

The County High School, Leftwich

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

Annual Report and Financial Statements

For the Year Ended 31 August 2018

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

The County High School, Leftwich

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The County High School, Leftwich

Reference and Administrative Details

Trustee Governors

Mr C Penter
Mr G W Scott
Mrs G J Sinar

Senior leadership team

Miss J Brandreth- Principal + Accounting Officer
Mr M Hill- Vice Principal
Mr M Keenan- Vice Principal
Mr M Snelson- Vice Principal
Mrs S Du-Plessis- Assistant Principal
Mr R Warburton- Assistant Principal
Mrs D Balmer -Assistant Principal
Mr A Carter – Assistant Principal
Mr 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

Cook Lawyers
Barons Court
Manchester Road
Wilmslow
SK9 1BQ

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 year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 16 serving a catchment area in Leftwich and the surrounding area. In the school census on 1st October 2017 the Academy had a roll of 983.

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 during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

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

Method of Recruitment and Appointment or Election of Governors

Method of Recruitment and Appointment or Election of Trustees

In order to become a Trustee, a Governor would be expected to serve as a member of a Governors' Committee, currently either Student Progress and Achievement or 'Resources', before being invited by the Chair of the Governing Body to the role of Chair of one of those Committees and thereby becoming a Trustee. If more than one Governor on a Committee had the right skills and wished to become Chair, the Committee would hold a vote.

In addition to the Trustees, the following were also Governors, 2017-2018

Governor		Meetings Attended	Out of a possible
Mrs J Flower	Parent Governor	3	3
Mrs S Rocke (resigned 31/5/18)	Parent Governor	0	3
Mrs R Le (resigned 1/12/17)	Parent Governor	0	3
Mrs A Massey	Co-opted Governor	3	3
Mr M J Wren	Co-opted Governor	3	3
Mrs V Davies	Parent Governor	3	3
Mrs W Batey-Gray	Parent Governor	2	3
Mr P Hilditch (appointed 21/3/18)	Co-opted Governor	1	3
Miss J Brandreth	Principal/Accounting Officer	3	3
Mrs A Pimlatt	Staff Governor	3	3
Mrs J Curry	Staff Governor	3	3

The County High School, Leftwich

Trustees' Report (cont.)

In recognition of the radically transforming educational landscape, the awarding of an Ofsted "Outstanding" judgement, March 2016, the Academy's track record of continuous school improvement and its readiness to assist other schools/academies, Governors and Senior Leaders took the decision to establish a Multi-Academy Trust. This was in the belief that the single academy would be better able to support schools in an academy-based, self-improving system of ongoing self-evaluation and development in a legally binding, financially resilient, sustainable organisation: the Leftwich Learning Trust. The proven self-evaluation and improvement practices could then be shared across the larger Trust, maximising more learners' life-chances and optimising more colleagues' professional practice and working-conditions.

After a surprisingly protracted process, MAT and Sponsor status were granted, March 1st 2018, followed by a not unhelpful, but conditional award from the MDIF to help establish a new Trust. It is a consequence of the elongated process that Governors did not replace the two Members who resigned, assuming that the agreed MAT Governance structure would be invoked in a timely manner. However, as this is dependent upon converting to MAT articles in parallel with at least one other academy, the SAT's thorough due diligence process has delayed conversion as Governors have needed to reiterate their stance that the welcome development of a Sponsor MAT cannot be in any way to the detriment of The County High School, Leftwich. In the meantime, The County High School, Leftwich continues to function as a high-performing SAT and Governors will recruit to the existing Board 2018-19 to continue to offer strong Governance as a SAT.

Organisational Structure

The increased leadership and management capacity developed 2016-17 has been sustained in readiness for the creation of the MAT explained in the preceding section, whilst continuing to secure high standards within the SAT, managing initiatives and developments effectively and efficiently, as well as maintaining the trend of academic success. The latter was particularly at the forefront of senior leaders' input, 2017-18 to support students taking – and staff delivering- the new linear GCSEs when their impact would be most evident, Summer 2018, managing student and staff workload and emotional wellbeing.

