

Company Registration No. 07711928 (England and Wales)

**HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2015**

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

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HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

J. Beard (National Leader of Governance)
P. Black (Community Governor) (Appointed 24 April 2015)
C. Burgess (Community Governor)
J. Carr (Community Governor)
M. Forsyth (Staff Governor)
C. Goodchild (Parent Governor)
J. Hudson (Staff Governor)
D. Kay (Staff Governor)
A. Kolker (Parent Governor)
J. Lee (Parent Governor)
N. Lewis (Parent Governor) (Appointed 26 January 2015)
R. Livingstone (Chair of Governors)
P. Lysycia (Parent Governor)
D. Oliver (Executive Headteacher)
M. Oliver (Community Governor)
J. Otter (Community Governor)
C. Parks (Parent Governor)
R. Parry (Patron to the Governing Body)
D. Rodick (Parent Governor)
P. Rottier (Parent Governor)
K. Thorley (Staff Governor)

Core Leadership Team

- Executive Head	D. Oliver
- Head of School	J. Sharp
- Deputy Head	N. Bielby
- Director of Business Services	A. Halsall

Company secretary A. Halsall

Company registration number 07711928 (England and Wales)

Registered office Selkirk Drive
Holmes Chapel
Crewe
Cheshire
CW4 7DX

Independent auditor Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers	Lloyds Bank plc Citymark 150 Fountainbridge Edinburgh EH3 9PE
Solicitors	Mills & Reeve LLP 78-84 Colmore Row Birmingham B3 2AB

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The Governors present their annual report together with the accounts and independent auditor's reports of the Charitable Company for the period 1 September 2014 to 31 August 2015.

The Academy Trust operates an academy for pupils aged 11 to 19 serving a catchment area in Holmes Chapel. It had a roll of 1,204 in the school census.

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 Governors are the trustees of Holmes Chapel Comprehensive School & Sixth Form College and are also the directors of the Charitable Company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

The liability of the members (who are also directors) of the Academy is limited. The school has joined the Risk Pooling Arrangement for Schools in 2014/2015 which provides unlimited Professional Indemnity insurance. Each Governor shall benefit from this insurance which covers their liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust (unless done knowingly or with criminal intent).

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Method of recruitment and appointment or election of Governors

Governing Body

The Academy Trust can appoint up to 20 Members comprising 8 Parent Governors, 7 Community Governors and 5 Staff Governors (including the Executive Head).

Parent Governors

Nominations are invited from parents for the election of parent Governors to the Governing Body. Nominations are invited via HCCS newsletter and the Virtual Learning Environment (VLE) for parents of children attending the school.

Each nomination must be supported by a proposer and seconder, who may be the partner of the candidate. All nominations are acknowledged. A parent may not propose or second more than one candidate. The term of office is 4 years, terminating when the last child of that family leaves the school.

Elections are overseen by the clerk to the Governing Body who acts as Returning Officer. If insufficient parents stand for election the Governing Body can appoint a parent of a registered student at the school. The schedule is:

Appointment process	Number of School Days
Nominations invited	0
Nominations close	10
If no ballot is required result will be available	11
If a ballot is required ballot papers will be issued	15
Ballot papers must be returned by	25
Count	26
Result published	27

Staff Governors

The maximum number of Staff Governors is 5. The Executive Head may decide to become a Governor or not. Nominations are invited for staff employed by the school. Elections are by secret ballot. At least one staff Governor must be a teacher and at least one must be a member of HCCS Support Staff.

Community Governors

A maximum of 7 Community Governors are appointed by the Governing Body for periods of 4 years to represent community interests. Current Governors are asked to nominate individuals who will add to the skill base or experience of the Governing Body. Community Governors can be people who live or work in the community served by the school, or people who do not work or live close to the school but are committed to the good governance and success of the school.

Community Governors must be nominated and seconded by current members of the Governing Body and all members of the Governing Body vote whether to accept or reject the candidates. Parent Governors often become Community Governors when they no longer have a child registered as a student at the school. A person is disqualified from appointment as a Community Governor if he or she is eligible to be a Staff Governor at the school.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Policies and procedures adopted for the induction and training of Governors

All new governors undertake a personal induction programme that helps them to get a broad understanding of the school and the current strategic challenges.

All governors have access to training opportunities both in house and via the wider Cheshire and National networks. 'The Key' is an online information, guidance and support service which all governors have access to.

One governor is currently identified as a National Leader of Governance (NLG).

Organisational structure

The Governing Body's primary role is to approve HCCS's strategic direction and objectives and monitor its progress towards those objectives which are clearly described in the School Action Plan. To effectively achieve this, the Governing Body operates through several committees, the constitution and make up of which are reviewed annually. The Executive Head is the Accounting Officer.

Academy Trust Board - Full Governors. This includes an Executive Committee of 3 Governors who convene to take action in rapid response to developments needing an urgent response.

There are 5 committees which meet at least once a term plus a Pay and Performance Management Committee, comprising 3 Governors, which meets annually to review the performance of the Headteacher and review the pay of all core leadership team members. The committees are:

- Behaviour & Wellbeing
- Estates and Facilities
- Finance
- Standards
- Teaching & Learning
- Pay & Performance Management

Together, these committees provide the main strategic thrust for the planning, implementation and review cycle of the Academy. All standing committees shall consist of no fewer than five Governors, one of whom shall be the Executive Head. The Executive Head may nominate a representative. The quorum of each committee shall be three Governors. Each standing committee shall meet at least once per term and otherwise as required. Membership of the committees is determined by the individual skills and experience of the governors.

Executive trustees

The three Executive trustees of the Board are the Chair and Vice Chair of Governors and the Chair of the Finance Committee. This group plus other Committee Chairs (as and where appropriate) meet when necessary to work with the Executive Head and other members of the Core Leadership Team to fine tune the school action plan and take 'Chair's Actions' in rapid response to developments requiring an immediate response. In exceptional circumstances, the three Executive Trustees can make individual spending, purchasing and virement decisions up to the value of £100,000. Where such spending decisions are made, meetings of the appropriate committees are held as soon as practically possible to scrutinise these decisions. In all the above, the Executive Committee has the delegated power to make decisions, within the agreed limitations, except where statutory requirements necessitate the support of the full Governing Body. This statement of functions and powers is reviewed annually.

