

**Stamp Education Trust
(Thomson House School)**

**(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2017**

Company Registration Number:
07916297 (England and Wales)

Stamp Education Trust (Thomson House School) Contents

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Stamp Education Trust (Thomson House School) Reference and Administrative Details

| | |
|--|---|
| Members | Mrs S Choraria Mrs T A Moran Mr D P Oliver Dr A C Parmley Mr M E D Rossetti Mr N Tiffou |
| Trustees | Mr S Bastian (Chair of Finance) Mr R Harriss (Appointed 21/02/17) Mrs A Klein Mrs A Letch (Accounting Officer) Mrs C McLean (Resigned 20/02/17) Mrs L Moore Mrs T A Moran (Vice Chair) Mr D P Oliver Mr M E D Rossetti Mr W Scrimshaw Mrs M J Shaw (Appointed 21/02/17) Mr N Tiffou (Chair of Governors) |
| Company Secretary | Mrs C Tilley |
| Senior Management Team: • Headteacher | Mrs A Letch (Accounting Officer) |
| Company name | Stamp Education Trust |
| Principal and Registered Office | Thomson House School Vernon Road London SW14 8NH |
| Company Registration Number | 07916297 (England and Wales) |
| Independent Auditor | Mazars LLP Times House Throwley Way Sutton Surrey SM1 4JQ |
| Bankers | Lloyds Bank |
| Solicitors | Jones Day |

Stamp Education Trust (Thomson House School) Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the Trust for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the company's Memorandum and Articles of Association, applicable laws and 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).

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in Mortlake. It has a pupil capacity of 364 and had a roll of 208 in the school census in January 2017.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The Trust's memorandum and articles of association are the primary governing documents of the academy trust. The academy trust was incorporated on 3 January 2013 in the name of Stamp Education Trust, and Thomson School first commenced as an academy on 1 September 2013. The academy trust has entered into a funding agreement with the Department of Education which provides the framework within which the academy must operate.

Stamp Education Trust trades under the name Thomson House School.

The trustees Stamp Education Trust are also the directors of the Trust for the purposes of company law. The Trust is known Stamp Education Trust.

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

Members' Liability

Each member of the Trust undertakes to contribute to the assets of the Trust 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

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 and Article 6.3 every Trustee or other officer or auditor of the Company and every member of any Local Governing Body and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company

Method of Recruitment and Appointment or Election of Trustees

The articles of association require the members of the Trust to appoint at least three trustees to be responsible for the statutory and constitutional affairs of the Trust and the management of the academy trust. The articles of association require that the members of the academy trust shall comprise:

- a) The signatories of the Memorandum;
- b) One person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for that purpose; and
- c) The Chairman of the Governors.

Stamp Education Trust (Thomson House School) Trustees' Report (continued)

When required, new trustees are recruited by the Members apart from the Parent Governors, who are elected by the parent body and a Local Authority Governor who is appointed by the Local Authority.

The Secretary of State for Education may appoint Trustees in certain circumstances; no such appointments were made in the year under review.

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

A trustee shall cease to hold office if he/she resigns his/her office by notice to the academy.

A trustee shall cease to hold office if he is removed by the person or persons who appointed him/her. The Article does not apply in respect of a Parent trustee.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are provided with copies of all essential documentation needed to undertake their role, including the memorandum and articles of association, Academies Financial Handbook and Academy Trust's Funding Agreement.

A Trustee Handbook with key information is available for all Trustees. This includes such aspects as:

- the structure of the academy and the relationship with the board of trustees
- a statement of values and expectations
- key elements of effective governance and the link to the Ofsted Handbook
- the committee structure of the board of trustees
- a brief description of the role of the chair and the role of the clerk/company secretary
- terms of reference for committees

The board of trustees subscribes to governor training provision from the Local Authority Governor Support Services and in-house training is organised as and when required. Trustees are informed of external training opportunities.

New Trustees are mentored by existing Trustees.

Organisational Structure

The board of trustees of Stamp Education Trust is constituted under the memorandum and articles of association. The board of trustees is responsible for ensuring high standards of corporate governance are maintained.

The Trustees are responsible for the strategic direction of the Academy Trust, setting policy and agreeing the annual budget. Trustees are also responsible for monitoring the work of the Academy and ensuring the objectives of the academy are achieved.

In addition to the full board of trustees meetings, Stamp Education Trust has a committee structure: the main committees are Education, Finance & General Purposes and Pay

The Governing Body is responsible for setting general policy, developing an annual school development plan and budget and making major decisions about the direction of the school. The Governors are responsible for monitoring the performance of the Headteacher.

The committees are responsible for carrying out the work of the Governing Body and making recommendations to the Full Governing Body on matters of strategic importance.

The Headteacher is required to provide strategic leadership and management of the Academy on a daily basis. During this academic year she has been assisted by one Deputy Head teacher and two Senior Leaders. From September 2017, she will be assisted by one Deputy Head teacher and three Senior

Stamp Education Trust (Thomson House School) Trustees' Report (continued)

Leaders. In addition the Academy has, a School Business Manager. These staff members comprise the Senior Leadership Team.

The Headteacher is the 'Accounting Officer' of Stamp Education Trust.

Arrangements for setting pay and remuneration of key management personnel

The pay for the Headteacher and the Senior Leadership team is determined by the Governor's pay committee with reference to the Whole School Pay Policy. Governors have determined pay scales for all Leadership positions and benchmarking is carried out on a regular basis to ensure that the pay scales are appropriate.

Related Parties and other Connected Charities and Organisations

There was no related party transactions during this financial year.