Recruitment challenges thereby necessitate not only the "growing of", but also the retention of the most able leaders, with the capacity to mentor and coach effectively in order to try to minimise the risk of any dip in performance when changes occur; one Vice-Principal secured a headship, Summer 2018, but as his successor is already in place, transition will be smooth. This approach is pivotal to succession planning at the academy to create and secure strong leadership capacity, even in a challenging financial climate. Accordingly, 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.

The County High School, Leftwich

Trustees' Report (cont.)

Arrangements for setting pay and remuneration of key management personnel

No Trustee is paid for any work which they carry out in their capacity as a Trustee of The County High School, Leftwich. As an Academy, we are free to make our own decisions as to the pay and remuneration of staff, including our key management. We do, however, take cognisance of the recommendations set out in the School Teachers' Review Body publication(s). We operate a Performance Management Policy, including Performance Related Pay, as recently commented on by Ofsted in our March 2016 report "High-performing teachers who achieve and exceed their targets are rewarded financially". The parameters and criteria for setting all of our teachers' pay, including key management personnel, are described within our Pay Policy. Both of the aforementioned Policies are reviewed annually by our Governors.

Trade Union Facility Time

Number of employees who were relevant union officials during the relevant period	0
Full-time equivalent employee number	109
Percentage of time spent on facility time	0%
Number of employees	109
Provide the total cost of facility time	0
Provide the total bill	0
Provide the percentage of the total bill spent on facility time	0
Time spent on paid trade union activities as percentage of total paid facility time hours	0

Related Parties and other Connected Charities and Organisations

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

For instance, 2017-18, The County High School, Leftwich facilitated successful ITT placements in English, Mathematics, Science, MFL, Geography, PE and ICT. Such partnership-working freshens perspectives, strengthens teaching skills, encourages an 'open door', confident approach to classroom teaching and 'grows leadership'.

Sir John Deane's College and Warrington and Vale Royal College each offered a "taster day" to Year 10 students, highly motivational, and facilitating post-16 transition, as well as an introductory half day for Year 9, whilst Warrington and Vale Royal College also accommodated 15 Year 10 students interested in engineering for an extra half day. Cheshire College South and West also offered a "taster day" and Reaseheath College accommodated 2 students interested in their particular specialisms. The Academy appreciates these partnerships which help to raise aspiration, to make learning relevant and thereby maximise engagement with potential post-16 providers preceding students' GCSE focus. These post-16 providers also contribute helpful independent advice and guidance, alongside local employers and training providers who attend the annual Careers' Fair and provide mock interviews for 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 continued in 2017-2018. Demand for places outstripped capacity and applications for Year 7, September 2018, were also heavily oversubscribed again.

The County High School, Leftwich

Trustees' Report (cont.)

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 when requested, including reciprocal teacher visits in English and Mathematics for Years 6 and 7 to enhance transition by better understanding the curriculum and teaching methodologies. Indeed, curriculum enrichment for our 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 events.

The Principal was a Governor at a local outstanding post-16 provider (Sir John Deane's College) from 2012-2017, strengthening curriculum links, creating reciprocal teacher development opportunities and enrichment for higher ability students, and is now a Governor at Barnton Community and Nursery and Primary School (Weaver Trust), deepening understanding of Early Years and Key Stages 1 and 2 in anticipation of creating the aforementioned MAT. One Vice Principal is a Governor at Warrington and Vale Royal College; one was the Chair of the Management Board of the local 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. Staff also support Governance in the Primary sector, one Vice-Principal as a Director of the Learning for Life Trust.