Financial delegation

The Governors have approved a scheme of financial delegation that allows budgetary responsibility to be delegated, through the Executive Head, to the lowest level. Governors are responsible for setting general policy, approving the strategic plan, adopting and approving the annual plan and budget and making major decisions about the direction of HCCS including capital expenditure and key staff appointments.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Related parties and other connected charities and organisations

Chimney House Alliance (CHA)

In 2012, the 10 Cheshire East based members of the former partnership group formed a company limited by guarantee called the Chimney House Teaching School Foundation to develop and deliver the collective collaborative Teaching School action plan. The CHA is the body that delivers a comprehensive programme of continuing professional development (CPD) across the schools within its membership. The organisation is based at HCCS and the Executive Head Teacher has a key role in the strategic development of the company. All Head Teachers from the member schools are directors of the company.

HCCS have supported the preparation of financial accounts for the CHA and is the employing authority for its staff. Costs associated with the CHA infrastructure are received from CHA although, it is noted that the risks associated with employment are held by HCCS.

Holmes Chapel and District Community Partnership

The Holmes Chapel and District Community Partnership (HCDCP) is made up of the Head Teachers of all of the schools that serve the Holmes Chapel community. In 2012 it was established as a standalone company limited by guarantee with two strategic intents:

- To develop more effective Learning and Teaching by sharing best practice, valuing, celebrating and developing talents whilst challenging and addressing underachievement and identifying and removing barriers to learning; and
- To promote Lifelong Learning through widening participation by involving our community and providing responsive opportunities and services.

All member schools pay an annual membership fee to HCCS based on pupil numbers. HCCS also provides the group with a PE teacher to support all of the primary schools, the cost of which is recovered from the partnership.

HCCS Education & Training

In 2012, a company limited by guarantee was established with the intention of developing a small business to benefit schools within the CHA by pooling resources to provide education and training. HCCS Education and Training did not develop further than the company formation and an application has been made to have the company removed from the register at Companies House.

Science Learning Partnership

Holmes Chapel Comprehensive School is at the centre of a regional hub established to improve Science teaching across Schools in Cheshire and Warrington. The school received grant income specifically to provide CPD programmes. In this year the Finance Committee motivated the activity via its cash flow report.

Objectives and activities

Objects and aims

HCCS is a Comprehensive Secondary School and Sixth Form College founded in 1978 and located in Holmes Chapel, Cheshire. Its object is to advance the public benefit of education by establishing, maintaining, carrying on, managing and developing a school which offers a broad and balanced curriculum.

It is the HCCS's aim to 'Prepare learners for a changing world' and works to ensure each student both realises his/her full academic, creative and physical potential and develops positive social and moral values. HCCS firmly believes that students, staff and parents should be part of a happy and caring environment.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives, strategies and activities

HCCS strives to continually raise the standard of educational attainment and achievement of all students by providing a broad and balanced curriculum, including extra-curricular and enrichment activities. HCCS's key aims for the year were to:

- Set, maintain and improve the highest standards in all that we do;
- Ensure that challenge, support and leadership drive forward our ethos of continuous improvement;
- Develop pathways and ways of learning which meet the needs of our learners;
- Develop a structure and strategy for giving the extra help that each child needs;
- Continue to improve the learning environment, quality of resources and support systems;
- Ensure the safety and wellbeing of all the members of our school community;
- Work collaboratively to develop our communities and partnerships;
- Develop students as effective and independent learners;
- Develop the infrastructure of the school to ensure it supports students to achieve their full potential;
- Ensure every student enjoys the same high quality of education in terms of resourcing, teaching and care;
- Reviewing the curriculum and organisational structure;
- Maximise student academic performance in line with national and local key performance indicators;
- Raise attainment within post-16 subjects;
- Fulfil its role as a National Teaching School and leading edge education provider;
- Maintain close links with industry and other key partners;
- Complete the development of the new Sixth Form and Arts Buildings;
- Conduct the Academy's business in accordance with the highest standards of integrity, probity and openness;
- Continue to develop the footprint and provision of the Science Learning Partnership Network across Cheshire and Warrington.

Public benefit

HCCS recognises its legal requirement to be able to clearly demonstrate that its aims are for public benefit. In this case, specifically, the school has, as its main charitable purpose, the advancement of education. HCCS offers a broad curriculum to pupils of all abilities aged from 11-19 who come from varied socio-economic backgrounds in a semi-rural catchment area.

Furthermore, the Governors pay due regards to Charity Commission guidance on public benefit beyond the provision of secondary education. It conducts its business with a strong policy of working jointly with others to promote public use of the buildings and land onsite for sport, and tuition to the benefit of the wider community.

Strategic report

Achievements and performance

Holmes Chapel Comprehensive School and Sixth Form College (HCCS) continues to carry the accolade of being judged to be an Outstanding School by Ofsted. The Executive Headteacher was awarded National Leader of Education (NLE) status and the school therefore became a National Support School (NSS). The school achieved National Teaching School status in July 2011 and successfully bid to become the Science Learning Partnership (SLP) lead school for Cheshire East, Cheshire West and Warrington.

The school has achieved accreditation with a number of quality marks including Sportsmark, Artsmark, Geography mark, ICT mark, REmark awards. It holds the full International Schools award and is an International School Ambassador school.

High expectations, excellent teaching, an exciting learning environment, an emphasis on the core purpose of helping students to learn and achieve, combined with a strong, caring pastoral system, ensure that students of all abilities achieve their potential. Outstanding examination results at GCSE and Advanced Level are consistently amongst the highest within Cheshire and nationally.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Teachers, students, support staff, parents and Governors work collectively to nurture the well-established ethos of challenge, care, consideration and co-operation which 'prepare learners for a changing world'. There is a strong shared belief that children bring their own particular skills and talents and we aim to recognise, acknowledge and build on them. HCCS places the highest priority on meeting the needs of individual students in all fields of endeavour.

Standards and Attainment

2015 results are as yet unverified and still subject to amendment. However the headline figures are outstanding at key stages 3, 4 and 5

GCSE	HCCS	National
5+ A*-C	84%	68%
A* and A	32%	19.2%
5+ A* - C (E.M)	76%	62.5%
Value Added	1015	1000

A Level	HCCS 2015	National 2015
A*	11%	8.3%
A* / A	25.9%	24%
A* - C	80%	77.3%

In all subjects results are at the very least 'good' and in many subjects and faculties 'outstanding'.

