

Company Registration No. 07711928 (England and Wales)

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

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

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HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Members

J. Beard
C. Burgess
R. Livingstone
C. Goodchild
P. Rottier

Governors

R. Aston (Parent Governor) (Resigned 28 September 2020)
C. Armstrong (Parent Governor) (Appointed 9 November 2020)
N. Bielby (Headteacher) (Appointed 1 September 2020)
D. Bryant (Parent Governor) (Resigned 30 August 2021)
C. Burgess (Chair of Governors)
K. Comb (Community Governor)
T. Freeman (Parent Governor) (Appointed 2 November 2020)
T. Goodwin (Parent Governor)
J. Grace (Community Governor)
S. Lavin (Parent Governor)
J. Lawrence (Parent Governor)
C. Lewis (Parent Governor)
A. Middleton (Staff Governor) (Appointed 20 October 2020)
C. Morgan (Staff Governor)
J. Otter (Community Governor) (Resigned 31 August 2021)
G. Preece (Parent Governor)
P. Redford (Staff Governor)
L. Simpson (Staff Governor)
J. Wilson (Community Governor) (Resigned 24 May 2021)
K. Morgan (Community Governor) (Appointed 5 January 2021)
P. Knox (Community Governor) (Appointed 15 October 2020)

Senior management team

- Headteacher	N. Bielby
- Deputy Head	M. Lowe
- 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

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

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

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 2021

The Governors present their annual report together with the accounts and independent auditor's reports of the Charitable Company for the period 1 September 2020 to 31 August 2021.

The Academy Trust operates an academy for pupils aged 11 to 19 serving a catchment area in Holmes Chapel and the surrounding area. It had a roll of 1,298 in the January 2021 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 (HCCS) 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

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees, local Trustees and officers from claims arising due to negligent acts, errors or omissions occurring on school business.

Method of recruitment and appointment or election of Governors

Governing body

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

Parent Governors

Nominations are invited from parents for the election of parent Governors to the Governing Body. Nominations are invited via the HCCS newsletter 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. 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.

Staff Governors

The maximum number of Staff Governors is 5 including the Executive Headteacher. 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 the HCCS Support Staff.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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. Advertisements are also circulated. 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.

The recruitment process should be focused on attracting someone who has the skills identified as being needed by the Governing Body's development plan. A person who is eligible to be a Staff Governor cannot be appointed to a role of Community Governor.

There are 5 committees which meet at least once per school term. The committees are:

- Standards
- Behaviour & Wellbeing
- Estates & Facilities
- Finance
- Teaching & Learning

There is also a Pay and Remuneration Committee, comprising 3 Governors, which meets annually to review the performance of the Headteacher and review the pay of all core leadership team members.

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 Headteacher. The Executive Headteacher 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 Committee

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 Headteacher 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 virements.

During the year 2020/21 the Executive Trustees were not required to undertake any business.

Financial delegation

The Governors have approved a scheme of financial delegation that allows budgetary responsibility to be delegated, through the Executive Headteacher, 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.

Declarations of interest

All governors complete a declaration of interest questionnaire on an annual basis. The following governors have positions within the governance of other schools/academies or organisations identified as 'related parties'.

Tracey Goodwin - Co-opted Governor at Goostrey Primary school, Trustee of Holmes Chapel Boxing Club

Andrew Middleton - Cheshire East Governor Service, Parent Governor at Alsager School

Sophie Lavin - Member of Cranage Parish Council

Jamie Otter - Member of the Audit committee at the Dean Trust.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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. Governors also have access to the Governor Training Hub.