We are part of the Vale Royal Secondary Heads' Group which the Principal attends, alongside regular meetings of the Cheshire West Association of Secondary Headteachers and the Fair Access Panel, both of which retain contact with the Local Authority. We are a member of PiXL (Partners in Excellence) and one Vice Principal is an associate, enabling support to other member schools as part of our improvement offer. We have participated in 'Achievement for All' to further develop the work of our Learning Support Assistants to engage 'hard-to-reach' families. 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' offer via, for example, an annual dance workshop at the Lowry and, in September 2018, part of our orchestra was invited to play at the Airport on Music Day, the UK-wide annual celebration, sponsored by the BBC. The academy continues to seek opportunities for students to connect with business, industry and universities via our Careers' fair, mock interviews and competitions: for example- Siemens' Enterprise Challenge, First Lego League Competition, UK Mathematical Challenges and Festival of Literature.

As an Academy ambitious for all students, whenever requested, we continue to support other providers in developing:

- Pupil Premium strategies
- ICT provision
- Maths and English attainment
- Improvement planning
- Behaviour for Learning
- Data tracking processes
- SEND provision.

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.

The County High School, Leftwich

Trustees' Report (cont.)

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. Following a Section 5 Ofsted Inspection, March 2016, in which the Academy was judged 'outstanding' in all areas, our priority remains to continue to increase challenge for all students in both Key Stages. Accordingly, following the completion of an enhanced annual Academy Self-Evaluation process in the first half of the 2017-18 academic year, a new, three-year strategic Improvement Plan (2018-21) has been constructed to enable the Academy to not only continue to offer outstanding provision for all its learners, but also to drive continuous development and improvement:

- By ongoing Middle Leadership development
- By further systemisation of ITT provision
- By planning a new CPD programme in light of linear GCSEs
- By further developing the curriculum, taking cognisance of the national vocational agenda
- By evaluating the suitability of current assessment practices and use of subsequent data to inform teaching practice in light of linear GCSEs
- By consolidating NQT, RQT and new staff induction programmes
- By reviewing approaches to communication with parents/carers and strategies to access feedback to inform ongoing self-evaluation
- By embedding systems to maximise student attendance and strategies to engage hard-to-reach parents/carers
- By updating Safeguarding training in line with three-year cycle.

In 2017-18, the curriculum was enriched by at least 47 educational visits, competitions and activities off-site for students across all ages and abilities, including 6 residentials- three at home and three abroad, and participation in the Duke of Edinburgh Award Scheme.

Public Benefit

The Academy Trust has maintained the ethos that the Academy 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
- 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 Games 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 £8500 for local, national and international charities through many fund raising activities.

The County High School, Leftwich

Trustees' Report (cont.)

Strategic Report

Achievements and Performance

The Academy has maintained its very healthy student roll.

Summer 2018, the Academy was again oversubscribed for Year 7 entry September 2018 with parents/carers obliged to participate in the admissions' appeals' process. March 1st, 196 places were offered to pupils from 24 primary schools. Of those 196, 187 were first preferences, with only 8 second and 1 third, which meant that, for the first time, some families in "feeder" primaries were disappointed. The Academy was unable to offer 90 places of which 70 were first preferences, 19 second and 1 third, with a further 9 late applications. Although independent appeals' panels upheld the Academy's belief that to further exceed the published admission number would prejudice the provision of efficient education and/or the efficient use of resources a further 9 students were successful in their appeals.

Net capacity of 980. September 1st 2018, 996 students on roll.

Examination results for 2017-18 evidence on-going and robust academic performance in a proudly inclusive learning environment: -

DfE Progress 8 for all students

Measure	DfE Scores
Attainment 8	51.70
Progress 8	+0.33
Progress 8 (English)	+0.25
Progress 8 (Maths)	+0.32
Progress 8 (EBacc)	+0.63

DfE Progress 8 for Pupil Premium Students

Measure	DfE Scores
Attainment 8	43.50
Progress 8	+0.18
Progress 8 (English)	+0.24
Progress 8 (Maths)	+0.16
Progress 8 (EBacc)	+0.40

Key Performance Indicators

The Governors' Resources' Committee receives reports on financial performance at each Committee meeting. Key Financial information reported 2017-18 included: -

- Balanced budget approved by the Committee at its 14th February 2018 meeting
- Expenditure against Budgetary figures
- All major potential Expenditure was approved by the Committee, including Premises and ICT purchases
- All Bank Balances

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.

