

**The County High School, Leftwich
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

For the Year Ended 31 August 2015

**Company Registration Number:
8126953 (England and Wales)**

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The County High School, Leftwich

Reference and administrative details

Trustee Governors

Mr C Penter (appointed 23rd November 2015)
Mrs A C Massey (resigned 23rd November 2015)
G W Scott
Mrs A A Dunabin
Mrs I A El-Hoss
Mrs G J Sinar

Senior leadership team

Miss J Brandreth- Principal + Accounting Officer
M Hill- Vice Principal
M Keenan- Vice Principal
Mrs S Du-Plessis- Assistant Principal
R Warburton- Assistant Principal
M Snelson- Assistant Principal
Mrs D Balmer -Assistant Principal
J Simms- Head of Finance and Premises

Registered Office

Granville Road
Leftwich
Northwich
CW9 8EZ

Company Registration Number

8126953

Auditors

WatkinsonBlack
1st Floor, 264 Manchester Road
Warrington
WA1 3RB

Bankers

Royal Bank of Scotland
15 Foregate Street
Chester
CH1 1HD

Solicitors

SAS Daniels
30 Greek Street
Stockport, Cheshire
SK3 8AD

The County High School, Leftwich

Trustees' Report

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

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in Leftwich and the surrounding area. It has a pupil capacity of 975 and had a roll of 957 in the school census on 1st October 2015.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The County High School, Leftwich are also the directors of the charitable company for the purposes of company law. The charitable company is known as The County High School, Leftwich.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Under the Companies Act 2006 s236, the Members confirm that there are no third party indemnity provisions in operations.

Principal Activities

The academy trust's principal activity as set out in its Articles of Association and Funding Agreement is to maintain, carry on, manage and develop a school offering a broad and balanced curriculum. This curriculum is designed to meet the needs of students with different abilities. In accordance with the DfE Code of Practice and the Admission Policy, the Academy Trust will promote community cohesion and open its facilities to other schools and community groups.

Method of Recruitment and Appointment or Election of Governors

In addition to the Trustees, the following were also Governors, 2014-2015

Miss J Brandreth	Principal
Mrs A Pimlatt	Staff Governor
Mrs J Curry (appointed 10/2/2015)	Staff Governor
Mrs J Flower	Parent Governor
Mrs S Rocke	Parent Governor
Mr F Blamey (resigned 7/3/2015)	Co-opted Governor
Mr C Penter	Co-opted Governor
Mr M J Wren	Co-opted Governor
Mrs R Le	Parent Governor
Mrs V Davies (appointed 10/2/2015)	Parent Governor
Mrs W Batey-Gray (appointed 19/5/2015)	Parent Governor

In recognition of the pace, scope and scale of change in schools in response to Government initiatives and the expectations of society, the Governing Body of the Converter Academy in its third year decided to undertake a re-evaluation of its impact upon the Academy's Improvement Plan and how it may best support the Academy in the future.

In the ensuing Governance Development Plan (2014-16), one of the first actions was to review the Governance model, which was restructured and streamlined in order to avoid duplication of agenda items, maintain high attendance, promote increased engagement, active team-working, thorough discussion and sound decision-making by matching skills, expertise and experience to the Committees' updated remits so that tasks and responsibilities were delegated to those Governors best suited to discharge them, thus promoting sharper judgements. Accordingly, Curriculum and Student Welfare Committees merged to become the Student Progress and Achievement (SPA) Committee, whilst Finance/Premises and Personnel became Resources' Committee from January 2015.

A member of the Senior Leadership Team (one of two Vice Principals or the Head of Finance) works closely with the Chair of each Committee and the Principal attends some Members' and all Committee meetings, thereby ensuring that strategy can become effectively operational. Members' proposals are discussed fully in the relevant Committees and decisions ratified by the full Governing Body, which convenes at the end of the Committee meeting cycle. It is understood that should a Chair of a committee resign, a Governor invited or elected to that position would become a Member.

Policies and Procedures Adopted for the Induction and Training of Governors.

Training for Governors depends upon existing experience and organisational need with Safeguarding a priority and all Governors undertake an enhanced DBS disclosure. Members of the Senior Leadership Team keep Governors up-to-date with national and local developments and the Academy purchases membership of the Local Authority's training programme for Governors, which provides access to courses, an annual conference and regular newsletters. Governors also have a discrete area on the Academy's ICT network where documentation needed to fulfil their roles is uploaded.

Induction of new Governors is undertaken informally and according to individual need. All new Governors are invited to meet the Principal and to have a tour of the Academy. Governors participate in co-observation of lessons with members of the Senior Leadership Team and form panels in the Autumn term to meet Middle Leaders and to analyse academic performance.

To reiterate, in order to become a Trustee, a Governor would be expected to serve as a member of a committee before being invited or elected to the role of Chair of a Committee and thereby become a Member.