Objectives and Activities

Objects and Aims

Stamp Education has through its first school, Thomson House cultivated the habits and arts of excellence and wellbeing, so that its pupils may flourish, achieving academic success and leading fulfilling lives. To achieve this Thomson House anchors its curriculum on three fundamental qualities: curiosity, kindness and courage.

With small class sizes, a rigorous curriculum, a broad out-of class offer, innovative teaching and a strong community focus, it combines the best traditions of the independent sector with those of the state primaries in Richmond.

Stamp Education now wishes to open further schools that will be some of the most respected and admired schools within their communities; not only because our children will make excellent academic progress but also because they will develop the curiosity, self-belief and courage to seize opportunities as well as the heart and insight to do good to those around them.

Objectives, Strategies and Activities

Stamp Education Trust was heavily oversubscribed for its intake in September 2016.

During this year, work to provide an additional floor on the modular building at 27 Sheen Lane was completed on schedule in October 2016. Planning permission has now been obtained to build a kitchen at this address and funding is now being sought.

The School Development plan for 2016-17 focused on fostering excellence in all aspects of the curriculum and co-curricular activities. It aimed to develop leadership capacity and develop community links and strong parental engagement. Safety of pupils and the local community were also a focus.

Public Benefit

The activities undertaken to further the academy trust's purposes for the public benefit are:

- Stamp Education Trust has provided education to all registered students;
- Partnerships with local primary schools have been established and maintained in order to raise standards of education and care within the local community; and
- Community facilities have been provided through the use of school building.
- Commissioning of a study as to how to make the local area safer for pedestrians

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Stamp Education Trust (Thomson House School)

Trustees' Report (continued)

Strategic Report

Achievements and Performance

Children at Thomson House School are happy, safe, well behaved and achieve highly.

Achievement in this school is outstanding because given different starting points all pupils have made substantial and sustained progress. Attainment in YR 2016-17 was very high with 85% achieving GLD. Progress has continued strongly in Y1 with 90% of Y1 children attaining the expected level in the phonics screening check (June 2017). In Y2, 98% achieved the expected standard in Reading (50% at greater depth); 87% achieved the expected standard in Writing (35% at greater depth); 92% achieved the expected standard in Maths (44% at greater depth); 98% of pupils achieved the expected standard in Science. As a result of high expectations, close tracking, efficient monitoring and effective interventions, we know that different groups are well catered for.

Key Performance Indicators

- ON ROLL: 208
- ATTENDANCE: 2015-16 was 97.11%.
- The school generated 1,624,941 of income
- All building projects were completed on time and on budget
- All staff position were filled

The Trustees regularly review Stamp Education Trust's actual income and expenditure against the authorised budget. Changes to the budget to reflect new information with regard to income or expenditure are approved in line with the authorisation limits established in the Stamp Education Financial Regulations.

Ratio analysis and benchmarking is performed annually to ensure that the Academy is applying its resources efficiently and effectively to achieve the best possible educational outcomes.

Going Concern

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

Financial Review

The majority of Stamp Education Trusts income is derived from the Education and Skills Funding Agency (ESFA), an agent of the Department for Education (DfE), in the form of recurrent grants, the use of which is limited to specific purposes. The grants received from the ESFA during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also received grants for fixed assets from the DfE and these are shown in the Statement of Financial Activities as restricted income in the Fixed Asset fund. The Restricted Asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trusts accountancy policies.

The trust generated significant additional funds through catering, the letting of school premises and donations from parents and a local estate agent. During 2016-17 the unrestricted income was £242,408. These funds are used to provide school meals to all children and to enrich the education of the children through the provision of additional educational resources and services that could not be funded through the schools delegated funding. In addition these funds are used to ensure that the school has additional reserves.

Stamp Education Trust (Thomson House School)

Trustees' Report (continued)

During the year ended 31st August 2017 total revenue expenditure was £1,266,833 (excluding restricted fixed assets) of which £1,150,964 was covered by recurrent grant funding from the DFE and Local Authority. Incoming resources for the year totalled £1,247,368 (excluding restricted fixed asset funds). The excess of expenditure over income for the year (excluding restricted fixed asset funds and actuarial gains) was £19,465. At 31st August 2017 the net book value of fixed assets was £7,387,916 and movements in tangible fixed assets are shown in note 12 in the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of Thomson House School.

Reserves Policy

The Trustees review the reserves levels termly as yet out in the Thomson House School Reserves Policy. The review encompasses the nature of income and expenditure streams and the need to match income with commitments and the nature of the reserves. The level of reserves will be kept under review and is necessary to provide sufficient working capital to cover delays between spending and the receipt of grant to provide a cushion to deal with unexpected emergencies. It has been agreed that until the school has a kitchen at Sheen Lane, roof and pointing repairs have been made to the Vernon Road site and the school has all year groups in place that the reserves will remain at a higher level. Once the school has all year groups in place, the Trustees will keep reserves to between 5% and 8% of income.

The net current assets are currently £454,390. The school only has 26 children in a class and consequently receives significantly less funding than it would if the pupil admission number was 30 per class. To date the school has received sufficient funds to provide an outstanding education for its children. The school has created a 5 year plan and if pupil numbers are not increased within the next two years the school's expenditure will be greater than its income. The school intends to increase pupil numbers in Reception from September 2018 to 28 pupils per class in order to increase the amount of income it receives. The school does not intend to accept extra pupils into other year groups in 2018 but as the Reception 2018 intake moves up for through the school, the number of pupils will increase in each year group. Governors have agreed to monitor carefully the effect of increased numbers on the site and the immediate vicinity.