The County High School, Leftwich

Trustees' Report (cont.)

Financial Review

The vast majority of income is received from the ESFA in the form of General Annual Grant (GAG). This income makes up over 98% 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 Academy as an educational establishment.

Reserves Policy

The Trustees review the reserve levels throughout the year and look at income and expenditure streams. These reviews look at future planned expenditure and match these to the budgeted income the Academy is expected to receive. The Academy's strategy is to maintain a prudent level of liquid funds, especially in view of planned premises expenditure and anticipated changes to the way Academies are funded in the future.

Investment Policy

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

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 an Alternative Remedies Package 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.

Fundraising

No fundraising activities, except those mentioned under the 'Public Benefit' section, were carried out by the Academy, or on behalf of the Academy, during the year 2017-2018.

The County High School, Leftwich

Trustees' Report (cont.)

Plans for Future Periods

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

- A) The re-siting of a Tennis Court to extend a new Car Park
- B) The completion of re-roofing
- C) The completion of the internal re-fenestration programme.
- D) Renewal of all the students' toilet facilities

Bids into the Condition Improvement Fund (CIF) 2018-19 were made but ultimately proved to be unsuccessful. However, bids will be made into the CIF 2019-20 funds for financial assistance towards these projects. 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 2019 would point to an accumulated fund of circa £700,000 to be ring fenced for this purpose.

Funds held as Custodian Trustee on behalf of others

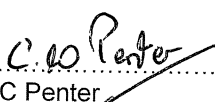
There are no funds held as Custodian Trustee on behalf of others.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company'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.

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 3rd December 2018 and signed on the board's behalf by:


.....
Mr C Penter
Chair


.....
Mr G W Scott
Vice Chair

The County High School, Leftwich

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 three times during the year. Attendance during the meetings of the Governing Body was as follows:-

Governor		Meetings Attended	Out of a possible
Mr C Penter	Member/Chair of Governors	3	3
Mr G Scott	Member/Vice Chair	3	3
Mrs G Sinar	Member	2	3
Mrs J Flower	Parent Governor	3	3
Mrs S Rocke (resigned 31/5/18)	Parent Governor	0	3
Mrs R Le (resigned 1/12/17)	Parent Governor	0	3
Mrs A Massey	Co-opted Governor	3	3
Mr M J Wren	Co-opted Governor	3	3
Mrs V Davies	Parent Governor	3	3
Mrs W Batey-Gray	Parent Governor	2	3
Mr P Hilditch (appointed 21/3/18)	Co-opted Governor	1	3
Miss J Brandreth	Principal/Accounting Officer	3	3
Mrs A Pimlatt	Staff Governor	3	3
Mrs J Curry	Staff Governor	3	3

The Resources' 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
Mr G Scott	Member/ Chair of Resources'	3	3
Mr C Penter	Member/Chair of Governors	3	3
Mrs G Sinar	Member	2	3
Mrs A Massey	Co-opted Governor	3	3
Mr M J Wren	Co-opted Governor	3	3
Mrs W Batey-Gray	Parent Governor	3	3
Mrs V Davies	Parent Governor	3	3
Miss J Brandreth	Principal/Accounting Officer	3	3
Mrs J Curry	Staff Governor	3	3

The County High School, Leftwich

Governance Statement (cont.)

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 2018, 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 2017-2018 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 2017
- 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

The County High School, Leftwich

Governance Statement (cont.)

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 2017 to 31 August 2018 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 2017 to 31 August 2018 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 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 (asset purchase or capital investment) 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 2018, the Governors confirm that the RO function has been fully delivered in line with the requirements of the ESFA and the RO is not aware of any material internal control issues in the year.

The County High School, Leftwich

Governance Statement (cont.)