GCSE	A*-A %	A*-C %	Avg Grade
Drama	21	100	B
Biology	49	97	B+
Physics	41	97	B+
Food Studies	49	97	A-
English Lit	41	97	B+
IT	53	95	B+
Music	52	95	B+
RE	43	93	B+
Art	41	92	B+
Chemistry	42	92	B
PE	42	90	B+
English Language	27	90	B-

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

A level	A*-B%	A*-C%	A*-E %	Stu Count	Avg Grade
French A2	100.0	100.0	100.0	1	B
German A2	100.0	100.0	100.0	2	B
Geography A2	87.5	93.8	100.0	16	B+
Maths A2	84.0	92.0	100.0	25	A-
Further Maths A2	77.8	88.9	100.0	9	A
English Lit A2	75.0	91.7	100.0	12	A-
RE A2	75.0	87.5	100.0	8	B-
Biology A2	68.2	86.4	100.0	22	B
General Studies A2	66.7	66.7	100.0	3	B
Economics A2	62.5	75.0	100.0	8	B-
Physics A2	61.9	76.2	100.0	21	B-
History A2	61.1	88.9	100.0	18	B
Art A2	60.0	100.0	100.0	5	B
Sociology A2	60.0	80.0	100.0	5	C+
EPQ Lev 3	60.0	66.7	93.3	30	C+
Chemistry A2	58.3	75.0	100.0	12	C+
Summary	51.7	79.2	98.8	100	B-
Theatre Studies A2	50.0	71.4	100.0	14	C+
English Lang A2	48.3	79.3	100.0	29	C+
Psychology A2	47.1	94.1	100.0	17	B-
Food Technology A2	40.0	80.0	100.0	5	B-
Media A2	40.0	60.0	100.0	15	C
Photography A2	40.0	60.0	100.0	5	C+
English Lang/Lit A2	33.3	100.0	100.0	3	C+
PE A2	33.3	100.0	100.0	3	C+
Product Design A2	33.3	100.0	100.0	3	C+
Systems A2	33.3	83.3	100.0	6	C+
ICT A2	25.0	25.0	100.0	4	D
Business A2	22.2	44.4	88.9	9	D
Computing A2	0.0	100.0	100.0	1	C
Music A2	0.0	60.0	100.0	5	C-
Music Tech A2	0.0	50.0	100.0	4	D
Applied Science A2	0.0	25.0	100.0	4	D

Review and analysis of examination result outcomes from students of whatever their level of attainment on entry to the school demonstrates very clear added value for all subjects in all examinations.

Curriculum Priorities

Following extensive consultation HCCS now has a set of underpinning principles which guide the school in its policy making and implementation. The Curriculum - together with HCCS's strong, positive ethos and values – are key drivers in achieving the Academy's mission of *'preparing our learners for a changing world'*.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Closing the Gap

Pupil Premium Students, now referred to as Disadvantaged Students, performed extremely well at our school in the August 2015 KPI cohort. The gap in A* to C performance was 18 percentage points against a Cheshire East average of 37 percentage points. In terms of levels of progress, disadvantaged students actually outperformed non disadvantaged students by 1.4 percentage points in English and 5.2 percentage points in Maths. This is excellent given the lower than average starting point of many disadvantaged students. The success of this is linked to a number of factors including the continued commitment to employing one person with overall responsibility for managing Pupil Premium, regular QA meetings with a link Governor and direct line management by the Deputy Head in charge of Personalisation and Intervention. In addition, funding is allocated to intervention programmes which directly support the attainment and progress of Disadvantaged Students especially in the core curriculum. This includes curriculum and subject specific focused programmes, one to one additional tuition, additional specialist staffing in Maths, English and Science, welfare and behavioural support and programmes designed to provide fair access to school and learning. Support for disadvantaged students is managed tightly at a whole school level and exists as an integral part of the wider intervention programme. In order to ensure that money is spent appropriately and on interventions that support the principles underpinning Pupil premium, any spending from this additional grant has to be signed off by the Deputy Head in charge of Personalisation and Intervention.

This has been another year of outstanding academic success for the school and its students.

Teaching School

HCCS is a National Teaching School which has consistently delivered outstanding results across key national education initiatives including:

- Initial Teacher Training
- CPD / Leadership Development
- Succession Planning/Talent Management
- School to School Support
- Specialist Leaders of Education (SLEs)
- Research and Development

Achievements across all these areas are outstanding and HCCS now enjoys a well-deserved reputation as the lead school in an exceptionally successful alliance in the North West of England. Last year, following a robust review by the National College of Teaching and Leadership HCCS was re-designated as a National Teaching School for a further four years. HCCS was also successful in a bid to establish a School Based Initial Teacher Training centre (SCITT) which will further enhance the work of the Teaching School in bringing the best new teachers to East Cheshire and the Alliance is committed to retaining them here.

The ethos of HCCS is to strive to maintain and continually improve its mutually supportive community approach in a world where people and organisations are seemingly becoming more and more reluctant to support each other in a challenging climate of severe economic recession.

Curriculum Priorities

Following extensive consultation HCCS has a set of underpinning principles which are in place to guide the school in its policy making and implementation. The Curriculum - together with the school's strong, positive ethos and values – are key drivers in achieving the Academy's mission of 'preparing our learners for a changing world'.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Key Principles

The Curriculum at HCCS:

- Focuses on the development of the whole individual;
- Ensures equality of opportunity in learning;
- Provides personalised pathways and alternative ways of learning;
- Inspires 'drive', 'commitment' and 'passion';
- Promotes high standards, success and achievement;
- Embodies responsibilities, entitlements, safety & wellbeing;
- Develops respect, tolerance and courtesy; and
- Reflects the learners' place in their communities.

ATLAS (Access To Learning And School)

The Governors, Senior Leadership Team and staff at HCCS are committed to a process of continuous improvement. The stated aim of the school is to "Prepare learners for a changing world".

The Atlas document brings together a number of school policies and initiatives that remove barriers to learning and contribute to the fulfilment of that aim.

Equality of Access

HCCS recognises its responsibilities under the Disability Discrimination Act. As there is a general duty to promote disability equality for all people with disabilities HCCS actively:

- Promotes equality of opportunity between disabled people and other people;
- Eradicates any unlawful discrimination;
- Eliminates any disability-related harassment;
- Promotes positive attitudes towards disabled people;
- Encourages participation by disabled people in public life; and
- Takes positive, practical steps to take account of and meet the needs of people with disabilities.

Accessibility

Specific disability legislation exists where students with disabilities are concerned and HCCS demonstrates a strategic commitment over time to:

- Increase access to the curriculum;
- Make improvements to the physical environment of the school to improve access; and
- Make written information available to students in a range of different ways.

HCCS ensures that students with disabilities do not receive less favourable treatment and is committed to making reasonable adjustments to improve and enhance the student experience.

Equal opportunities

Rationale

- Every member of HCCS has the right to be treated equally.
- A principal aim of education is to develop individual potential to the full. This can only be achieved if there is equality of opportunity for all within the school.
- Inequalities of opportunity need to be addressed to guarantee that individuals can share the full range of educational experiences to which they are entitled.