Investment Policy

Within the Thomson House School investment policy, the Trustees agree all investments made by the school are in line with the Charity Commission guidance. Investments are currently restricted to deposit accounts held with UK banks.

Principal Risks and Uncertainties

The Academy Trust has a formal risk management process in place to identify and assess all risks associated with the organisation; this enables the instigation of risk mitigation strategies. A Risk Register is in place which is subject to regular review and made available to all staff. The Headteacher, School Business Manager and Trustees are involved in the preparation of the Risk Register, overseen by the Finance committee. All members of staff are aware of the risk management policy and the controls in place to limit exposure to risk. The Risk Register identifies the types of risk the Academy Trust might encounter and rates the risks in terms of likelihood and impact. This ensures that the most significant risks are highlighted, appropriate strategies to be implemented and the allocation of resources.

As the majority of the Academy Trust's funding is derived from the ESFA, via the Department for Education, the Trustees consider this element of funding to be reasonably secure. The most significant risks relating to this income result from changing government policy on school funding, the effect of increasing contribution rates for stakeholder pensions and NI rebate deletion, and the effect of changing pupil numbers. The Trustees have laid out their strategies for dealing with these risks within the Academy Trust's risk register.

The Trust has adopted a policy whereby risks are monitored on a likelihood and impact basis. As such, the key risks facing the Trust are detailed below. The education sector is one in which there is constant change and therefore there is continual need to identify and address risks and uncertainty. The responsibility to identify and react to risk rests with the Trustees and Senior Leadership Team.

Stamp Education Trust (Thomson House School)

Trustees' Report (continued)

The school has no outside space at its Vernon Road. The school is working with the Local Authority to try and see if Mortlake Green can be used by the school for playspace. For the PE the school is making use of the Mortlake Brewery site. It is unclear as to how long this facility will be available for. Trustees and Local Councillors are aware of these issues that have impact on the health and wellbeing of the pupils at Thomson House School.

If the funding received by the school from the Government drops from its current level then there is a risk that the school will need to increase the number of pupils in a class to maintain financial stability.

The academies risk register also considered the operations and reputational risks involved in the running of the school within the risk register. Whilst it has been identified that the likely occurrence of these risks are low, it is also accepted that the impact if they were to occur is potentially high, therefore the trusts seek professional advice whenever necessary to mitigate against these risks.

Financial Instruments

Credit Risk

The trust has no bad debts and therefore considers its credit risk to be low.

Cash flow and liquidity

The school has sufficient reserves to ensure that there is a low risk to its operations being impacted from poor cash flow

Plans for Future Periods

Stamp Education Ltd is currently operating as a single academy trust. Trustees are looking at the options and benefits of having other schools join the trust.

In 2017-18, the School hopes to build a kitchen at Sheen Lane and to make repairs to the fabric of the building at Vernon Road. The School hopes to apply for funding for these works from the Condition Improvement Fund run by the ESFA.

Funds Held as Custodian Trustee on Behalf of others

Neither the Academy Trust nor any of its Trustees act as a custodian trustee.

Equal Opportunities and Disabled persons policies (Equalities Policy)

The Academy Trust's policy on equal opportunities outlines the commitment of the staff and Governors of Stamp Education Trust to ensure that equality of opportunity is available to all members of the Trust community. For our Trust this means, not simply treating everybody the same but, understanding and tackling the different barriers which could lead to unequal outcomes for different groups of students in the School. It also means celebrating and valuing the equal opportunity achievements and strengths of all members of the School community. These include: -

- Students
- Teaching staff
- Support staff
- Parents/carers
- Community governors
- Multi-agency staff linked to the Trust
- Visitors to the Trust and academies
- Students on placement

The trustees believe that equality at the Trust should permeate all aspects of Trust life and is the responsibility of every member of the Trust and wider community. Every member of the Trust community should feel safe, secure, valued and of equal worth.

Stamp Education Trust (Thomson House School)

Trustees' Report (continued)

At Stamp Education Trust, equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs, sexual orientations, age or any other recognised area of discrimination.

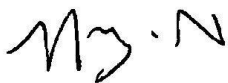
Stamp Education Trust is an Equal Opportunities Employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet minimum selection criteria. Stamp Education Trust provides training and development for all its employees, including people with disabilities, tailored where appropriate, to ensure they have the opportunity to achieve their potential. If a Stamp Education Trust employee becomes disabled while in our employment, Academy Trust will do its best to retain them, including consulting them about their requirements, making reasonable and appropriate adjustments, and providing alternative suitable provisions.

Auditor

Insofar as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 11th December 2017 and signed on the board's behalf by:



Mr N Tiffou
Chair of Governors

Stamp Education Trust (Thomson House School) Governance Statement

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 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 |
|-----------------------------------|--------------------------|--------------------------|
| Mr S Bastian (Chair of Finance) | 4 | 4 |
| Mr R Harriss (Appointed 21/02/17) | 2 | 3 |
| Mrs A Klein | 3 | 4 |
| Mrs A Letch (Accounting Officer) | 4 | 4 |
| Mrs C McLean (Resigned 20/02/17) | 1 | 1 |
| Mrs L Moore | 4 | 4 |
| Mrs T A Moran (Vice Chair) | 3 | 4 |
| Mr D P Oliver | 4 | 4 |
| Mr M E D Rossetti | 3 | 4 |
| Mr W Scrimshaw | 1 | 4 |
| Mrs M J Shaw (Appointed 21/02/17) | 1 | 2 |

Stamp Education Trust (Thomson House School) Governance Statement (continued)

This Finance and General Purposes Committee provides an opportunity for detailed discussion and consideration of financial and property matters, with regular reporting to the full board of trustees. It is given delegated authority for most financial decision-making, but the full board of trustees as a whole remains accountable and must still remain actively engaged in financial and premises matters.