Organisational Structure

To increase leadership and management capacity, to continue to manage initiatives and developments effectively and efficiently, as well as sustaining the trend of academic success, Senior Leadership roles and responsibilities were reviewed. In the Summer term 2014, 3 triads were established; Leadership and Management (Principal, and two Vice Principals); Quality of Teaching (Vice-Principal and 2 Assistant Principals) and Student Achievement (Vice-Principal and 2 Assistant Principals), strengthening 'challenge and support' for each Assistant Principal in those teams, thereby continuing to 'grow leadership';- whilst re-evaluating the Academy's efficacy in its pursuit of continuous school improvement, ensuring our confidence and competence as a learning organisation are grounded in reality, Summer 2014 marking a 3 year interval since our July 2011 Ofsted Inspection and September 2014 the beginning of our third year of operation as a Converter Academy. The Principal and Head of Finance meet at least weekly.

In addition to whole-school strategic and operational responsibilities, Senior Leaders line-manage the Middle Leadership Team, known as Learning Leaders, either Subject or Year, mentoring, coaching, supporting, challenging and thereby reducing the risk of in school variation, whilst promoting an holistic approach to meeting the academic and pastoral needs of students. The Head of Finance also has responsibility for the school premises and line-manages the Maintenance Team to ensure compliance with Health and Safety. The Vice Chair of Governors, who is a Trustee and Chair of the Resources' Committee, is also a member of the Health and Safety Committee, which meets termly.

Senior Leaders work closely with a Chair of Committee (Assistant Principals attend committees by invitation according to the agenda), so Trustees are fully informed and able to support and challenge all key aspects of Academy working.

Risk Management

The members of the Finance and Premises Committee have approved a 'Handbook of Financial Procedures'. The contents of this Handbook are reviewed and updated annually and contained within this document are the systems and procedures to manage risk.

Trustees' Report (cont.)

Connected Organisations, including Related Party Relationships

Although the Academy is an independent, state-funded school, partnership-working remains central to our on-going improvement agenda.

For instance, 2014-2015 saw the Schools' Direct Northwich partnership being incorporated into the Cheshire Vale Training School Alliance to strengthen marketing and opportunities for trainees. The County High School, Leftwich facilitated successful placements in English, Maths, Science and PE. Such partnership-working freshens perspectives, strengthens coaching skills, encourages an 'open-door', confident approach to classroom teaching and 'grows leadership'. Reciprocally, Sir John Deane's College created an 'Academic Challenge Programme' for the Academy's able Year 10 students, highly motivational, deepening learning by providing extra stretch and challenge and facilitating post-16 transition.

Another post-16 provider, Mid-Cheshire College, has supported the Academy by improving our vocational offer: the 14-16 placements are now on one site, reducing transport costs and only accredited courses are offered, making them more popular with our students and thus increasing uptake. One year 11 student won the College's photographic competition; another was 'Student of the Year'. Both providers also contribute helpful Information, Advice and Guidance support, alongside local employers and training providers who attend our annual Careers' Fair and provide mock interviews for our Year 10 students.

The successful development of Master Classes for Year 5 pupils in English, Mathematics, Science, Modern Foreign Languages, Media, Design and Technology, and Photography has continued in 2014-2015. Applications for Year 7, September 2015, were oversubscribed again.

The Principal, an Assistant Principal, Education Support Workers and Learning Leader: Learning Support continue to visit primary schools which send pupils to the Academy; we host regular liaison meetings and offer any curriculum support we can. Curriculum enrichment for those primaries is a strength: we are part of the Schools' Sports' Partnership; our Learning Leader: Music has continued to develop a weekly music group at a local primary and organises and hosts an annual joint Spring Term Concert. Music also supports summer fairs and carol concerts and makes a significant contribution to community enrichment, for example playing at The Cheshire Show and day care centres.

The Principal is a Governor at a local outstanding post-16 provider (Sir John Deane's College), strengthening curriculum links, creating reciprocal teacher development opportunities and enrichment for higher ability students. One Vice Principal is a Governor at another local, outstanding post-16 provider (Mid-Cheshire College) which will further develop our vocational offer. One Vice Principal was the Chair of the Management Board of the local short stay school (local equivalent of a PRU) and remains a Governor so we are in a strong position to continue to strengthen our learning pathways for all students in a proudly and successfully inclusive academy. We are also part of the Vale Royal Secondary Heads' Group which the Principal attends, alongside regular meetings of Cheshire West Association of Secondary Headteachers which retains contact with the Local Authority. We are also a member of PiXL (Partners in Excellence) and one Vice Principal is an associate, enabling support to other member schools. The Academy participates in and hosts competitions organised by the Rotary Club. Our partnership with Manchester Airport enables us to benefit from an incentive scheme to enrich the Arts via, for example, an annual Dance workshop at the Lowry. As an Academy ambitious for all students, whenever requested, we have supported other providers, examples including :-

- Support of a local secondary school in best practice with Looked After Children
- Addressing Post Graduate Students (ITE) at Manchester Metropolitan University (MMU)
- Supporting a local PRU in effective use of SIMS to track student achievement
- Assistant Principal, Strategic ICT, was Guest Speaker at a National Conference for Child Protection in the Digital Environment.
- Three colleagues were Governors in three Primary Schools, one a Vice Chair.

Trustees' Report (cont.)