Purposes

- To ensure that no member of HCCS suffers discrimination for whatever reason.
- To ensure that all students can participate in the full range of educational experiences to which they are entitled.
- To recognise, acknowledge and respect all aspects of diversity.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Guidelines

- Expressions of prejudice should always be challenged with any concern referred to the Pastoral Coordinator or any other member of the Leadership Team.
- Materials, ideas and role models presented to students should encompass as wide a range of diversity as possible and challenge stereotypes.
- The curriculum, subject organisation and pastoral organisation will not stereotype members of the community or allow them to stereotype themselves.
- Equal Opportunity issues will be taken into account when planning the social organisation of students.
- A regular audit of the school's curriculum and practice will take place to monitor whether equality of opportunity is achieved.
- HCCS will seek to use the teaching strategies which are most effective in promoting quality and generating positive self-images.
- Equality of opportunity will be available to all staff to enable them to develop their full potential within their careers.

Building Development

During this year the major building development was the design and construction of the 3G sports complex which was built at a cost of circa £700,000 from within the academy's reserves. The facility was handed over for use in February 2015. Students in all year groups have benefited from what is arguably the best facility of its type in any Cheshire school. During the summer break, the governing body made a commitment to a further investment of circa £100,000 to improve the general learning environment in the main school. A successful bid for capital will bring in another £400,000 to replace all of the single glazed windows throughout the school. These two projects will create a combined £500,000 investment in the infrastructure of the school and create major benefits for many years to come.

The Cheshire FA have contracted with us to run two seven-a-side leagues which have been heavily oversubscribed.

Supporting the local community

The governing body at HCCS take very seriously their role in helping to provide the best facilities not only for students but also for the good of the local population. The 3G pitch has therefore been opened up for use by the local community via the Everybody Sports and Leisure Trust. Holmes Chapel Hurricanes FC have also been significant users in the first six months and have introduced girls' football which has been a huge success. Last year, HCCS opened the doors to its new Sixth Form College building. The new facilities have been a fantastic success both for students and local groups. Many local groups, from anglers to dance schools, have been able to take advantage of the theatre, meeting rooms and conferencing facilities.

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

Most of HCCS's recurrent income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2015, HCCS received recurrent income of £5,844,839 from the DfE in respect of General Annual Grant and other Government funding. Expenditure for the year amounted to £6,275,858.

Unrestricted income totalled £215,289 for the year. Against this resources expended totalled £15,713, resulting in net additions to unrestricted funds of £199,576 before transfers.

HCCS also receives grants for fixed assets from the DfE. In accordance with the SORP, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation.

At 31 August 2015 the net assets excluding the pension liability was £20,787,610. The assets were used exclusively for providing education and the associated support services to the pupils of the school.

Reserves policy

The Governors review the level of reserves of the Academy on an at least annual basis. This review encompasses the nature of the income and expenditure streams, the need to match them with commitments and the nature of the reserves.

The Academy's 'free' reserves are those reserves remaining after excluding restricted and designated funds. These reserves can therefore be spent on any of the Academy's charitable objectives. The Governors consider these free reserves and are reviewing what level of free reserves are considered necessary to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with urgent unforeseen costs, for example emergency repairs. The Academy's free reserves as at 31 August 2015 are £1,112,992, which amounts to more than 6 weeks' expenditure that the Academy considers the minimum reserves required.

Investment policy and powers

The Governors ensure that sufficient funds are available at short or no notice to meet requirements as and when necessary, while still continuing to earn an acceptable rate of return without undue risk.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Principal risks and uncertainties

Operational Management

HCCS's operational organisation structure consists of two primary levels: Governors and an Executive who are the Core Leadership Team (CLT). Below CLT sits an Extended Leadership Team which includes Faculty Heads. CLT manage HCCS operations at an executive level; implement policies approved by Governors and report to the Academy Trust Board through various committees and at the Full Governing Body meetings. HCCS's staff are operationally led and managed by the CLT which comprises the Executive Head, Head of School, Deputy Head and Director of Business Services. During 2014/15 the new larger faculty Model has been fully implemented and is now embedded.

An Extended Leadership Team (ELT) comprising key Faculty leaders and the Core Leadership Team meets weekly to discuss and review areas surrounding teaching and learning plus all other issues that affect the safe running of the school.

Risk Management

The Governors assess the major risks to which HCCS is currently exposed and ensure that steps are taken to mitigate risks. The assessment and rating of the likelihood and impact of individual programme changes on educational outcomes for students relies on the judgement of the subject leaders, heads of faculty and their line managers. Risk is assessed in terms of 'Impact' and 'Probability'. 'Impact' can normally be broken down into a number of different areas (e.g. financial, reputational, environmental and on educational achievement). Given the nature of risks, should they arise, they will almost always have an impact that affects a number of these sub-areas.

<i>IMPACT: HCCS Definition - 'The effect that the risk will have on the subject, faculty or school's ability to achieve its strategic aims or objectives.'</i>	
High (H):	<i>Major impact on the achievement of one or more of HCCS's programmes or project's strategic aims or objectives.</i>
Medium (M):	<i>Significant impact on the achievement of one or more of HCCS's programmes or project's strategic aims or objectives.</i>
Low (L):	<i>Not expected to have a significant impact on the overall achievement of HCCS's programmes or project's strategic aims or objectives.</i>
<i>PROBABILITY: HCCS Definition - 'Likelihood of the risk happening.'</i>	
High (H):	<i>More likely to occur than not (>60%)</i>
Medium (M):	<i>Fairly likely to occur (20 - 60%)</i>
Low (L):	<i>Unlikely to occur but not impossible (<20%)</i>

During 2014/15 a detailed risk assessment and audits were carried out in relation to Health and Safety and Fire Action Plans were devised and improvements made. The most significant being the implementation of a new fire alarm system at a cost of circa £30,000. Further work is ongoing to create a fully integrated system across the site including the Leisure Centre operated by Everybody Leisure Holmes Chapel Trust.

The Academy has an overall corporate risk register which is maintained by the Director of Business Services.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Inherent and residual risk

Risk is re-assessed in light of counter-measures to assess whether either has been reduced as a result of action taken. If either has been reduced then the assessments of residual risk is recorded and monitored using a risk register in discussion with senior management and where appropriate, the Governing Body. The strategic management of risk is undertaken through Governing Body committees and includes Educational risks such as HCCS not achieving planned educational outcomes and maintenance and improvement on previous examination results, whole or partial building loss, financial and operational risks, including budget risks and health and safety reviews and safeguarding students. Some significant risks such as public and employee liability are covered by HCCS's comprehensive insurance policy cover. Governors direct a formal risk register which should be reviewed at least annually.