Benefits of the Finance and General Purposes committee include:

- Helping to prevent fraud by ensuring that all tasks associated with the finance function are not performed by one person without supervision from others (segregation of duties).
- Allowing the Full Governing Body meetings to focus on a wider range of issues, as detailed financial and property discussions can take place within the sub-committee.
- Enabling more democratic control of the organisation's finances and estate.
- Spreading the burden of financial and premises management, thereby also potentially improving its quality.
- Helping train new committee members in financial and premises related matters.

Matters discussed during the year to 31 August 2017 include:

- Full review of finance and premises policies
- Agreement of financial regulations and scheme of delegation
- Regular review of the current financial position
- Review of long term (3-5 years) financial position
- Assurance work on health and safety matters
- Investigations into furthering the trusts charitable aim through community involvement
- Review of internal audit reports
- Review of capital grants received in year for the improvement of the estate
- Consideration of the schools assets and fulfilment of the Trusts charitable obligations to maximise the benefit of those assets with regard to asset disposal and reinvestment

Attendance at Finance and General Purposes Committee meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mr S Bastian (Chair of finance) | 4 | 4 |
| Mrs A Letch (Accounting Officer) | 4 | 4 |
| Mrs C McLean (resigned 20/2/17) | 2 | 2 |
| Mr W Scrimshaw | 3 | 4 |
| Mr N Tiffou (Chair of Governors) | 4 | 4 |
| Mr M E D Rossetti (appointed 10/05/17) | 2 | 2 |

Review of Value for Money

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

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

- The School makes its premises available to community groups and local companies for lettings. This is an area that the school is actively pursuing in order to ensure that value for money is achieved from the premises. The school has let out its premises at Vernon Road while the building is not being fully utilised by the school. This has raised significant extra funding for the school;
- The school has looked to increase its income by negotiating a sponsorship arrangement with James Anderson a local estate agent. The school also has an 'Enrichment Fund' that parents are able to

Stamp Education Trust (Thomson House School) Governance Statement (continued)

make regular donations to in order to provide for the school to run additional activities and workshops to further enhance the children's love of learning.

- The Business Manager has been influential in driving down costs through better procurement and negotiation throughout 2016/17. Contracts are regularly reviewed to ensure that they are still fit for purpose and best value for the school. During this year, the school ran a competitive tender to provide cleaning services for Sheen Lane and to replace the gates at the front of Sheen Lane.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stamp Education Academy Trust for the year ended 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 trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 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 trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance 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 Mazars as internal auditor. They will take over the role in 2017-18 from Hacker Young.

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

- testing of payroll systems
- testing of purchase systems

Stamp Education Trust (Thomson House School)

Governance Statement (continued)

On a bi-annual basis, the auditor reports to the board of trustees, through the Finance and General Purposes Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Due to the handover this year between Hacker Young and Mazars in 2016/17 only one visit took place this year. In 2017/18 two visits will take place.

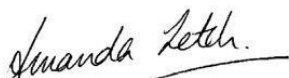
Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the work of the School Business Manager within the academy trust who has 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 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 11th December 2017 and signed on its behalf by:



Mrs A Letch
Trustee



Mr N Tiffou
Accounting Officer

Stamp Education Trust (Thomson House School)

Statement of Regularity, Propriety and Compliance

As accounting officer of Stamp Education Trust 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 all 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.



Mr A Letch
Accounting Officer
11th December 2017

Stamp Education Trust (Thomson House School) Statement of Trustees' Responsibilities

The trustees (who act as governors of Stamp Education Trust and are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published 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 Trust and of 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 in 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 Trust will continue in business

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

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

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

Approved by order of the members of the board of trustees on 11th December 2017 and signed on its behalf by:



Mrs A Letch
Accounting Officer

Stamp Education Trust (Thomson House School) Independent Auditor's Report on the Financial Statements to the Members of Stamp Education Academy Trust

We have audited the financial statements of Stamp Education Trust ("the 'trust'") for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and Charities SORP 2015.

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2017 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 company'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' reports thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Stamp Education Trust (Thomson House School) Independent Auditor's Report on the Financial Statements to the Members of Stamp Education Academy Trust (continued)

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.

Opinions 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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual.

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' remuneration specific by law are 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 Trustees' responsibilities statement set out on page 14, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 auditor's 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.

Stamp Education Trust (Thomson House School) Independent Auditor's Report on the Financial Statements to the Members of Stamp Education Academy Trust (continued)

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. This report is made solely to the Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's members as a body for our audit work, for this report, or for the opinions we have formed.

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 auditor's report.

Nicola Wakefield (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Dated:

Stamp Education Trust (Thomson House School) Independent Reporting Accountant's Assurance Report on Regularity to Stamp Education Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 10 November 2017 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 Stamp Education Trust during the period 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 Stamp Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stamp Education Trust and 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 Stamp Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Stamp Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Stamp Education Trust's funding agreement with the Secretary of State for Education dated 13 December 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 period 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 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 trust's income and expenditure.

Stamp Education Trust (Thomson House School) Independent Reporting Accountant's Assurance Report on Regularity to Stamp Education Academy Trust and the Education and Skills Funding Agency

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

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

Nicola Wakefield
Reporting Accountant
Mazars LLP

Dated.....