Objectives and Activities

Objects and Aims

The principal objective of The County High School, Leftwich is to enable each student to maximise his/her potential academically and socially. The Academy nurtures an appropriately challenging, but caring and supportive atmosphere in which each student is encouraged to make the right choice: to develop self-discipline, self-confidence and self-reliance, crucial attributes in preparation for independent, adult life beyond the safe environment the Academy provides. In effect the Academy is committed to the continuous development of a learning community which encourages each individual to recognise his/her talents and to learn how to learn in order to secure purposeful and satisfying future employment in a rapidly changing, global marketplace.

This core purpose is thus the focus of our strategic planning and distributed leadership- leadership for learning- with its inextricably interrelated, rigorous programmes of Self-Evaluation and Performance Management.

Objectives, Strategies and Activities

Leadership for learning is developed via four strategies, detailed in the Academy's three year Improvement Plan: Leadership and Management; Quality of Teaching; Behaviour and Safety; Achievement. In accordance with the recommendations of The County High School, Leftwich's Ofsted Report July 2011, the priorities are thus to continue to increase challenge for all students in both Key Stages:

- By strengthening assessment for and of learning (to make progress explicit)
- By developing innovative approaches to teaching and learning
- By refining continuing professional development for all teachers
- By ensuring the curriculum remains relevant, engaging, inclusive and referenced to national developments
- By maintaining an up-to-date Single Equality Scheme in accordance with current legislation
- By ensuring infrastructure facilitates the implementation of improvement priorities
- By improving literacy skills to provide greater access to the curriculum and learning for all
- By increasing participation rates in a range of inclusive enrichment activities
- By improving and broadening high quality learning support provision
- By maintaining the Academy's current high SMSC standards whilst increasing engagement with the national agenda, including 'Prevent'
- By strengthening transition programmes for Key Stages 2 to 3 and Key Stages 4 to 5.

To ensure that standards continue to be met and that our offer remains relevant and engaging, The County High School, Leftwich undertakes an annual curriculum review and the following changes were implemented 2014-15:

- Increase in English and Mathematics' allocation in Key Stages 3 and 4 by merging Dance with PE, reducing Art from 3 to 2 hours in Key Stage 3, removing Core ICT from Key Stage 4 and teaching students who opt for Separate Sciences after school for one of their two 'extra' lessons;
- Preparation begun for Computer Science GCSE in 2015;
- Afternoon registration with tutors changed to subject teacher registration to extend morning tutor time and thus create and use a 30 minute session to strengthen whole-school literacy enhancement;
- RS in Key Stage 4 strengthened by integrating with PSHE delivery where appropriate;
- Electives' programme amended so that all students will take at least 3 English Baccalaureate (EBacc) subjects in addition to English and Mathematics;
- Leadership capacity increased in Humanities, so Geography and History will have separate subject leaders, thereby further strengthening EBacc provision:

In 2014-2015, the curriculum was enriched by at least 42 educational visits, competitions and activities off-site for students across all age and ability ranges. In June 2015, the Academy was successful in renewing its IT Mark award, evidencing the importance of ICT/Media literacy in the development of the organisation and in enhancing the employability of our techno-savvy students.

Trustees' Report (cont.)

Public Benefit

The Academy Trust has maintained the ethos that the school should be at the heart of the community. The Academy benefits directly and indirectly its existing students and potential future students by:-

- allowing the local brownies to use our facilities free of charge
- Dance- allowing the toddlers from the 'Groovy Movers' to use our Dance Studio free of charge
- hosting the annual Minors' Athletics' Competition (Year 7 students across the locality)
- PE GCSE students acting as Sports Leaders' to oversee and assist with local Primary Schools' Sports Days
- Our Multi Use Game Area is utilised by the community with 90% of the available time slots taken.
- Both our Dance Studio and Gym are used on a daily basis in the evening.
- Our recording studio and Technicians have been used by local Primary Schools
- "Master Classes" for Year 5 pupils are held weekly and continue to be fully subscribed.
- Annually at Christmas local pensioners are cordially invited to spend an evening at the Academy where they are entertained and enjoy a Christmas meal all free of charge. Transport is provided at no charge to the guests. Funding for this is raised by Year 11 students as part of their enterprise education.

Additionally, County High School students raised almost £7000 for local, national and international charities through many fund raising activities.

Strategic Report

Achievements and Performance

The Academy has maintained its healthy student roll.

Summer 2015, the Academy was again oversubscribed for Year 7 entry September 2015 with parents obliged to participate in the admissions' appeals' process (441 applications for 195 places).

Examination results for 2014-2015 evidence on-going and robust academic performance in a proudly inclusive learning environment:-

5+ A*-C (including English and Mathematics)

2006 51%	2011 75%
2007 53%	2012 79%
2008 59%	2013 80%
2009 60%	2014 78%
2010 64%	2015 81%

Going Concern

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

Governors' Report (cont.)

Key Performance Indicators

The Resources' Governors' Committee receives reports on financial performance at each Committee meeting. Key Financial information reported 2014-2015 included:-

- Balanced budget approved by the Committee at its 10th February 2015 meeting
- Expenditure against Budgetary figures
- All major potential Expenditure was approved by the Committee, including Premises and ICT purchases
- All Bank Balances

Financial Review

The vast majority of income is received from the EFA in the form of General Annual Grant (GAG). This income makes up over 95% of the total income received and is shown as Restricted General Funds in the Statement of Financial Activities.