Members

Mrs Jackie Beard	Agreed the role on 1st April 2019
Mrs Christina Burgess	Chair of Governors
Mrs Caroline Goodchild	Agreed the role on 1st April 2019
Mrs Ruth Livingstone	Agreed the role on 1st April 2019
Mr Peter Rottier	Agreed the role on 1st April 2019

Trustees

Parent Governors

Mrs Claire Armstrong	Appointed 1st November 2020 to 1st November 2024
Mrs Tracey Freeman	Appointed 1st November 2020 to 1st November 2024
Mrs Tracey Goodwin (Vice Chair)	Appointed 18th October 2018 to 18th October 2022
Mrs Sophie Lavin	Appointed 18th October 2018 to 18th October 2022
Mrs Jo Lawrence	Elected Feb 2016 re-appointed 5th February 2020 to 5th February 2024
Ms Chris Lewis	Appointed 5th February 2018 to 5th February 2022

Staff Governors

Mr Nigel Bielby	Appointed 1st September 2020
Dr Andrew Middleton	Appointed 20th October 2020 to October 2024
Mrs Caroline Morgan	Appointed 19th November 2019 to November 2023
Mr Phil Redford	Appointed October 2016 re-appointed 20th October 2020 to 20th October 2024
Miss Laura Simpson	Appointed 1st April 2019 to 1st April 2023

Community/Co-opted Governors

Mrs Christina Burgess (chair)	Appointed 24th April 2014 re-elected at FGB 2nd July 2018 to 30th September 2022 re-elected as chair 20th September 2021
Mrs Kerry Comb	Appointed 18th November 2019 to 17 November 2023
Mr James Grace	Appointed 26th March 2018 to 26th March 2022
Mr Karren Morgan	Appointed 5th January 2021 to 5th January 2025
Dr Paul Knox	Appointed 15th October 2020 to 14th October 2024
Mrs Gill Preece	Appointed 20th October 2017 - 20th October 2021 as parent governor re-appointed 20th September 2021 - 20th October 2025 as community governor

Resignations

Mr John Wilson	Appointed 1st December 2019 - resigned 26th May 2021
Mr David Bryant	Appointed October 2018 - resigned July 2021
Mr Jamie Otter	Appointed 24th April 2014 - resigned 20th August 2021

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 Development Plan. To effectively achieve this, the Governing Body operates through several committees, the constitution and make up of which are reviewed annually. The Executive Headteacher is the Accounting Officer.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Arrangements for setting pay and remuneration of key management personnel

The academy has in place a robust performance management system that includes a process for reviewing the Executive Headteacher's performance. The Chair is assisted in the appraisal of the Executive Headteacher's performance by an external assessor. The Pay and Remuneration Committee met following the Executive Headteacher's appraisal to consider the pay of the Senior Leadership Team and the general pay uplift to all staff.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	2.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	6,685,652
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties and other connected charities and organisations

Chimney House Teaching School Foundation (CHTSF) Company no 07937424

The Chimney House Teaching School Foundation is a company limited by guarantee that was initially set up to deliver high quality Initial Teacher Training (ITT) and postgraduate continuing professional development (CPD) across East Cheshire. The activities have now been subsumed into the School based Initial Teacher Training (SCITT) system within the school. The company no 07937424 ceased trading in August 2021. HCCS has supported the preparation of final financial accounts for the CHTSF.

During the year 2020/21, 28 new teachers successfully completed their training.

Objectives and activities

The governors agreed a school development plan and objectives for 2020/21. The purpose of the development plan is to address the key areas of focus which are the at the highest level of priority for our school's continued improvement so that we deliver:

- the highest quality of education through a knowledge rich curriculum and exceptional teaching
- the best possible outcomes for all students
- a sustainable growth and development model for the sixth form
- a package of learning and support to all students taking account of the impact of lockdown in response to the COVID pandemic
- a coherent communication and marketing strategy
- our school expansion programme

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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, Governors pay due regard 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.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

National Qualifications Process 2021

Students achieving their national qualifications this summer were the first to have had both of their two years of targeted study disturbed by the national lockdowns and school closures due to the Covid-19 pandemic. During their studies, England has twice entered a period of lockdown with all educational establishments having to shut their doors to classroom based learning. This year, results have been awarded based on teacher assessments. All grades have been through a range of processes in order to ensure consistency across centres before being awarded by the Examination Boards. Grades are not awarded by the individual schools.