Review of Effectiveness

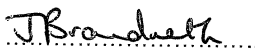
As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- 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 of, and the adherence to 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 3rd December 2018 and signed on its behalf by:


.....
Mr C Penter
Chair of Governors


.....
Miss J Brandreth
Accounting Officer

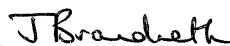
The County High School, Leftwich

Statement of 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 and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2017.

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 2017.

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 ESFA.



Miss J. Brandreth
Accounting Officer

3rd December 2018

The County High School, Leftwich

Statement of Trustees' Responsibilities

The Trustees (who act as Governors of The County High School, Leftwich and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

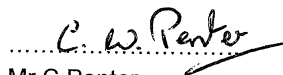
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of Trustees on 3rd December 2018 and signed on its behalf by:



Mr C Penker
Chair of Trustees

The County High School, Leftwich

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 2018 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the Annual Accounts Direction 2018 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 ** 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 2018, 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 2018 issued by the Education and Skills 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.

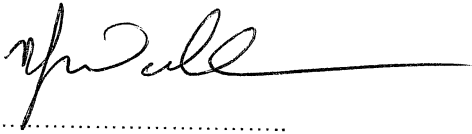
The County High School, Leftwich

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

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

3rd December 2018

The County High School, Leftwich

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

In accordance with the terms of our engagement letter dated 30 January 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, 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 1 September 2017 to 31 August 2018 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 ESFA 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 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 The County High School, Leftwich and ESFA, 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, Leftwich's funding agreement with the Secretary of State for Education dated 4 September 2012 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 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.

The County High School, Leftwich

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

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

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 period 1 September 2017 to 31 August 2018 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

3rd December 2018

The County High School, Leftwich

Statement of Financial Activities for the year ended 31 August 2018

(including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2018 £000	Total 2017 £000
Income and endowments from:						
Donations and capital grants	2	61	-	-	61	48
Charitable activities:						
Funding for the Academy Trust's educational operations	3	165	6,183	-	6,348	5,335
Other trading activities	4	14	-	-	14	19
Investments	5	2	-	-	2	1
Total		242	6,183	-	6,425	5,403
Expenditure on:						
Raising funds	6	108	-	-	108	88
Charitable activities:						
Academy Trust educational operations	7	-	6,393	202	6,595	5,604
Other		-	-	-	-	-
Total		108	6,383	202	6,703	5,692
Net income / (expenditure)		134	(210)	(202)	(278)	(289)
Transfers between funds	14	(112)	112	-	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	14,24	-	300	-	300	642
Net movement in funds		22	202	(202)	22	363
Reconciliation of funds						
Total funds brought forward		217	(210)	14,425	14,432	14,079
Total funds carried forward		239	(8)	14,223	14,454	14,432

The County High School, Leftwich

Balance Sheet as at 31 August 2018

Company Number 8126953

	Notes	2018 £000	2018 £000	2017 £000	2017 £000
Fixed assets					
Tangible assets	11		14,223		14,425
Current assets					
Debtors	12	68		115	
Cash at bank and in hand		992		1,550	
		<u>1,060</u>		<u>1,665</u>	
Liabilities					
Creditors: Amounts falling due within one year	13	<u>(251)</u>		<u>(915)</u>	
Net current assets			<u>809</u>		<u>750</u>
Total assets less current liabilities			15,032		15,175
Creditors: Amounts falling due after more than one year			<u>-</u>		<u>-</u>
Net assets excluding pension liability			<u>15,032</u>		<u>15,175</u>
Defined benefit pension scheme liability	24		<u>(578)</u>		<u>(743)</u>
Total net assets			<u>14,454</u>		<u>14,432</u>
Funds of the Academy Trust:					
Restricted funds					
. Fixed asset fund	14	14,223		14,425	
. Restricted income fund	14	570		533	
. Pension reserve	14	<u>(578)</u>		<u>(743)</u>	
Total restricted funds			14,215		14,215
Unrestricted income funds	14		<u>239</u>		<u>217</u>
Total funds			<u>14,454</u>		<u>14,432</u>