Expenditure from this funding was used to support the Academy Trust in its key objectives- the provision of education for students and the development of the school as an educational establishment.

Financial and Risk Management Objectives and Policies

Financial management issues and the identification of financial risks are reported via the Resources' Committee to the Governing Body and the Members of the Academy Trust.

The Resources' Committee meets on a termly basis, with the Head of Finance and Principal present, and at these meetings key financial strategic risks are discussed. These risks include planned and unplanned capital expenditure, the agreement of a balanced budget, the review of the Academy's bank balances and the potential income streams for the following academic year.

In addition the Head of Finance meets with the Principal on a weekly basis to discuss issues such as staffing changes and their financial impact/risk, any changes in regulatory requirements and any other potential or perceived financial risks.

During both the termly and weekly meetings, the liquidity state of the school bank accounts is discussed. Through careful financial planning and the close monitoring of cash flow forecasts, a surplus position was maintained.

Principal Risks and Uncertainties

Given the plans for forthcoming capital expenditure that the Academy needs to pursue over the next two years, the policy of retaining excess funds in a liquid state is deemed prudent and longer term investment inappropriate.

Interest on surplus funds is maximised by transferring any cleared balance above £10,000 into a Special Interest Bearing Account on a daily basis. These transfers are undertaken automatically by the computer to eliminate any potential human error.

The Academy is aware that its bankers – RBS Commercial- will be subject to segregation/takeover at some point in the future. This on-going situation will continue to be monitored closely and any uncertainty, any risk to the Academy's funds or any material changes to the terms and conditions applicable at present will result in the Academy's banking arrangements being transferred to another financial institution.

Governors' Report (cont.)

Reserves Policy

The Academy trust currently has no Reserves Policy given that liquid funds are required for future premises improvements.

Investment Policy

The Academy Trust currently has no Investment Policy given that liquid funds are required for future premises improvements.

Plans for Future Periods

The Plans for Future Periods are detailed within the Academy Improvement Plan. Future Premises projects include:-

- A) A new Car Park to enhance Safeguarding
- B) The re-siting of a Tennis Court to facilitate the new Car Park
- C) New roofs
- D) Commencement of the internal re-fenestration programme.

Bids into the Condition Improvement Fund (CIF) 2015-2016 will made for financial assistance towards these projects. However cognisance must be made of the fact that Bids into the CIF have proved to be more successful when substantial amounts of internal funding have been pledged towards the projects.

On this basis, the Academy continues to accumulate funds to ensure that we are in a position to pledge funds towards premises improvements if required and our indicative cashflow forecast and budget for 31st August 2016 would point to an accumulated fund of circa £500,000 to be ring fenced for this purpose.

Funds held as Custodian Trustee on behalf of others

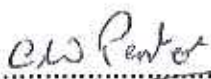
There are no funds held as Custodian Trustee on behalf of others.


Auditor

In-so-far as the Governors are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Governors 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.

Approved by order of the members of the Governing Body on 8th December 2015
and signed on its behalf by:


.....
Mr C Penter
Chair


.....
Mrs A C Massey
Governor

Governance Statement

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The County High School, Leftwich and the Secretary of State for Education. The Principal is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 3 times during the year. Attendance during the meetings of the Governing Body was as follows:-

Governor		Meetings Attended	Out of a possible
Miss J Brandreth	Principal/Accounting Officer	3	3
Mrs A Massey	Chair/Member	3	3
Mr G Scott	Vice Chair/Member	2	3
Mrs A Dunabin	Member	3	3
Mrs I El-Hoss	Member	3	3
Mrs G Sinar	Member	2	3
Mrs A Pimlatt	Staff Governor	3	3
Mrs J Flower	Parent Governor	3	3
Mrs S Roche	Parent Governor	3	3
Mrs R Le	Parent Governor	3	3
Mr F Blamey (Resigned 7/3/15)	Co-opted Governor	1	1
Mr C Penter	Co-opted Governor	3	3
Mr M J Wren	Co-opted Governor	2	3
Mrs J Curry (Appointed 10/2/15)	Staff Governor	2	2
Mrs V Davies (Appointed 10/2/15)	Parent Governor	2	2
Mrs W Batey-Gray (Appointed 19/5/15)	Parent Governor	1	1

The Finance and Premises' Committee is a sub-committee of the main governing board. Its purpose is to review all financial and premises' matters on behalf of the Governing Body, including the regular consideration of the Academy's financial position, risk management and strategic long term planning.