**Stamp Education Trust
(Thomson House School)
Statement of Financial Activities
For the year ended 31 August 2017**

(including Income and Expenditure Account)

| | Note | Unrestricted Funds | Restricted General Funds | Restricted Fixed Asset Funds | Total 2017 | Total 2016 |
|---|------|-----------------------|--------------------------------|---------------------------------------|-----------------------|------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 47,194 | - | 377,573 | 425,467 | 448,514 |
| Charitable activities: | | | | | | |
| Funding for the trust's educational operations | 4 | 1,397 | 1,004,960 | - | 1,006,357 | 836,010 |
| Other trading activities | 5 | 192,630 | - | - | 192,630 | 176,817 |
| Investments | | 487 | - | - | 487 | 413 |
| Total | | 242,408 | 1,004,960 | 377,573 | 1,624,941 | 1,461,754 |
| Expenditure on: | | | | | | |
| Raising funds | 6 | 913 | - | - | 913 | 365 |
| Charitable activities: | | | | | | |
| Educational operations | 7 | 114,956 | 1,150,964 | 262,570 | 1,528,490 | 1,188,370 |
| Total | | 115,869 | 1,150,964 | 262,570 | 1,529,403 | 1,188,735 |
| Net income / (expenditure) | | 126,539 | (146,004) | 115,003 | 95,538 | 273,019 |
| Transfers between funds | 15 | 14,292 | - | (14,292) | - | - |
| Other recognised (losses): | | | | | | |
| Actuarial (losses) on defined benefit pension schemes | 21 | - | (22,000) | - | (22,000) | (80,000) |
| Net movement in funds | | 140,831 | (168,004) | 100,711 | 73,538 | 193,019 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 173,376 | 69,187 | 7,287,205 | 7,529,768 | 7,336,749 |
| Total funds carried forward | | 314,207 | (98,817) | 7,387,916 | 7,603,306 | 7,529,768 |

**Stamp Education Trust
(Thomson House School)
Statement of Financial Activities
For the year ended 31 August 2017**

(including Income and Expenditure Account)

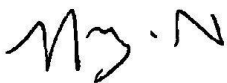
| Comparative year information Year ended 31 August 2016 | Unrestricted Funds | Restricted General Funds | Restricted Fixed Asset Funds | Total 2016 |
|---|-----------------------|--------------------------------|---------------------------------------|-----------------------|
| Income and endowments from: | | | | |
| Donations and capital grants | 39,561 | - | 408,953 | 448,514 |
| Charitable activities: | | | | |
| Funding for the trust's educational operations | 2,500 | 833,510 | - | 836,010 |
| Other trading activities | 176,817 | - | - | 176,817 |
| Investments | - | - | 413 | 413 |
| Total | 218,878 | 833,510 | 409,366 | 1,461,754 |
| Expenditure on: | | | | |
| Raising funds | 365 | - | - | 365 |
| Charitable activities: | | | | |
| Educational operations | 91,854 | 839,239 | 257,277 | 1,188,370 |
| Total | 92,219 | 839,239 | 257,277 | 1,188,735 |
| Net income / (expenditure) | 126,659 | (5,729) | 152,089 | 273,019 |
| Transfers between funds | - | (56,746) | 56,746 | - |
| Other recognised (losses): | | | | |
| Actuarial (losses) on defined benefit pension schemes | - | (80,000) | - | (80,000) |
| Net movement in funds | 126,659 | (142,475) | 208,835 | 193,019 |
| Reconciliation of funds | | | | |
| Total funds brought forward | 46,717 | 211,662 | 7,078,370 | 7,336,749 |
| Total funds carried forward | 173,376 | 69,187 | 7,287,205 | 7,529,768 |

Stamp Education Trust (Thomson House School) Balance Sheet as at 31 August 2017

Company Number 07916297

| | Notes | 2017 £ | 2017 £ | 2016 £ | 2016 £ |
|--|-------|------------------|------------------|-----------|-----------|
| Fixed assets | | | | | |
| Intangible assets | 11 | | - | | - |
| Tangible assets | 12 | | 7,387,916 | | 7,287,205 |
| Current assets | | | | | |
| Debtors | 13 | 81,470 | | 92,223 | |
| Cash at hand and in bank | | 488,165 | | 398,835 | |
| | | 569,635 | | 491,058 | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 14 | (115,245) | | (105,495) | |
| Net current assets | | | 454,390 | | 385,563 |
| Net assets excluding pension liability | | | 7,842,306 | | 7,672,768 |
| Defined benefit pension scheme liability | 21 | | (239,000) | | (143,000) |
| Total net assets | | | 7,603,306 | | 7,529,768 |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| - Fixed asset fund | 15 | 7,387,916 | | 7,287,205 | |
| - Restricted income fund | 15 | 140,183 | | 212,187 | |
| - Pension reserve | 15 | (239,000) | | (143,000) | |
| Total restricted funds | | | 7,289,099 | | 7,356,392 |
| Unrestricted income funds | 15 | | 314,207 | | 173,376 |
| Total funds | | | 7,603,306 | | 7,529,768 |

The financial statements on pages 24 to 37 were approved by the trustees and authorised for issue on 11th December 2017 and are signed on their behalf by:



Mr N Tiffou
Chair of Governors

Stamp Education Trust (Thomson House School) Statement of Cash Flows for the year ended 31 August 2017

| | Notes | 2017 £ | 2016 £ |
|--|-------|----------------|-----------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | 74,551 | 87,125 |
| Cash flows from investing activities | | | |
| | 18 | 14,779 | (9,912) |
| Change in cash and cash equivalents in the reporting period | | 89,330 | 97,037 |
| Cash and cash equivalents at 1 September 2016 | | 398,835 | 301,798 |
| Cash and cash equivalents at 31 August 2017 | 19 | 488,165 | 398,835 |

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017

1. Statement of accounting policies

Stamp Education Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

Basis of preparation

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.