Teaching assessments at HCCS have included a number of interim assessments that included assessments carried out under full examination conditions for all students in GCSE, A Level and BTEC courses. The senior leadership team is confident the processes put in place were robust and fully compliant with the systems set out by the national awarding bodies. As such, the qualifications awarded using the teacher assessments submitted by the academy accurately reflects the hard work of our students and staff during the past two years.

Examination performance 2021

The examination results for this year are a stand alone set of outcomes unique to the 2021 cohort at KS4 and 5. Comparisons have been made to previous years data with the last set of 'non-covid' examination results being 2019. Although it should be noted that the very specific process by which the 2021 results were created means that any comparisons to other years should be treated with caution. For 2021, as 2020, there are no nationally published results tables.

Our school uses three databases, SISRA and FFT Aspire and ALPS to analyse exam results. However, not all schools subscribe to these services so although they are useful indicators of comparative performance they do not represent a national cohort. In addition, the Teacher Assessed Grades (TAGs) submitted to the examination boards were generated independently and uniquely by each school and there was no national cross moderation or standardisation of each school's TAG dataset. Every school did have their assessment and data collection model verified by JCQ.

Key Stage 4

KS4 headline performance indicators

- English and maths attainment in the 9-7, 9-5 and 9-4 ranges are all up on 2019 and significantly up on SISRA 2021 collaboration data
- % five strong passes (grade 5) including English and maths and % five standard passes (grade 4) including English and maths are up on 2019 and significantly up on SISRA 2021 collaboration data.
- Average total P8 for HCCS 2021 is -0.04 compared to SISRA 2021 +0.01 and HCCS 2019 +0.07
- Value Added (VA) scores in Languages is positive (overall, students did better than expected), in Humanities is around zero (overall, students did as well as expected) and is negative in Science (overall, students did less well than expected) Note that VA scores are not published for all subjects at KS4.

KS4 Commentary

KS4 Headlines show that our overall attainment was strong at KS4 and that overall, progress across the curriculum was in line with other SISRA schools. More students in a greater number of subjects achieved in the higher grade range of 7-9. Our 2021 P8 score is -0.04 which tells us that we have performed broadly in line with SISRA (SISRA P8 = +0.01) and that our examination grades were not over inflated compared to the SISRA dataset. Note that this has been calculated by SISRA using collaboration data only and is not a DFE figure. Although not directly comparable, our P8 score is broadly in line with the last three years (2019 to 2021 P8 range +0.07 to -0.04).

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

At a subject level, overall attainment and progress in most subjects at KS4 was strong and most subjects performed well against the SISRA cohort. In the upper grade range of 7 to 9, most subjects have performed above the HCCS attainment targets set at the start of each course. This appears to be a nationally reported trend in the KS4 data and partly reflects the nature of the process for producing TAGs specific to this year. However, the data clearly indicates that the sciences and film have not performed as strongly as others compared to SISRA in 2021. Processes are in place to address this.

Key Stage 5

KS5 headline performance indicators

- 40% of grades at A*-B
- 34/ 35 subjects raised their attainment and Value Added (VA) from 2020 and 2019.
- 34/ 35 subjects (97%) achieved above their expected targets (compared to 61% on or above in 2019 and 90% on or above in 2018)
- Overall VA of +0.91 = nearly a whole grade up on every L3 entry.

Overall average grade was B= compared to B- (2020) and C+ (2019 & 2018).

KS5 Commentary

ALPS scores are a direct comparison of our college against ALL schools registered with ALPS in the UK. Our 2021 ALPS score of 1 indicates that we have performed in the top 5% of all ALPS users. This means that HC6F students achieved the grades which reflected their performance at the time of assessment and that their grades compare extremely favourably with the ALPS cohort.