The financial statements on pages 20 to 42 were approved by the Trustees and authorised for issue on 3rd December 2018 and are signed on their behalf by


Mr C Pentter
Trustee


Mr G W Scott
Trustee

The County High School, Leftwich

Statement of Cash Flows for the year ended 31 August 2018

	Notes	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	18	(560)	647
Cash flows from investing activities	20	2	(8)
Cash flows from financing activities	19	-	-
Change in cash and cash equivalents in the reporting period		<u>(558)</u>	<u>639</u>
Cash and cash equivalents at 1 September 2017		1,550	911
Cash and cash equivalents at 31 August 2018	21	<u>992</u>	<u>1,550</u>

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018

1 Statement of accounting policies

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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 incoming resources are 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 grant 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.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

1 Statement of accounting policies (continued)

- **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.

- **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'.

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 resources expended are inclusive of irrecoverable VA

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

1 Statement of accounting policies (continued)

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. 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 over its expected useful life, 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 and reclassified to freehold or leasehold land and buildings.

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.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

1 Statement of accounting policies (continued)

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 FRS102. The financial assets and financial liabilities of the academy trust and their measurement is as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as defined in note 15. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial 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 County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

1 Statement of accounting policies (continued)

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer 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 and Department for Education.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (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 24, 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 2018. 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

There are no critical areas of judgement affecting the financial statements other than the pension fund liabilities disclosed above.

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Other donations	61	-	61	48
	<u>61</u>	<u>-</u>	<u>61</u>	<u>48</u>

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
DfE / ESFA grants				
· General Annual Grant (GAG)	-	4,781	4,781	4,697
· Start Up Grants	-	-	-	-
· Other DfE/ESFA grants	-	1,402	1,402	471
	<u>-</u>	<u>6,183</u>	<u>6,183</u>	<u>5,168</u>
Other Government grants				
· Local authority grants	-	-	-	10
· Special educational projects	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>
Other income from the Academy Trust's educational operations	165	-	165	157
	<u>165</u>	<u>6,183</u>	<u>6,348</u>	<u>5,335</u>

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Hire of facilities	14	-	14	19
	<u>14</u>	<u>-</u>	<u>14</u>	<u>19</u>

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Short term deposits	2	-	2	1
	<u>2</u>	<u>-</u>	<u>2</u>	<u>1</u>

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

6 Expenditure

	Staff Costs £000	Non Pay Expenditure Premises £000	Other £000	Total 2018 £000	Total 2017 £000
Expenditure on raising funds	-	-	108	108	88
Academy's educational operations:					
· Direct costs	3,827	-	289	4,116	3,979
· Allocated support costs	718	1,285	476	2,479	1,625
	<u>4,545</u>	<u>1,285</u>	<u>873</u>	<u>6,703</u>	<u>5,692</u>

Net income/(expenditure) for the period includes:

	2018 £000	2017 £000
Operating lease rentals	84	88
Depreciation	202	230
Fees payable to auditor for: - audit	9	9

7 Charitable activities

	Total 2018 £000	Total 2017 £000
Direct costs – educational operations	4,116	3,979
Support costs – educational operations	2,479	1,625
	<u>6,595</u>	<u>5,604</u>

Analysis of support costs	Educational operations £000	Total 2018 £000	Total 2017 £000
Support staff costs	718	718	680
Technology costs	20	20	15
Premises costs	1,285	1,285	322
Other support costs	317	317	469
Governance costs	139	139	139
Total support costs	<u>1,625</u>	<u>2,479</u>	<u>1,625</u>

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

8 Staff

a. Staff costs

Staff costs during the period were:

	Total 2018 £000	Total 2017 £000
Wages and salaries	3,445	3,375
Social security costs	332	311
Operating costs of defined benefit pension schemes	711	548
	4,488	4,234
Supply staff costs	57	123
Staff restructuring costs	-	3
	4,545	4,360
Staff restructuring costs comprise:		
Severance payments	-	3
Other restructuring costs	-	-
	-	3

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs was a non-statutory/non-contractual severance payment totalling £Nil (2017: £3,500).