Stamp Education Trust meets the definition of a public benefit entity under FRS 102.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of 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.

Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

1. Statement of accounting policies (continued)

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated fixed assets**

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

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 Raising Funds**

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

- **Charitable Activities**

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

All expenditure is inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 3 years

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

1. Statement of accounting policies (continued)

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

- | | |
|------------------------------------|----------|
| • Freehold buildings | 50 years |
| • Computer hardware | 3 years |
| • Fixtures, fittings and equipment | 3 years |

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

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

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Leased Assets

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

1. Statement of accounting policies (continued)

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 cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, 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 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.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

1. Statement of accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

Critical areas of judgement

Disclose the judgements (apart from those involving estimation) that have the most significant effect on the amounts recognised in the financial statements. The trustees must establish which areas of judgement are critical to the academy trust's financial statements.

2. General Annual Grant (GAG) [if required]

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2017 on the amount of GAG that could be carried forward from one year to the next. The academy trust is not carrying forward any GAG at the end of the year.

3. Donations and capital grants

| | Unrestricted Funds | Restricted Funds | Total 2017 | Total 2016 |
|---------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ |
| Capital grants | - | 377,573 | 377,573 | 408,953 |
| Private sponsorship | 12,000 | - | 12,000 | 14,000 |
| Other donations | 35,194 | - | 35,194 | 25,561 |
| | <u>47,194</u> | <u>377,573</u> | <u>425,467</u> | <u>448,514</u> |

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

4. Funding for the Academy Trust's educational operations

| | Unrestricted Funds £ | Restricted Funds £ | Total 2017 £ | Total 2016 £ |
|--------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| DfE / ESFA grants | | | | |
| - General Annual Grant (GAG) | - | 772,923 | 772,923 | 583,756 |
| - Start Up Grants | - | 53,500 | 53,500 | 67,000 |
| - Other DfE/ESFA grants | - | 13,218 | 13,218 | 16,887 |
| | - | 839,641 | 839,641 | 667,643 |
| Other Government grants | | | | |
| - Local authority grants | - | 17,319 | 17,319 | 2,959 |
| - Special educational projects | - | 148,000 | 148,000 | 162,908 |
| | - | 165,319 | 165,319 | 165,867 |
| Other income | 1,397 | - | 1,397 | 2,500 |
| | 1,397 | 1,004,960 | 1,006,357 | 836,010 |

5. Other trading activities

| | Unrestricted Funds £ | Restricted Funds £ | Total 2017 £ | Total 2016 £ |
|----------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities | 41,568 | - | 41,568 | 41,367 |
| Catering income | 86,677 | - | 86,677 | 65,476 |
| Extended school activities | 64,385 | - | 64,385 | 69,974 |
| | 192,630 | - | 192,630 | 176,817 |

6. Expenditure

| | Staff Costs £ | Non Pay Expenditure | | Total 2017 £ | Total 2016 £ |
|---------------------------------|---------------------|---------------------|------------|--------------------|--------------------|
| | | Premises £ | Other £ | | |
| Expenditure on raising funds | - | - | 913 | 913 | 365 |
| Academy's education operations: | | | | | |
| - Direct costs | 771,184 | - | 95,433 | 866,617 | 573,770 |
| - Allocated support costs | 171,425 | 361,354 | 129,094 | 661,873 | 614,600 |
| | 942,609 | 361,354 | 225,440 | 1,529,403 | 1,188,735 |

Net income for the year includes:

| | 2017 £ | 2016 £ |
|--|----------------|-----------|
| Operating lease rentals | 20 | 10,193 |
| Depreciation | 262,570 | 257,277 |
| Fees payable to auditor for audit services | 12,793 | 7,000 |

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

7. Charitable activities

| | 2017 £ | 2016 £ |
|--|-----------------------------|-----------------------------|
| Direct costs – educational operations | 866,617 | 573,770 |
| Support costs – educational operations | 661,873 | 614,600 |
| | <u>1,528,490</u> | <u>1,188,370</u> |
| | Total 2017 £ | Total 2016 £ |
| Support staff costs | 171,425 | 192,290 |
| Depreciation | 262,570 | 257,277 |
| Technology costs | 22,725 | 16,516 |
| Premises costs | 98,784 | 61,070 |
| Other support costs | 93,509 | 81,114 |
| Governance costs | 12,860 | 6,333 |
| | <u>661,873</u> | <u>614,600</u> |

8. Staff

a. Staff costs

Staff costs during the period were:

| | Total 2017 £ | Total 2016 £ |
|---|--------------------|--------------------|
| Wages and salaries | 686,141 | 521,447 |
| Social security costs | 58,816 | 35,180 |
| Operating costs of defined benefit pension scheme | 175,484 | 103,354 |
| | <u>920,441</u> | <u>659,981</u> |
| Supply staff costs | 5,614 | 2,166 |
| Staff restructuring costs | 16,554 | 11,525 |
| | <u>942,609</u> | <u>673,672</u> |

b. Staff numbers

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

| | 2017 No. | 2016 No. |
|----------------------------|-------------|-------------|
| Teachers | 11 | 8 |
| Administration and support | 3 | 4 |
| Management | 1 | 1 |
| Teaching Support | 7 | 1 |
| | <u>22</u> | <u>17</u> |

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

c. Higher paid staff

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

| | 2017 No. | 2016 No. |
|-------------------|-------------|-------------|
| £60,001 - £70,000 | 1 | 1 |

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the trust was £81,175 (2016: £73,373).