Financial risk

HCCS operates a system of internal financial controls and these are reviewed by HCCS's External Auditors and by the Internal Audit Management and the Department for Education.

In July 2015 the Education Funding Agency in response to comments received, carried out a detailed risk assessment of the School's financial governance arrangements and found no cause for concern. They advised the Trust to carry on implementing the outcomes of the Trust's own Internal Audit work as a matter of priority.

The Governors acknowledge their role as per the Statement of Governors' Responsibilities.

HCCS's system of internal financial control is based on a framework of regular management information and administrative procedures including as far as is possible, the segregation of duties and a system of delegation and accountability. It includes:

- full financial reports to every Finance and Full Governors committee meetings on the position of HCCS with disclosure and scrutiny of income and expenditure against projected budget;
- a comprehensive set of financial rules and procedures;
- formal budgetary delegation in writing to budget holders along with explanatory notes on financial procedures for placing orders etc;
- the identification and management of risks;
- a system of internal audit.

The Academy Trust has in place a programme for regular internal audits that look to test key processes and procedures on a risk priority basis. Each internal audit report will be presented to the Trust Board via the Finance Committee. Internal audit reports will include a series of suggested actions to strengthen controls.

During 2014/15 major capital spending schemes included the completion of the new 3G sports complex at a cost of circa £700,000 which was funded from reserves. A classroom improvement programme at a cost of £100,000 was also approved and funded from the Academy's reserves.

Following weaknesses identified by external auditors the Academy changed its arrangements for Internal Audit and now has a comprehensive programme in place.

A review by the Education Funding Agency in August 2015 endorsed the actions taken and the Academy's work programme.

A regular cash flow monitoring report has been put in place and decisions taken to maintain a working capital reserve equal to 4 weeks expenditure (£460,000). A further reserve of £250,000 was identified within the cash available to mitigate against any significant capital risks that may require urgent funding. This was reduced to £150,000 following our investment in the improvement of general classrooms across the site and the repairs of a major gas supply issue.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

A full system of internal control has been established and Governors continually review financial procedures and controls as necessary.

Governors consider and monitor the potential risks arising from the Academy's operations. They assess the materiality and likelihood of risks occurring and determine the actions that are needed to reduce and mitigate these risks. A formal risk register has been established and will be reviewed at least annually by the finance committee.

Plans for future periods

Key objectives:

1. Maintain and improve standards in exam performance, behaviour and uniform
2. Move towards achieving the vision communicated in the school facilities master-plan to establish facilities which support the needs and aspirations of the school and communities that it serves
3. Increase the accommodation capacity to cater for the significant additional need for school places as a result of the extensive residential development of Holmes Chapel and District
4. Complete the development of the Arts and Sixth Form project which is integral to both the needs of the school and the community
5. Successfully bid to the ACMF for support in 3 key areas
 - Improving energy efficiency
 - Reconfiguring areas of the school to increase capacity and efficiency
 - Provide PE and Sports facilities which are fit for purpose
6. Continue to improve teaching and learning through the professional learning of the school workforce at HCCS and across the CHA
7. Develop Science Learning Partnership (national licence holder) to provide professional learning in Science at all levels of the school workforce
8. Continue to build partnerships with the communities that we serve particularly support primary partners in the implementation of the new National Curriculum

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.

A resolution proposing that Jackson Stephen LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 11 December 2015 and signed on its behalf by:



R. Livingstone (Chair of Governors)

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Holmes Chapel Comprehensive School & Sixth Form College has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Governors has delegated the day-to-day responsibility to the executive head, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Holmes Chapel Comprehensive School & Sixth Form College and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 34 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
J. Beard (National Leader of Governance)	3	4
P. Black (Community Governor) (Appointed 24 April 2015)	1	1
C. Burgess (Community Governor)	10	10
J. Carr (Community Governor)	9	9
M. Forsyth (Staff Governor)	6	8
C. Goodchild (Parent Governor)	7	12
J. Hudson (Staff Governor)	11	20
D. Kay (Staff Governor)	7	9
A. Kolker (Parent Governor)	7	9
J. Lee (Parent Governor)	13	16
N. Lewis (Parent Governor) (Appointed 26 January 2015)	3	4
R. Livingstone (Chair of Governors)	8	11
P. Lysycia (Parent Governor)	12	13
D. Oliver (Executive Headteacher)	24	25
M. Oliver (Community Governor)	8	11
J. Otter (Community Governor)	6	10
C. Parks (Parent Governor)	10	22
R. Parry (Patron to the Governing Body)	11	15
D. Rodick (Parent Governor)	10	12
P. Rottier (Parent Governor)	8	11
K. Thorley (Staff Governor)	5	7

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Holmes Chapel Comprehensive School & Sixth Form College for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

Capacity to handle risk

The board of Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of Governors.

The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

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

The Board of Trustees has in place a programme for internal audit based on the testing of the key processes and controls. The internal audit function is carried out by an independent auditor and the details of the audits are reported to the Finance Committee in the first instance.

Review of effectiveness

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

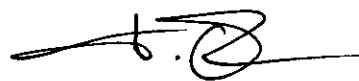
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Governors on 11 December 2015 and signed on its behalf by:



R. Livingstone (Chair of Governors)



D. Oliver (Executive Headteacher)

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of Holmes Chapel Comprehensive School & Sixth Form College I have considered my responsibility to notify the Academy Trust Board of Governors and the Education Funding Agency 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's Board of Governors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook.

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

Approved on 11 December 2015 and signed by:



D. Oliver (Executive Headteacher)
Accounting Officer

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as trustees for Holmes Chapel Comprehensive School & Sixth Form College and are also the directors of Holmes Chapel Comprehensive School & Sixth Form College for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the 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 Governors to prepare accounts for each financial year. Under company law the Governors must not approve the accounts 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 accounts, the Governors 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 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from the EFA/DfE 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the Board of Governors on 11 December 2015 and signed on its behalf by:



R. Livingstone (Chair of Governors)

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

We have audited the accounts of Holmes Chapel Comprehensive School & Sixth Form College for the year ended 31 August 2015 set out on pages 25 to 44. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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 auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 20, the Governors, who are also the directors of Holmes Chapel Comprehensive School & Sixth Form College for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 accounts. In addition, we read all the financial and non-financial information in the Governors' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for qualified opinion on financial statements

The notes to the financial statements do not disclose the remuneration paid to individual Staff Governors in the year. The Governors have chosen to omit this information on the grounds of personal privacy and in their opinion Staff Governors are not remunerated for this role. This information has not been made available to us, and therefore cannot be included in this report. Such an omission is not compliant with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In respect solely of the omission described above:

- certain disclosures of Governors' remuneration specified by law have not been made.