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	58	56
Administration and support	68	70
Management	9	9
	135	135

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

d. Higher paid staff

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

	2018 No.	2017 No.
£60,001 - £70,000	3	3
£70,001 - £90,000	0	0
£90,001 - £100,000	1	1

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £154,855 (2017: £84,000).

9 Related Party Transactions – Trustees' 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 2017, no travel and subsistence expenses were reimbursed to Governors.

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 up to £5,000,000 on any one claim and the cost for the period ended 31 August 2018 was £816 (2017: £916). The cost of this insurance is included in the total insurance cost.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

11 Tangible fixed assets

	Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Hardware £000	Total £000
Cost				
At 1 September 2017	14,669	638	641	15,948
Additions	-	-	-	-
Disposals	-	-	1	1
At 31 August 2018	14,669	638	640	15,947
Depreciation				
At 1 September 2017	585	455	482	1,522
Charged in year	117	46	39	202
Disposals	-	-	-	-
At 31 August 2018	702	501	521	1,724
Net book values				
At 31 August 2017	14,084	183	159	14,425
At 31 August 2018	13,967	137	119	14,223

12 Debtors

	2018 £000	2017 £000
VAT recoverable	31	78
Prepayments and accrued income	37	37
	<u>68</u>	<u>115</u>

13 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	21	210
Other taxation and social security	81	78
Other creditors	77	72
Accruals and deferred income	72	555
	<u>251</u>	<u>915</u>

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

14 Funds

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	533	4,781	(4,856)	112	570
Pupil Premium	-	177	(177)	-	-
Other grants	-	1,225	(1,225)	-	-
Pension reserve	(743)	-	(135)	300	(578)
	(210)	6,183	(6,393)	412	(8)
Restricted fixed asset funds					
Transfer on conversion	14,264	-	(202)	-	14,062
Capital expenditure from GAG	161	-	-	-	161
	14,425	-	(202)	-	14,223
Total restricted funds	14,215	6,183	(6,595)	412	14,215
Total unrestricted funds	217	242	(108)	(112)	239
Total funds	14,432	6,425	(6,703)	300	14,454

Comparative information in respect of the preceeding period is as follows:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
Restricted general funds					
General Annual Grant (GAG)	549	4,697	(4,788)	75	533
Pupil Premium	-	170	(170)	-	-
Other grants	-	311	(311)	-	-
Pension reserve	(1,280)	-	(105)	642	(743)
	(731)	5,178	(5,374)	717	(210)
Restricted fixed asset funds					
Transfer on conversion	14,494	-	(230)	-	14,264
Capital expenditure from GAG	152	-	-	9	161
	14,646	-	(230)	9	14,425
Total restricted funds	13,915	5,178	(5,604)	726	14,215
Total unrestricted funds	164	225	(88)	(84)	217
Total funds	14,079	5,403	(5,692)	642	14,432

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	549	9,478	(9,644)	187	570
Pupil Premium	-	347	(347)	-	-
Other grants	-	1,536	(1,536)	-	-
Pension reserve	(1,280)	-	(240)	942	(578)
	(731)	11,361	(11,767)	1,129	(8)
Restricted fixed asset funds					
Transfer on conversion	14,494	-	(432)	-	14,062
Capital expenditure from GAG	152	-	-	9	161
	14,646	-	(432)	9	14,223
Total restricted funds	13,915	11,361	(12,199)	1,138	14,215
Total unrestricted funds	164	467	(196)	(196)	239
Total funds	14,079	11,828	(12,395)	942	14,454

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

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.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

15 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	14,223	14,223
Current assets	239	821	-	1,060
Current liabilities	-	(251)	-	(251)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(578)	-	(578)
Total net assets	239	(8)	14,223	14,454