9. 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 trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees’ remuneration and other benefits was as follows:

A Letch (Accounting Officer and trustee):
 Remuneration £65,000 - £70,000 (2016: £65,000 - £70,000)
 Employer’s pension contributions paid £10,000 - £15,000 (2016: £10,000 - £15,000)

During the period ended 31 August 2017, there were no travel and subsistence expenses reimbursed or paid directly to the trustees (2016: nil).

Other related party transactions involving the trustees are set out in note 22.

10. Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover on any one claim. For the year ended 31 August 2017 the trust was insured by the EFA’s Risk Protection Arrangement.

11. Intangible fixed assets

| | Development costs £ |
|---|---------------------------|
| Cost | |
| At 1 September 2016 and at 31 August 2017 | 4,142 |
| Amortisation | |
| At 1 September 2016 and at 31 August 2017 | 4,142 |
| Carrying amount | |
| At 31 August 2016 and 31 August 2017 | - |

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

12. Tangible fixed assets

| | Land and buildings £ | Computer Hardware £ | Fixtures, fittings & equipment £ | Total £ |
|------------------------|----------------------------|---------------------------|--|------------------|
| Cost | | | | |
| At 1 September 2016 | 7,334,934 | 183,793 | 328,178 | 7,846,905 |
| Additions | 260,939 | 41,732 | 60,610 | 363,281 |
| At 31 August 2017 | <u>7,595,873</u> | <u>225,525</u> | <u>388,788</u> | <u>8,210,186</u> |
| Depreciation | | | | |
| At 1 September 2016 | 297,758 | 127,707 | 134,415 | 559,700 |
| Charged in year | 181,802 | 42,636 | 38,132 | 262,570 |
| At 31 August 2017 | <u>479,560</u> | <u>170,343</u> | <u>172,547</u> | <u>822,270</u> |
| Net book values | | | | |
| At 31 August 2016 | 7,037,176 | 56,086 | 193,943 | 7,287,205 |
| At 31 August 2017 | <u>7,116,313</u> | <u>55,182</u> | <u>216,421</u> | <u>7,387,916</u> |

13. Debtors

| | 2017 £ | 2016 £ |
|--------------------------------|---------------|---------------|
| Trade debtors | 6,722 | 1,547 |
| VAT recoverable | 35,780 | 73,886 |
| Prepayments and accrued income | 38,968 | 16,790 |
| | <u>81,470</u> | <u>92,223</u> |

14. Creditors: amounts falling due within one year

| | 2017 £ | 2016 £ |
|-------------------------------------|----------------|----------------|
| Trade creditors | 26,800 | 14,168 |
| Taxation and social security | 14,592 | - |
| Other creditors | 7,103 | 31,004 |
| Accruals and deferred income | 66,750 | 60,323 |
| | <u>115,245</u> | <u>105,495</u> |
| | 2017 £ | 2016 £ |
| Deferred income at 1 September 2016 | 39,939 | 35,803 |
| Released from previous years | (39,939) | (35,803) |
| Resources deferred in year | 43,058 | 39,939 |
| Deferred income at 31 August 2017 | <u>43,058</u> | <u>39,939</u> |

At the balance sheet date the academy trust was holding funds received in advance for the free school meal initiative for the autumn term 2017.

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

15. Funds

| | Balance at 1 September 2016 £ | Income £ | Expenditure £ | Gains, Losses and Transfers £ | Balance at 31 August 2017 £ |
|--------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 212,187 | 772,923 | (844,927) | - | 140,183 |
| Start Up Grant | - | 53,500 | (53,500) | - | - |
| Other DfE/EFA grants | - | 13,218 | (13,218) | - | - |
| Other government grants | - | 165,319 | (165,319) | - | - |
| Pension reserve | (143,000) | - | (74,000) | (22,000) | (239,000) |
| | 69,187 | 1,004,960 | (1,150,964) | (22,000) | (98,817) |
| Restricted fixed assets funds | | | | | |
| DfE/EFA capital grants | 7,287,205 | 377,573 | (262,570) | (14,292) | 7,387,916 |
| | 7,287,205 | 377,573 | (262,570) | (14,292) | 7,387,916 |
| Total restricted funds | 7,356,392 | 1,382,533 | (1,413,534) | (36,292) | 7,289,099 |
| Total unrestricted funds | 173,376 | 242,408 | (115,869) | 14,292 | 314,207 |
| Total funds | 7,529,768 | 1,624,941 | (1,529,403) | (22,000) | 7,603,306 |

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. 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.

Other DfE/EFA and government grants

Other grants include funding received from the DfE and the Local Education Authority for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the academy (see note 21).

16. Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total Funds £ |
|--------------------------|----------------------------|-------------------------------------|---|---------------------|
| Intangible fixed assets | - | - | - | - |
| Tangible fixed assets | - | - | 7,387,916 | 7,387,916 |
| Current assets | 314,207 | 255,428 | - | 569,635 |
| Current liabilities | - | (115,245) | - | (115,245) |
| Pension scheme liability | - | (239,000) | - | (239,000) |
| Total net assets | 314,207 | (98,817) | 7,387,916 | 7,603,306 |

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

17. Reconciliation of net income to net cash flow from operating activities

| | 2017 £ | 2016 £ |
|--|---------------|---------------|
| Net income for the reporting period (as per the statement of financial activities) | 95,538 | 273,019 |
| Adjusted for: | | |
| Depreciation [note 12] | 262,570 | 257,277 |
| Capital grants from DfE and other capital income | (377,573) | (409,366) |
| Interest receivable | (487) | (413) |
| Defined benefit pension scheme cost less contributions payable [note 21] | 71,000 | 27,000 |
| Defined benefit pension scheme finance cost [note 21] | 3,000 | 1,000 |
| Decrease/(Increase) in debtors | 10,753 | (33,396) |
| Increase/(Decrease) in creditors | 9,750 | (27,996) |
| Net cash provided by Operating Activities | 74,551 | 87,125 |