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 returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- except for as disclosed above, we have not received all the information and explanations we require for our audit.



Mr Peter Atkinson F.C.A. (Senior Statutory Auditor)
Jackson Stephen LLP

Chartered Accountants Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

Dated: 18 December 2015

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 November 2012 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 Holmes Chapel Comprehensive School & Sixth Form College during the period 1 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 Holmes Chapel Comprehensive School & Sixth Form College and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Holmes Chapel Comprehensive School & Sixth Form College and the 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 Holmes Chapel Comprehensive School & Sixth Form College and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Holmes Chapel Comprehensive School & Sixth Form College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Holmes Chapel Comprehensive School & Sixth Form College's funding agreement with the Secretary of State for Education 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 1 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 the 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.

**HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM
COLLEGE**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM
COLLEGE 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 period 1 September 2014 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.

Jackson Stepler LLP

Mr Peter Atkinson F.C.A.

Reporting Accountant

Jackson Stephen LLP

Dated: *18 December 2015*

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset fund £	Total 2015 £	Total 2014 as restated £
Incoming resources						
<i>Resources from generated funds</i>						
- Activities for generating funds	3	213,290	-	-	213,290	240,050
- Investment income	4	1,999	-	-	1,999	3,251
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	5,844,839	312,330	6,157,169	8,013,121
Total incoming resources		215,289	5,844,839	312,330	6,372,458	8,256,422
Resources expended						
<i>Costs of generating funds</i>						
- Costs of activities for generating funds	6	15,713	-	-	15,713	27,456
<i>Charitable activities</i>						
- Educational operations	7	-	6,254,346	482,623	6,736,969	6,436,135
Governance costs	8	-	21,512	-	21,512	14,175
Total resources expended	6	15,713	6,275,858	482,623	6,774,194	6,477,766
Net incoming/(outgoing) resources before transfers		199,576	(431,019)	(170,293)	(401,736)	1,778,656
Gross transfers between funds		(14,712)	(577,174)	591,886	-	-
Net income/(expenditure) for the year		184,864	(1,008,193)	421,593	(401,736)	1,778,656
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	35,000	-	35,000	(389,000)
Net movement in funds		184,864	(973,193)	421,593	(366,736)	1,389,656
Fund balances at 1 September 2014		928,128	189,193	19,253,025	20,370,346	18,980,690
Fund balances at 31 August 2015		1,112,992	(784,000)	19,674,618	20,003,610	20,370,346

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

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

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015		2014	
		£	£	£	£
				as restated	
Fixed assets					
Tangible assets	11		19,362,288		19,253,025
Current assets					
Debtors	12	467,550		395,385	
Cash at bank and in hand		1,497,694		2,271,652	
			1,965,244		2,667,037
Current liabilities					
Creditors: amounts falling due within one year	13	(539,922)		(810,716)	
Net current assets			1,425,322		1,856,321
Net assets excluding pension liability			20,787,610		21,109,346
Defined benefit pension liability	17		(784,000)		(739,000)
Net assets			20,003,610		20,370,346
Funds of the Academy Trust:					
Restricted funds	15				
- Fixed asset funds			19,674,618		19,253,025
- General funds			-		928,193
- Pension reserve			(784,000)		(739,000)
Total restricted funds			18,890,618		19,442,218
Unrestricted income funds	15		1,112,992		928,128
Total funds			20,003,610		20,370,346

The accounts were approved by order of the Board of Governors and authorised for issue on 11 December 2015.



R. Livingstone (Chair of Governors)

Company Number 07711928

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	18	(496,401)	172,123
Returns on investments and servicing of finance			
Investment income		1,999	3,251
Net cash inflow from returns on investments and servicing of finance		1,999	3,251
		(494,402)	175,374
Capital expenditure and financial investments			
Capital grants received		312,330	1,958,930
Payments to acquire tangible fixed assets		(591,886)	(2,483,036)
Receipts from sales of tangible fixed assets		-	20,259
Net cash flow from capital activities		(279,556)	(503,847)
Decrease in cash	19	(773,958)	(328,473)

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts 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 Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

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

The Governors consider the charitable company a going concern.

1.3 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. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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 Trust are recognised at their open market 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 the Academy Trust's policies.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies (Continued)

1.4 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 Governors' meetings and reimbursed expenses.

1.5 Tangible fixed assets and depreciation

Assets costing £500 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 Trust'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 basis over its expected useful life, as follows:

Freehold buildings	2% - 8% per annum straight line basis
Fixtures, fittings and equipment	20% per annum straight line basis
Motor vehicles	33% per annum straight line basis

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

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.7 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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 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 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 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 quinquennial valuations using a prospective benefit method. As stated in Note 17, 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 are 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.

1.9 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 Governors.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

1.10 Prior year adjustment

A prior year adjustment has been necessary to restate related party balances.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2015.

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Hire of facilities	13,069	-	13,069	3,719
Provision of Training and Courses	67,375	-	67,375	36,730
Other Income	132,846	-	132,846	199,601
	<u>213,290</u>	<u>-</u>	<u>213,290</u>	<u>240,050</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other investment income	1,999	-	1,999	3,251
	<u>1,999</u>	<u>-</u>	<u>1,999</u>	<u>3,251</u>

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA revenue grants				
General annual grant (GAG)	-	5,537,857	5,537,857	5,685,703
Capital grants	-	312,330	312,330	1,958,930
Other DfE / EFA grants	-	96,689	96,689	74,852
	<u>-</u>	<u>5,946,876</u>	<u>5,946,876</u>	<u>7,719,485</u>
Other government grants				
Local authority grants	-	160,305	160,305	248,998
Other grants	-	49,988	49,988	44,638
	<u>-</u>	<u>210,293</u>	<u>210,293</u>	<u>293,636</u>
Total funding	<u>-</u>	<u>6,157,169</u>	<u>6,157,169</u>	<u>8,013,121</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	4,383,772	-	221,601	4,605,373	4,374,647
- Allocated support costs	799,646	755,022	576,928	2,131,596	2,061,488
	<u>5,183,418</u>	<u>755,022</u>	<u>798,529</u>	<u>6,736,969</u>	<u>6,436,135</u>
Other expenditure					
Costs of activities for generating funds	-	-	15,713	15,713	27,456
Governance costs	-	-	21,512	21,512	14,175
	<u>-</u>	<u>-</u>	<u>37,225</u>	<u>37,225</u>	<u>41,631</u>
Total expenditure	<u>5,183,418</u>	<u>755,022</u>	<u>835,754</u>	<u>6,774,194</u>	<u>6,477,766</u>