Comparative information in respect of the preceeding period is as follows:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	14,425	14,425
Current assets	217	1,448	-	1,665
Current liabilities	-	(915)	-	(915)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(743)	-	(743)
Total net assets	217	(210)	14,425	14,432

16 Capital commitments

	2018 £000	2017 £000
Contracted for, but not provided in the financial statements	Nil	Nil

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

17 Commitments under operating leases

Operating leases

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £000	2017 £000
Amounts due within one year	49	55
Amounts due between one and five years	24	43
Amounts due after five years	-	-
	<u>73</u>	<u>98</u>

18 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018 £000	2017 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(278)	(289)
Adjusted for:		
Depreciation [note 11]	202	230
Interest receivable [note 5]	(2)	(1)
Defined benefit pension scheme cost less contributions payable [note 24]	115	77
Defined benefit pension scheme finance cost [note 24]	20	28
(Increase)/decrease in debtors	47	(24)
Increase/(decrease) in creditors	(664)	626
Net cash provided by / (used in) Operating Activities	<u>(560)</u>	<u>647</u>

19 Cash flows from financing activities

	2018 £000	2017 £000
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash provided by / (used in) financing activities	<u>-</u>	<u>-</u>

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

20 Cash flows from investing activities

	2018 £000	2017 £000
Dividends, interest and rents from investments	2	1
Purchase of tangible fixed assets	-	(9)
Net cash provided by / (used in) investing activities	2	(8)

21 Analysis of cash and cash equivalents

	At 31 August 2018 £000	At 31 August 2017 £000
Cash in hand and at bank	992	1,550
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	992	1,550

22 Contingent liabilities

There were no contingent liabilities at 31 August 2018.

23 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.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

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

Contributions amounting to £72,355 were payable to the schemes at 31 August 2018 (2017: £29,120) 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' 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.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

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)
- 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%.

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 £408,000 (2017: £378,000)).

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 an unfunded multi-employer pension scheme. The academy 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 2018 was £189,000 (2017: £184,000), of which employer's contributions totalled £167,000 (2017: £150,000) and employees' contributions totalled £40,000 (2017: £37,000). The agreed contribution rates for future years are 25% for employers and between 5.5% and 7.2% for employees.

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (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 2018	At 31 August 2017
Rate of increase in salaries	2.60%	2.70%
Rate of increase for pensions in payment/inflation	2.30%	2.40%
Discount rate for scheme liabilities	2.80%	2.50%
Inflation assumption (CPI)	2.40%	2.40%
Commutation of pensions to lump sums	50.00%	50.00%

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 2018	At 31 August 2017
<i>Retiring today</i>		
Males	22.3	22.3
Females	24.5	24.5
<i>Retiring in 20 years</i>		
Males	23.9	23.9
Females	26.5	26.5

The Academy Trust's share of the assets in the scheme were:

	2018 £000	2017 £000
Equities	979	785
Debt instruments	898	593
Property	163	104
Total market value of assets	2,040	1,482

The actual return on scheme assets was £67,000 (2017: £181,000).

The County High School, Leftwich

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

Amount recognised in the statement of financial activities

	2018 £000	2017 £000
Current service cost (net of employee contributions)	(282)	(227)
Net interest cost	(67)	(61)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Total operating charge	(349)	(288)

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

	2018 £000	2017 £000
At 1 September	2,519	2,762
Current service cost	282	227
Interest cost	67	61
Employee contributions	40	37
Actuarial (gain)/loss	(280)	(559)
Benefits paid	(10)	(9)
At 31 August	2,618	2,519

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

	2018 £000	2017 £000
At 1 September	1,776	1,482
Interest income	47	33
Return on plan assets (excluding net interest on the net defined pension liability)	20	83
Employer contributions	167	150
Employee contributions	40	37
Benefits paid	(10)	(9)
Plan introductions, benefit changes, curtailments and settlements	-	-
At 31 August	2,040	1,776

25 Related party transactions

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