Governor		Meetings Attended	Out of a possible
Miss J Brandreth*	Principal/Accounting Officer	2	3
Mrs A Massey	Member	3	3
Mr G Scott	Chair Resources'/Member	3	3
Mrs A Dunabin*	Member	0	3
Mrs I El-Hoss*	Member	0	3
Mrs G Sinar	Member	3	3
Mrs J Flower	Parent Governor	1	1
Mr C Penter	Co-opted Governor	3	3
Mr M J Wren	Co-opted Governor	3	3
Mrs J Curry	Staff Governor	2	2
Mrs W Batey-Gray	Parent Governor	1	1
Mrs V Davies	Parent Governor	2	2

* Includes occasions when attendance was not possible due to other School commitments

Governance Statement (continued)

Review of Value for Money

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

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

Income generation

The County High School, Leftwich continued to maximise income generation through the hire of its facilities including: - the Multi Use Games Area (MUGA), the Gym, the Recording Studio and the Dance Studio. The MUGA was almost fully booked throughout the year.

Governance of the Academy's Finances

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31st August 2015, this review has been informed by:

- the work of a Responsible Officer
- the Audit Committee;
- external audit.

The Responsible Officer is a suitably qualified external person who reviewed key financial procedures and systems and presented a report on a termly basis to the Resources' Committee.

The Academy Trust's system of internal 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 for the year 2014-2015 it included:

- comprehensive budgeting and monitoring systems with an annual budget and periodic reports which were reviewed and agreed by the Governing Body;
- regular reviews by the Resources' Committee of reports which indicated financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- A 'Handbook of Internal Financial Procedures' which was reviewed in October 2014
- setting targets to measure financial and other performance;
- clearly defined purchasing guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

Ensuring the Trust demonstrated good value for money and efficient use of resources

All services and contracts were appraised and negotiated on a timely basis and where appropriate(i.e. economies of scale or reduced cost), 3 year contracts were entered into.

The County High School, Leftwich operated a '3 quote policy' for services to be undertaken which were above £10,000 and below the tender limit. This ensured that 'best value' was derived, taking into account suitability, efficiency, time and cost. The Senior Leadership Team applied the same principles when making informed decisions on:-

- The allocation of resources to best support the curriculum
- The allocation of resources to best support the improvement in the standards of the Premises

Reviewing controls and managing risks

The Academy appointed an Audit Committee to receive the termly reports from the Responsible Officer and to receive the Letter of Comment from the external auditors, Watkinson Black. Both items were in turn reported back to the Resources' Committee.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The County High School, Leftwich for the period from 1st September 2014 to 31 August 2015 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 to identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from 1st September 2014 to 31 August 2015 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 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 reports which are reviewed and agreed by the governing body;
- regular reviews by the Resources' 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 guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. Instead, the Trustees have appointed Mr Philip Sanders as the Academy's Responsible Officer (RO). Mr Sanders has previously worked within the Audit Department of a major High Street Bank.

The RO role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

In the year ended 31 August 2015, the Governors confirm that the RO function has been fully delivered in line with the requirements of the EFA and the RO is not aware of any material internal control issues in the year.

Governance Statement (continued)


Review of Effectiveness


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

- the work of the Responsible Officer;
- the Audit Committee;
- external audit;
- the work of the Head of Finance and the Finance team who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the result of the review of the system of internal control by all the above and, whilst no material issues have arisen, a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 8th December 2015 and signed on its behalf by:


.....
Christopher Penter
Chair of Governors


.....
Julie Brandreth
Accounting Officer

Statement on Regularity, Propriety and Compliance

As Accounting Officer of The County High School, Leftwich, I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the Funding Agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies' Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, they will be notified to the academy trust governing body and EFA.

.....

Julie Brandreth
Accounting Officer

8th December 2015

Statement of Trustees' Responsibilities

The Trustees (who act as Governors of The County High School, Leftwich and are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

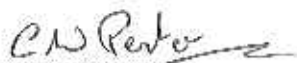
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the Members of the Board of Trustees on 8th December 2015 and signed on its behalf by:



Christopher Penter
Chair of Trustees

Independent Auditor's Report to the Members of The County High School, Leftwich

We have audited the financial statements of The County High School, Leftwich for the period ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2015 issued by the Education Funding Agency.

This report is made solely to the charitable company'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 charitable company'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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities on page 13, the Trustees (who are Governors and also the directors of the charitable company for the purposes of company law) and the governors who are not Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's [(APB's)] Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

The County High School, Leftwich

Independent Auditor's Report to the Members of The County High School, Leftwich (cont.)

Matters on which we are required to report by exception

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

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



.....
David J Watkinson
Statutory Auditor

8th December 2015

For and on behalf of:
WatkinsonBlack
Chartered Accountants
1st Floor, 264 Manchester Road
Warrington
WA1 3AR

Independent Reporting Auditor's Assurance Report on Regularity to The County High School, Leftwich and the Education Funding Agency

In accordance with the terms of our engagement letter dated 30 January 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The County High School, Leftwich during the period from 1st September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The County High School, Leftwich's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The County High School's funding agreement with the Secretary of State for Education dated 4 September 2012 and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. 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 from 1st September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- confirming that activities undertaken conform to The County High School, Leftwich's framework of Authorities
- evaluating the control environment of The County High School, Leftwich
- assessing and testing a sample of specific controls

Independent Reporting Auditor's Assurance Report on Regularity to The County High School, Leftwich and the Education Funding Agency (continued)

Conclusion

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



WatkinsonBlack
Chartered Accountants
1st Floor, 264 Manchester Road
Warrington
WA1 3RB