Incoming/(outgoing) resources for the year include:

	2015 £	2014 £
Operating leases	8,191	28,163
Fees payable to auditor		
- Audit	8,000	7,850
- Other services	2,123	1,675
Depreciation	482,623	462,970
	<u>492,937</u>	<u>499,658</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Direct costs				
Teaching and educational support staff costs	-	4,383,772	4,383,772	4,161,211
Educational supplies and services	-	55,994	55,994	77,479
Examination fees	-	97,994	97,994	90,115
Other direct costs	-	67,613	67,613	45,842
	-	4,605,373	4,605,373	4,374,647
Allocated support costs				
Support staff costs	-	799,646	799,646	644,260
Depreciation	-	482,623	482,623	462,970
Technology costs	-	55,296	55,296	96,347
Maintenance of premises and equipment	-	272,399	272,399	400,224
Cleaning	-	1,827	1,827	84,735
Energy costs	-	157,921	157,921	76,840
Rent and rates	-	61,821	61,821	39,762
Insurance	-	32,339	32,339	38,871
Security and transport	-	19,382	19,382	12,817
Interest and finance costs	-	9,000	9,000	2,000
Other support costs	-	239,342	239,342	202,662
	-	2,131,596	2,131,596	2,061,488
Total costs	-	6,736,969	6,736,969	6,436,135

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Auditor's remuneration				
- Audit of financial statements	-	8,000	8,000	7,850
- Other audit costs	-	2,123	2,123	1,675
Responsible officers' costs	-	500	500	600
Governors' reimbursed expenses	-	10,889	10,889	4,050
	-	21,512	21,512	14,175

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

9 Staff costs

	2015 £	2014 £
Wages and salaries	4,179,130	3,581,585
Social security costs	286,226	276,659
Other pension costs	623,772	898,125
	<u>5,089,128</u>	<u>4,756,369</u>
Supply teacher costs	94,290	49,102
	<u>5,183,418</u>	<u>4,805,471</u>

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

	2015 Number	2014 Number
Teachers	65	61
Administration and support	54	52
Management	14	13
	<u>133</u>	<u>126</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2015 Number	2014 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£120,001 - £130,000	1	1
	<u>3</u>	<u>3</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 **Governors' remuneration and expenses**

Executive Head and Staff Governors only receive remuneration in respect of services they provide undertaking the roles of Executive Head and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors.

The value of Governors' remuneration was as follows:

Executive Head: £121,831 (2014: £120,736)

During the year ended 31 August 2015 expenses totalling £10,889 (2014: £4,050) were reimbursed to Governors.

Other related party transactions involving the Governors are set out within the related parties note.

The notes to the financial statements do not disclose the remuneration paid to individual Staff Governors in the year. The Governors have chosen to omit this information on the grounds of personal privacy and the fact that Staff Governors are not remunerated for this role which is in law, voluntary. Disclosure of their salaries is deemed wholly inappropriate and a violation of their rights in terms of personal information disclosure. The Governing body voted unanimously to record this and fully understand that such an omission is not compliant with the Academies: Accounts Direction 2015 issued by the Education Funding Agency.

Governors' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was deducted from the funding from the EFA.

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

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets

	Freehold buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2014	18,736,524	1,550,691	39,970	20,327,185
Additions	576,756	15,130	-	591,886
At 31 August 2015	19,313,280	1,565,821	39,970	20,919,071
Depreciation				
At 1 September 2014	508,162	546,653	19,345	1,074,160
Charge for the year	278,260	191,173	13,190	482,623
At 31 August 2015	786,422	737,826	32,535	1,556,783
Net book value				
At 31 August 2015	18,526,858	827,995	7,435	19,362,288
At 31 August 2014	18,228,362	1,004,038	20,625	19,253,025

Included within freehold land and buildings in an amount of £5,400,000 attributable to land which is not depreciated.

12 Debtors

	2015	2014
	£	£
Trade debtors	66,141	173,399
Other debtors	294,161	155,436
Prepayments and accrued income	107,248	66,550
	467,550	395,385

13 Creditors: amounts falling due within one year

	2015	2014
	£	as restated £
Trade creditors	290,511	470,399
Taxes and social security costs	106,124	104,170
Other creditors	55,149	72,246
Accruals	67,898	142,861
Deferred income	20,240	21,040
	539,922	810,716

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

14	Deferred income					2015	2014
						£	£
	Deferred income is included within:						
	Creditors due within one year					20,240	21,040
	Total deferred income at 1 September 2014					21,040	-
	Amounts credited to the statement of financial activities					(21,040)	-
	Amounts deferred in the year					20,240	21,040
	Total deferred income at 31 August 2015					20,240	21,040
15	Funds						
		Balance at 1	Incoming	Resources	Gains, losses	Balance at 31	
		September 2014	resources	expended	& transfers	August 2015	
		as restated					
		£	£	£	£	£	
	Restricted general funds						
	General Annual Grant	928,193	5,537,857	(5,888,876)	(577,174)	-	
	Other DfE / EFA grants	-	96,689	(96,689)	-	-	
	Other government grants	-	210,293	(210,293)	-	-	
	Funds excluding pensions	928,193	5,844,839	(6,195,858)	(577,174)	-	
	Pension reserve	(739,000)	-	(80,000)	35,000	(784,000)	
		189,193	5,844,839	(6,275,858)	(542,174)	(784,000)	
	Restricted fixed asset funds						
	DfE / EFA capital grants	18,865,418	312,330	(365,932)	-	18,811,816	
	Capital expenditure from GAG or other funds	387,607	-	(116,691)	591,886	862,802	
		19,253,025	312,330	(482,623)	591,886	19,674,618	
	Total restricted funds	19,442,218	6,157,169	(6,758,481)	49,712	18,890,618	
	Unrestricted funds						
	General funds	928,128	215,289	(15,713)	(14,712)	1,112,992	
	Total funds	20,370,346	6,372,458	(6,774,194)	35,000	20,003,610	

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds (Continued)

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE/EFA grants include Pupil Premium and Post 16 Bursary, all relating to funding to assist pupils within the Academy.

Other government grants relate to SEN funding for particular pupils and Devolved Formula Capital for the maintenance of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Note 2 discloses whether the limit was exceeded.

