)	1,483,000	10,128
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	305,225	671,963	(74,020)	114,361	-	1,017,529
Total restricted funds	(1,487,296)	6,534,083	(5,502,130)	-	1,483,000	1,027,657
Total of funds	(1,484,580)	6,534,793	(5,502,130)	-	1,483,000	1,031,083

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

18. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2015</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2016</i>
	£	£	£	£	£	£
Unrestricted funds						
General Funds - all funds	1,783	933	-	-	-	2,716
	<u>1,783</u>	<u>933</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,716</u>
Restricted funds						
Restricted Funds - all funds	39,102	6,523,291	(6,254,587)	(35,327)	-	272,479
Pension reserve	(545,000)	41,000	(113,000)	-	(1,448,000)	(2,065,000)
	<u>(505,898)</u>	<u>6,564,291</u>	<u>(6,367,587)</u>	<u>(35,327)</u>	<u>(1,448,000)</u>	<u>(1,792,521)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	115,425	214,749	(60,276)	35,327	-	305,225
	<u>115,425</u>	<u>214,749</u>	<u>(60,276)</u>	<u>35,327</u>	<u>-</u>	<u>305,225</u>
Total restricted funds	<u>(390,473)</u>	<u>6,779,040</u>	<u>(6,427,863)</u>	<u>-</u>	<u>(1,448,000)</u>	<u>(1,487,296)</u>
Total of funds	<u>(388,690)</u>	<u>6,779,973</u>	<u>(6,427,863)</u>	<u>-</u>	<u>(1,448,000)</u>	<u>(1,484,580)</u>

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

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	726,104	726,104
Current assets	3,426	986,026	291,425	1,280,877
Creditors due within one year	-	(163,898)	-	(163,898)
Provisions for liabilities and charges	-	(812,000)	-	(812,000)
	<u>3,426</u>	<u>10,128</u>	<u>1,017,529</u>	<u>1,031,083</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	305,225	305,225
Current assets	2,716	481,559	-	484,275
Creditors due within one year	-	(209,080)	-	(209,080)
Provisions for liabilities and charges	-	(2,065,000)	-	(2,065,000)
	<u>2,716</u>	<u>(1,792,521)</u>	<u>305,225</u>	<u>(1,484,580)</u>

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	1,032,663	292,110
Adjustment for:		
Depreciation charges	74,020	60,275
Increase in debtors	(7,815)	(18,919)
(Decrease)/increase in creditors	(45,182)	82,171
Capital grants from DfE and other capital income	(671,963)	(214,749)
Defined benefit pension scheme cost less contributions payable	188,000	113,000
Defined benefit pension scheme finance cost	42,000	19,000
Net cash provided by operating activities	<u>611,723</u>	<u>332,888</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	1,136,451	347,664
Total	<u>1,136,451</u>	<u>347,664</u>

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

22. 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 London Pension Funds Authority. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2017.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £308,799 (2016 - £395,455).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

22. PENSION COMMITMENTS (continued)

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.

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

22. PENSION COMMITMENTS (continued)

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 2017 was £151,000 (2016 - £155,000), of which employer's contributions totalled £108,000 (2016 - £109,000) and employees' contributions totalled £43,000 (2016 - £46,000). The agreed contribution rates for future years are 12.7% for employers and 5.5% - 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.
London Pension Fund Authority Pension Fund

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.10 %
Rate of increase in salaries	4.20 %	4.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.30 %

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

	2017	2016
Retiring today		
Males	21.5	21.7
Females	24.2	25.0
Retiring in 20 years		
Males	23.8	24.1
Females	26.4	27.4

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	2,688,000	2,027,000
Debt instruments	1,108,000	1,305,000
Property	286,000	171,000
Cash	304,000	91,000
Total market value of assets	4,386,000	3,594,000

The actual return on scheme assets was £673,000 (2016 - £192,000).

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

22. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(291,000)	(217,000)
Interest income	76,000	132,000
Interest cost	(118,000)	(151,000)
Admin expenses	(5,000)	(5,000)
Total	(338,000)	(241,000)
Actual return on scheme assets	673,000	192,000

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

	2017 £	2016 £
Opening defined benefit obligation	5,659,000	3,892,000
Current service cost	291,000	217,000
Interest cost	118,000	151,000
Employee contributions	43,000	46,000
Actuarial (gains) / losses	(836,000)	1,448,000
Benefits paid	(77,000)	(95,000)
Closing defined benefit obligation	5,198,000	5,659,000

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

	2017 £	2016 £
Opening fair value of scheme assets	3,594,000	3,347,000
Interest income	76,000	132,000
Actuarial gains / (losses)	647,000	60,000
Employer contributions	108,000	109,000
Employee contributions	43,000	46,000
Benefits paid	(77,000)	(95,000)
Administration expenses	(5,000)	(5,000)
Closing fair value of scheme assets	4,386,000	3,594,000

ST MARTIN-IN-THE-FIELDS HIGH SCHOOL FOR GIRLS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

23. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£	£
Amounts payable:		
Within 1 year	11,179	11,179
Between 1 and 5 years	33,537	44,717
	44,716	55,896
Total	44,716	55,896

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The academy trust company occupies land provided to it by site trustees under a mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

In respect of having considered the fact that the academy trust company occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

During the period the academy invoiced the Trustees of St Martin-in-the-fields High School for Girls charitable trust with a charity registration number of 312709 (site trustees), £45,220 (2016: £16,988). At 31 August 2017 the Trustees of St Martin-in-the-fields High School for Girls charitable trust with a charity registration number of 312709 (site trustees), owed the academy £44,820 (2016: £NIL).

There are no other related party transactions during the period.

25. AGENCY ARRANGEMENTS

The academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the academy received £22,201 (2016: £31,586) and disbursed £14,825 (2016: £36,820) from the fund. An amount of £2,142 (2016: £NIL) is included in other creditors relating to undistributed funds that is repayable to ESFA.

26. 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.