8th December 2015

Statement of Financial Activities for the year ended 31 August 2015

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2015 £000	Total 2014 £000
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	40	-		40	52
Activities for generating funds	3	175			175	186
Investment income	4	2			2	2
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5		5,034		5,034	4,902
Total incoming resources		217	5,034		5,251	5,142
Resources expended						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income	6	-			-	1
Fundraising trading	6	107			107	5
<i>Charitable activities:</i>						
Academy's educational operations	6,7		5,198	290	5,488	5,363
Governance costs	8		49		49	63
Total resources expended	6	107	5,247	290	5,644	5,432
Net incoming/(outgoing) resources before transfers		110	(213)	(290)	(393)	(290)
Gross transfers between funds	15	(66)	29	37	-	-
Net income/(expenditure) for the year		44	(184)	(253)	(393)	(290)
Other recognised gains and losses						
Actuarial (losses)/gains on defined benefit pension schemes	15, 25		57		57	(390)
Net movement in funds		44	(127)	(253)	(336)	(680)
Reconciliation of funds						
Funds brought forward on 1 September 2014	15	137	(136)	15,091	15,092	15,772
Funds carried forward at 31 August 2015		181	(263)	14,838	14,756	15,092

All of the academy trust's activities derive from continuing operations during the above two financial periods.

The County High School, Leftwich

Balance sheet as at 31 August 2015

	Notes	2015 £000	2015 £000	2014 £000	2014 £000
Fixed assets					
Tangible assets	12		14,838		15,091
Current assets					
Debtors	13	95		311	
Cash at bank and in hand		832		889	
		927		1,200	
Creditors: Amounts falling due within one year	14	288		457	
Net current assets			639		743
Total assets less current liabilities			15,477		15,834
Net assets excluding pension liability					
Pension scheme liability	25		(721)		(742)
Net assets including pension liability			14,756		15,092
Funds of the academy:					
Restricted funds					
Fixed asset fund(s)	15		14,838		15,091
General fund(s)	15		458		606
Pension reserve	15		(721)		(742)
Total restricted funds			14,575		14,955
Unrestricted funds	15		181		137
Total funds			14,756		15,092

These accounts have been prepared in accordance with [the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).]

The financial statements on pages 19 to 37 were approved by the Governors, and authorised for issue on 8th December 2015 and are signed on their behalf by:


Christopher Penter
 Chair of Trustees

Company Limited by Guarantee
 Registration Number 8126953

The County High School, Leftwich

Cash Flow Statement for the year ended 31 August 2015

	Notes	2015 £000	2014 £000
Net cash inflow/(outflow) from operating activities	19	(22)	42
Returns on investments and servicing of finance	20	2	2
Capital expenditure	21	(37)	(27)
(Decrease)/Increase in cash in the year	22	<u>(57)</u>	<u>17</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		<u>889</u>	<u>872</u>
Net funds at 31 August 2015		<u>832</u>	<u>889</u>

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

1 Accounting Policies

Basis of Preparation

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

Going Concern

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

Incoming Resources

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

- **Grants receivable**

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended.

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated Services and Gifts in Kind**

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

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

1 Accounting Policies (continued)

Resources Expended

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

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred on the academy trust's educational operations.

- **Governance Costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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/reducing balance basis over its expected useful lives, as follows:

Long leasehold buildings	Over the length of lease
Fixtures, fittings and equipment	25% reducing balance

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.

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

1 Accounting Policies (continued)

Leased Assets

Rentals under operating leases are charged in the period that they are incurred.

Taxation

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 25, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

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

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

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

2 Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Other donations	40	-	40	52
	<u>40</u>	<u>-</u>	<u>40</u>	<u>52</u>

3 Activities for Generating Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Hire of facilities	33	-	33	16
School trips	99	-	99	131
Tuition fees	24	-	24	-
Sundry other income	19	-	19	39
	<u>175</u>	<u>-</u>	<u>175</u>	<u>186</u>

4 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Short term deposits	2	-	2	2
	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

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

5 Funding for Academy's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
DfE/YPLA/EFA grants				
General Annual Grant (GAG) (note 2)	-	4,582	4,582	4,631
Capital Grants	-	384	384	271
Other Government grants				
Local Government grants	-	68	68	-
	<u>-</u>	<u>5,034</u>	<u>5,034</u>	<u>4,902</u>

6 Resources Expended

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2015 £000	Total 2014 £000
Costs of generating voluntary income			-	-	1
Costs of activities for generating funds			107	107	5
Academy's educational operations					
Direct costs	3,328	-	584	3,912	3,920
Allocated support costs	594	752	230	1,578	1,443
	<u>3,922</u>	<u>752</u>	<u>814</u>	<u>5,488</u>	<u>5,363</u>
Governance costs including allocated support costs			49	49	63
	<u>3,922</u>	<u>752</u>	<u>970</u>	<u>5,644</u>	<u>5,432</u>

The method used for the apportionment of support costs is disclosed in the accounting policies.