Prior year adjustment

	£
General funds as at 1 September as previously reported	672,732
Prior year adjustment	255,396
	928,128

16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£	£	£	£
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	19,362,288	19,362,288
Current assets	1,652,914	-	312,330	1,965,244
Creditors falling due within one year	(539,922)	-	-	(539,922)
Defined benefit pension liability	-	(784,000)	-	(784,000)
	1,112,992	(784,000)	19,674,618	20,003,610

17 Pensions 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 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 August 2014.

Contributions amounting to £79,610 (2014: £54,134) were payable to the schemes at 31 August 2015 and are included within creditors.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

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

During the 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 the TPS in the period amounted to £553,000 (2014: £846,000).

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 above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21 per cent for employers and 6 per cent for employees. The estimated value of employer contributions for the forthcoming year is £224,000.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(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.

Contributions made	2015 £	2014 £
Employer's contributions	215,000	169,000
Employees' contributions	62,000	51,000
Total contributions	<u>277,000</u>	<u>220,000</u>

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	3.6	3.5
Rate of increase for pensions in payment	2.7	2.7
Discount rate for scheme liabilities	3.8	3.7
Inflation assumption (CPI)	<u>3.8</u>	<u>3.7</u>

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

	2015 Years	2014 Years
Retiring today		
- Males	22.3	22.3
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.1	24.1
- Females	<u>26.7</u>	<u>26.7</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	3.8	900,000	6.3	698,000
Bonds	3.8	231,000	2.9	134,000
Property	3.8	116,000	4.5	67,000
Other assets	3.8	39,000	3.3	57,000
		<u>1,286,000</u>		<u>956,000</u>
Total market value of assets		1,286,000		956,000
Present value of scheme liabilities - funded		(2,070,000)		(1,695,000)
		<u>(784,000)</u>		<u>(739,000)</u>
Net pension asset / (liability)		(784,000)		(739,000)

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	286,000	221,000
Past service cost	-	-
	<u>286,000</u>	<u>221,000</u>
Total operating charge	286,000	221,000
Finance costs/(income)		
Expected return on pension scheme assets	(60,000)	(59,000)
Interest on pension liabilities	69,000	61,000
	<u>9,000</u>	<u>2,000</u>
Net finance costs/(income)	9,000	2,000
	<u>295,000</u>	<u>223,000</u>
Total charge/(income)	295,000	223,000

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17	Pensions and similar obligations	(Continued)	
	Actuarial gains and losses recognised in the statement of financial activities	2015	2014
		£	£
	Actuarial (gains)/losses on assets: actual return less expected	-	-
	Experience (gains)/losses on liabilities	(35,000)	389,000
	(Gains)/losses arising from changes in assumptions	-	-
	Total (gains)/losses	(35,000)	389,000
		<hr/>	<hr/>
	Cumulative (gains)/losses to date	354,000	389,000
		<hr/>	<hr/>
	Movements in the present value of defined benefit obligations	2015	2014
		£	£
	Obligations at 1 September 2014	(1,695,000)	(1,194,000)
	Current service cost	(286,000)	(221,000)
	Interest cost	(69,000)	(61,000)
	Contributions by employees	(62,000)	(51,000)
	Actuarial gains/(losses)	37,000	(174,000)
	Benefits paid	5,000	6,000
		<hr/>	<hr/>
	At 31 August 2015	(2,070,000)	(1,695,000)
		<hr/>	<hr/>
	Movements in the fair value of scheme assets	2015	2014
		£	£
	Assets at 1 September 2014	956,000	898,000
	Expected return on assets	60,000	59,000
	Actuarial gains/(losses)	(2,000)	(215,000)
	Contributions by employers	215,000	169,000
	Contributions by employees	62,000	51,000
	Benefits paid	(5,000)	(6,000)
		<hr/>	<hr/>
	At 31 August 2015	1,286,000	956,000
		<hr/>	<hr/>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations		(Continued)			
History of experience gains and losses					
	2015	2014			
	£	£			
Present value of defined benefit obligations	(2,070,000)	(1,695,000)			
Fair value of share of scheme assets	1,286,000	956,000			
Surplus / (deficit)	<u>(784,000)</u>	<u>(739,000)</u>			
Experience adjustment on scheme assets	(2,000)	(215,000)			
Experience adjustment on scheme liabilities	37,000	(174,000)			
<hr/>					
18 Reconciliation of net income to net cash (outflow)/inflow from operating activities		2015	2014		
		£	£		
Net income		(401,736)	1,778,656		
Capital grants and similar income		(312,330)	(1,958,930)		
Investment income		(1,999)	(3,251)		
Defined benefit pension costs less contributions payable		71,000	52,000		
Defined benefit pension finance costs/(income)		9,000	2,000		
Depreciation of tangible fixed assets		482,623	462,970		
(Increase)/decrease in debtors		(72,165)	81,472		
Decrease in creditors		(270,794)	(242,794)		
Net cash (outflow)/inflow from operating activities		<u>(496,401)</u>	<u>172,123</u>		
<hr/>					
19 Reconciliation of net cash flow to movement in net funds		2015	2014		
		£	£		
Decrease in cash		(773,958)	(328,473)		
Net funds at 1 September 2014		2,271,652	2,600,125		
Net funds at 31 August 2015		<u>1,497,694</u>	<u>2,271,652</u>		
<hr/>					
20 Analysis of net funds		At 1 September 2014	Cash flows	Non-cash changes	At 31 August 2015
	£	£	£	£	£
Cash at bank and in hand	2,271,652	(773,958)	-	1,497,694	

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

21 Commitments under operating leases

At 31 August 2015 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
- Within one year	7,388	-
- Between two and five years	3,287	28,636
	<u>10,675</u>	<u>28,636</u>

22 Capital commitments

At 31 August 2015 the company had capital commitments as follows:

	2015 £	2014 £
Expenditure contracted for but not provided in the accounts	<u>312,330</u>	<u>-</u>

23 Related parties

During the year Holmes Chapel Comprehensive School & Sixth Form College paid membership fees of £16,032 (2014: £16,400) to Holmes Chapel and District Community Partnership. Also during the year the academy charged the partnership £nil (2014: £19,000) for the use of a sports co-ordinator.

During the year the academy charged The Chimney House Teaching School Foundation £69,837 (2014: £120,168) for services provided to the Foundation. At the year end the academy was owed £115,851 (2014: £80,207) by The Chimney House Teaching School Foundation. Included within trade creditors is £175 (2014: £30,975) owed to the Foundation.

During the year the academy incurred costs of £6,700 (2014: £nil) for services provided from J. Beard, a Governor of the academy.

The entities are all related by virtue of a common director/governor.

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.