18. Cash flows from investing activities

| | 2017 £ | 2016 £ |
|--|---------------|--------------|
| Dividends, interest and rents from investments | 487 | 413 |
| Purchase of tangible fixed assets | (363,281) | (399,867) |
| Capital grants from DfE/ESFA | 377,573 | 408,953 |
| Capital funding received from sponsors and others | - | 413 |
| Net cash provided by / (used in) investing activities | 14,779 | 9,912 |

19. Analysis of cash and cash equivalents

| | 2017 £ | 2016 £ |
|--|----------------|----------------|
| Cash in hand and at bank | 488,165 | 398,835 |
| Notice deposits (less than three months) | - | - |
| Total cash and cash equivalents | 488,165 | 398,835 |

20. Members liability

Each member of the Trust 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 £1 for the debts and liabilities contracted before he/she ceases to be a member.

21. Pension and similar obligations

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

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

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

Stamp Education Trust (Thomson House School) Notes to the Financial Statements For the year ended 31 August 2017 (continued)

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 £62,705 (2016: £47,951).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £51,000 (2016: £41,000), of which employer's contributions totalled £36,000 (2016: £29,000) and employees' contributions totalled £15,000 (2016: £12,000). The agreed contribution rates for future years are 14.7 per cent for employers and 5.5-12.5 per cent for employees.

Stamp Education Trust (Thomson House School)

Notes to the Financial Statements For the year ended 31 August 2017 (continued)

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

| Principal actuarial assumptions | At 31 August 2017 | At 31 August 2016 |
|--|-------------------|-------------------|
| Rate of increase in salaries | 3.6% | 3.2% |
| Rate of increase for pensions in payment | 2.7% | 2.3% |
| Discount rate for scheme liabilities | 2.6% | 2.2% |
| Inflation assumption (CPI) | 2.7% | 2.3% |

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

| | At 31 August 2017 | At 31 August 2016 |
|-----------------------------|-------------------|-------------------|
| <i>Retiring today</i> | | |
| Males | 24.4 | 22.2 |
| Females | 26.0 | 24.4 |
| <i>Retiring in 20 years</i> | | |
| Males | 26.7 | 24.3 |
| Females | 28.3 | 26.9 |

| Sensitivity analysis | At 31 August 2017 | | | At 31 August 2016 | | |
|---|-------------------|-------|-------|-------------------|-------|-------|
| | -0.1% | 0.0% | +0.1% | -0.1% | 0.0% | +0.1% |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Adjustment to discount rate: | | | | | | |
| Present value of total obligation | 471 | 487 | 504 | 250 | 259 | 269 |
| Projected service cost | 111 | 115 | 119 | 89 | 92 | 95 |
| Adjustment to long term salary increase: | | | | | | |
| Present value of total obligation | 489 | 487 | 485 | 260 | 259 | 258 |
| Projected service cost | 115 | 115 | 115 | 92 | 92 | 92 |
| Adjustment to pension increases and deferred revaluation: | | | | | | |
| Present value of total obligation | 502 | 487 | 472 | 268 | 259 | 250 |
| Projected service cost | 119 | 115 | 111 | 95 | 92 | 89 |
| Adjustment to life expectancy assumptions: | | | | | | |
| Present value of total obligation | 503 | 487 | 472 | 266 | 259 | 253 |
| Projected service cost | 119 | 115 | 111 | 94 | 92 | 90 |

Stamp Education Trust (Thomson House School)

Notes to the Financial Statements For the year ended 31 August 2017 (continued)

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

| | Fair value at 31 August 2017 £ | Fair value at 31 August 2016 £ |
|-------------------------------------|--------------------------------------|--------------------------------------|
| Equities | 180,000 | 70,000 |
| Gilts | 12,000 | 7,000 |
| Corporate bonds | 25,000 | 27,000 |
| Property | 7,000 | 11,000 |
| Cash | 2,000 | 1,000 |
| Multi-asset fund | 22,000 | - |
| Total market value of assets | 248,000 | 116,000 |

The actual return on scheme assets was £18,000 (2016: £13,000).

Amount recognised in the statement of financial activities

| | 2017 £ | 2016 £ |
|--|----------------|---------------|
| Current service cost | 107,000 | 56,000 |
| Net interest cost | 3,000 | 1,000 |
| Total amount recognised in the SOFA | 110,000 | 57,000 |

Changes in the present value of defined benefit obligations were as follows:

| | 2017 £ | 2016 £ |
|------------------------|----------------|----------------|
| At 1 September | 259,000 | 97,000 |
| Current service cost | 107,000 | 56,000 |
| Interest cost | 6,000 | 4,000 |
| Employee contributions | 15,000 | 12,000 |
| Actuarial loss | 100,000 | 90,000 |
| At 31 August | 487,000 | 259,000 |

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

| | 2017 £ | 2016 £ |
|------------------------|----------------|----------------|
| At 1 September | 116,000 | 62,000 |
| Interest income | 3,000 | 3,000 |
| Actuarial gain | 78,000 | 10,000 |
| Employer contributions | 36,000 | 29,000 |
| Employee contributions | 15,000 | 12,000 |
| At 31 August | 248,000 | 116,000 |

22. Related party transactions

No related party transactions took place in the year to 31 August 2017, other than certain trustees' remuneration and expenses already disclosed in note 9.