	2015 £000	2014 £000
Incoming/outgoing resources for the year include:		
Operating leases	87	48
Fees payable to auditor	9	8
Audit	<u>96</u>	<u>56</u>

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

7 Charitable Activities - Academy's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Direct costs				
Teaching and educational support staff				
Costs	-	3,328	3,328	3,011
Depreciation	-	290	290	339
Technology supplies	-	6	6	15
Educational supplies	-	82	82	242
Examination fees	-	82	82	82
Staff development	-	15	15	19
Educational consultants	-	31	31	20
Other direct costs	-	78	78	192
	-	3,912	3,912	3,920

Allocation supported costs

Support staff costs	-	594	594	543
Technology supplies	-	15	15	29
Recruitment and support	-	27	27	22
Leasing costs	-	87	87	48
Maintenance of premises and equipment	-	590	590	532
Printing & stationery	-	19	19	17
Cleaning	-	8	8	8
Rent & rates	-	49	49	47
Energy costs	-	51	51	84
Insurance	-	40	40	34
Security and transport	-	17	17	15
Catering	-	40	40	27
Bank Interest & Charges	-	1	1	-
Other support costs	-	38	38	37
	-	1,576	1,576	1,443
	-	5,488	5,488	5,363

8 Governance Costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Legal and professional fees	-	36	36	47
Auditor's remuneration	-	8	8	8
Accountancy, taxation and other services	-	5	5	8
	-	49	49	63

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

9 Staff Costs

	2015 £000	2014 £000
Staff costs during the period were:		
Wages and salaries	3,072	2,790
Social security costs	223	216
Pension costs	469	433
	<u>3,764</u>	<u>3,439</u>
Supply teacher costs	155	92
Compensation payments	3	23
	<u>3,922</u>	<u>3,554</u>

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

	2015 Number	2015 Full-time Equivalent	2014 Number	2014 Full-time Equivalent
Charitable Activities				
Teachers	55	55	49	49
Administration and support	69	59	66	56
Management	8	8	14	14
	<u>132</u>	<u>132</u>	<u>129</u>	<u>119</u>

The number of employees whose emoluments fell within the following bands was:

	2015	2014
£60,001 - £70,000	2	1
£80,001 - £90,000	1	1
	<u>3</u>	<u>2</u>

54 of the above employees participated in the Teacher's Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £290,355. Also, 59 other employees participated in the Local Government Pension Scheme. Pension contributions amounted to £126,060.

10 Related Party Transactions – Trustees and Governors' Remuneration and Expenses

Principal and other staff governors only received remuneration in respect of services they provided undertaking the roles of Principal and staff and not in respect of their services as Governors. Other Governors did not receive any payments from the Academy in respect of their role as Governors or Trustees. No staff are Trustees of the Academy.

During the year ended 31 August 2015, no travel and subsistence expenses were reimbursed to Governors.

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

11 Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £979.

The cost of this insurance is included in the total insurance cost.

12 Tangible Fixed Assets

	Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Equipment £000	Motor Vehicles £000	Total £000
Cost					
At 1 September 2014	14,660	545	626	1	15,832
Additions	9	23	5		37
Disposals				(1)	(1)
At 31 August 2015	14,669	568	631	-	15,868
Depreciation					
At 1 September 2014	234	238	269	-	741
Charged in year	117	82	90	1	290
Disposals				(1)	(1)
At 31 August 2015	351	320	359	-	1,030
Net book values					
At 31 August 2015	14,318	248	272	-	14,838
At 31 August 2014	14,426	307	357	1	15,091

13 Debtors

	2015 £000	2014 £000
Prepayments and accrued income	37	256
Other debtors	58	55
	<u>95</u>	<u>311</u>

14 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	137	119
Other taxation and social security	23	39
Other creditors	91	63
Accruals and deferred income	37	236
	<u>288</u>	<u>457</u>

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

15 Funds

	Balance at 1 September 2014 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2015 £000
Restricted general funds					
General Annual Grant (GAG)	606	5,034	(5,211)	29	458
Pension reserve	(742)		(36)	57	(721)
	(136)	5,034	(5,247)	86	(263)
Restricted fixed asset funds					
DfE/YPLA/EFA capital grants	15,033		(276)		14,757
Capital expenditure from GAG	58		(14)	37	81
	15,091	-	(290)	37	14,838
Total restricted funds	14,955	5,034	(5,537)	123	14,575
Unrestricted funds	137	217	(107)	(66)	181
Total funds	15,092	5,251	(5,644)	57	14,756

The Restricted general fund is to cover the normal running costs of the academy trust. These include, but are not restricted to, salaries and other staff costs including training and staff development, premises costs including repairs and maintenance to buildings, and curriculum development.

The Restricted fixed asset fund is to cover the costs of acquisition and enlargement of land and buildings, and the cost of acquisition of other plant, fixtures, fittings and vehicles necessary for the operation of the Academy.

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

16 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets			14,838	14,838
Current assets	210	717		927
Current liabilities	(29)	(259)		(288)
Pension scheme liability		(721)		(721)
Total net assets	181	(263)	14,838	14,756

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

17 Capital commitments

	2015 £000	2014 £000
Contracted for, but not provided in the financial statements	Nil	Nil

18 Financial commitments

Operating leases

At 31 August 2013 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015 £000	2014 £000
Land and buildings	Nil	Nil
Other	Nil	Nil
Expiring within one year	26	-
Expiring within two and five years inclusive	60	118
Expiring in over five years	-	-
	86	118

19 Reconciliation of net income to net cash inflow from operating activities

	2015 £000	2014 £000
Net income	(393)	(290)
Depreciation (note 12)	290	339
Interest receivable (note 5)	(2)	(2)
FRS 17 pension cost less contributions payable	36	16
(Increase)/decrease in debtors	216	(263)
Increase/(decrease) in creditors	(169)	242
Net cash inflow from operating activities	(22)	42

20 Returns on investments and servicing of finance

	2015 £000	2014 £000
Interest received	2	2
Net cash inflow from returns on investment and servicing of finance	2	2

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

21 Capital expenditure and financial investment

	2015 £000	2014 £000
Purchase of tangible fixed assets	37	27
Net cash outflow from capital expenditure and financial investment	37	27

22 Analysis of changes in net funds

	At 1 September 2014 £000	Cash flows £000	At 31 August 2015 £000
Cash in hand and at bank	889	(57)	832
	889	(57)	832

23 Contingent Liabilities

There were no contingent liabilities at 31 August 2015.

24 Members' Liability

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

25 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 Cheshire West and Chester Council. Both are multi-employer defined benefit schemes.

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

Contributions amount to £44,993 (2014 - £38,881) were payable to the schemes at 31 August 2015 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

25 Pension and similar obligations (continued)

Teachers' Pension Scheme (cont.)

Introduction (cont.)

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £502,599

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

Under the definitions set out in Financial Reporting Standard (FRS) 17 Retirement Benefits, 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 the information available on the scheme.

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

25 Pension and similar obligations (continued)

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 2015 was £164,000 (2014 - £166,000), of which employer's contributions totalled £131,000 (2014 - £132,000) and employees' contributions totalled £33,000 (2014 - £34,000). The agreed contribution rates for future years are 25% for employers and between 5.5% and 7.2% for employees.

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

Principal Actuarial Assumptions

	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	3.6%	3.5%
Rate of increase for pensions in payment / inflation	2.7%	2.7%
Discount rate for scheme liabilities	3.8%	3.7%
Inflation assumption (CPI)	2.7%	2.7%
Commutation of pensions to lump sums	50.0%	50.0%

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 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.3 years	22.3 years
Females	24.4 years	24.4 years
<i>Retiring in 20 years</i>		
Males	24.1 years	24.1 years
Females	26.7 years	26.7 years

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

25 Pension and similar obligations (continued)

Local Government Pension Scheme (cont.)

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected Return at 31 August 2015	Fair value At 31 August 2015 £000	Expected return at 31 August 2014	Fair value at 31 August 2014 £000
Equities	3.8%	520	6.3%	518
Bonds	3.8%	442	3.4%	181
Property	3.8%	99	4.5%	80
Cash	3.8%	44	3.3%	103
Total market value of assets		<u>1,105</u>		<u>862</u>
Present value of scheme liabilities				
- Funded		(1,826)		(1,604)
Surplus/(deficit) in the scheme		<u>(721)</u>		<u>(742)</u>

The return on the Fund in market value terms is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary. The actual returns for the year to 31 March 2015 was 5.2% (2014 – 5.2%), and the total returns for the year to 31 August 2015 was 12.8% (2014 – 12.8%)

The actual return on Employer Assets was £81,000 (2014 - £125,000).

Amounts recognised in the statement of financial activities

	2015 £000	2014 £000
Current service cost (net of employee contributions)	153	145
Past service cost	-	-
Total operating charge	<u>153</u>	<u>145</u>
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(49)	(58)
Interest on pension liabilities	63	61
Pension finance income / (costs)	<u>167</u>	<u>148</u>

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £297,000 loss (2014 - £354,000 loss).

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

25 Pension and similar obligations (continued)

Local Government Pension Scheme (cont.)

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

	2015 £000	2014 £000
At 1 September 2014	1,604	1,239
Current service cost	153	145
Interest cost	63	61
Employee contributions	33	34
Actuarial (gain)/loss	(25)	126
Estimated benefits paid	(2)	(1)
At 31 August 2015	1,826	1,604

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

	2015 £000	2014 £000
At 1 September 2014	862	903
Expected return on assets	49	58
Actuarial gain/(loss)	32	(264)
Employer contributions	131	132
Employee contributions	33	34
Estimated benefits paid	(2)	(1)
At 31 August 2015	1,105	862

The estimated value of employer contributions for the year ended 31 August 2015 is £137,000.

The five-year history of experience adjustments is as follows:

	2015 £000	2014 £000
Present value of defined benefit obligations	(1,826)	(1,604)
Fair value of share of scheme assets	1,105	862
Surplus/(Deficit) in the scheme	(721)	(742)
Experience adjustments on share of scheme assets	32	(264)
Experience adjustments on scheme liabilities:	-	(111)

26 Related Party Transactions

Other than payments as described in Note 10 there were no related party transactions during the period.