The 2021 results in comparison with previous years are significantly higher overall. Our previous whole college ALPS score of 3 placed us in the top 25% of schools nationally. In 2021, the vast majority of subjects performed well but caution needs to be applied. Given the broad level of ability on intake into our college, an ALPS score of 3 to 4 is a realistic, aspirational target for HC6F in 2022 and would place the college in the top 25-35% of all 6th form providers nationally.

The overall 2021 VA score of +0.91 means that students achieved on average nearly a whole grade higher per subject. Whilst that is justifiable in the context of the internal assessment systems of 2021, it does not necessarily mean that students will replicate those results under "normal" A-Level and applied examinations. It is well reported nationally that the mix of coursework, classwork and internal exams used to calculate TAGs in 2021 was an assessment model that favoured higher attainment for students. The development of teaching practice at KS5 focused on examination technique, quality of writing, memory recall and application of Rosenshine principles in lessons will be a key part of the KS5 college development plan.

At HC6F in 2021, around a third of subjects had an ALPS score of 1 and just over a half an ALPS score of 2. In a 'normal' year, with examinations being the dominant assessment method, we would expect most subjects to have a mid to upper-mid range ALPS score. This supports the view that results of 2021 are exceptional but also that these results are not necessarily a trend setting pattern when viewed over a number of years.

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 2021

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 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2021, HCCS received recurrent income of £7,352,673 from the DfE in respect of General Annual Grant and other Government funding. Expenditure for the year amounted to £7,621,054.

Unrestricted income totalled £516,641 for the year. Against this, resources expended totalled £368,866 resulting in a net increase in unrestricted funds of £147,775 before transfers.

HCCS also received 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 2021 the net assets excluding the pension liability was £19,440,504. 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 each term. The cash reserves are reported to the Finance Committee each term as part of the cash flow report.

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 has set a Working Capital Reserve (WCR) to provide for any major issues that could arise in relation to its estate. In 2020/21, the Governing Board decided to allocate £230,000 as the WCR. The Academy's free reserves as at 31 August 2021 are £303,544 which are greater than the minimum levels set.

Estates strategy

The Academy Trust has identified an overall estates strategy that it has been working to deliver over the past five years. Using a combination of its own reserves and capital grants, it has successfully completed major steps in the overall 'grand plan'. During the period in review, the redevelopment of the front of the school was completed providing a new reception and meeting room. The front of the school was enhanced significantly by the building of a large covered space which can be used for teaching and learning outside, major events and as a covered space for students to use during the school day.

Work has also commenced on the redevelopment of the Learning Resource Centre. This will cost circa £500,000 of which the LA will contribute £150,000.

During the year, the academy responded to a request from Cheshire East LA to consider developing a 14 place Resource Provision for children with severe social, emotional or mental health needs. Currently, the children who would benefit from this new service would have to travel outside of normal catchment areas to access an appropriate educational setting. HCCS has now undertaken a public consultation in regard to the plan to open a new RP as requested. Following the successful consultation, approval has now been granted by the Regional Schools Commissioner and the funding agreed with the LA. Work is expected to commence on the buildings in the first term 2021/22 and be completed by Easter 2022.

Investment policy

The governors consider the school's investments on an annual basis ensuring the school maximizes the return on its capital whilst minimizing any risk and maintaining appropriate reserves. Any investments must be approved by governors and will further the school's charitable aims. Governors' policy is to manage, control and track their financial exposure and risk to ensure value for money, take advice as appropriate from a professional adviser and ensure that security takes precedence over revenue maximization.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The Governing Body (GB) at HCCS understand and accept their responsibility and role in managing the key strategic risks of the academy. They ensure that a sound system of internal control is in place to identify, assess and, when necessary, put in place actions to mitigate against the key risks that may prevent the organisation from delivering against its principal objectives. They recognise however that those risks will always exist and that in managing these principal risks there is an understanding that there needs to be a balance between investment in mitigation and the potential benefit that this would deliver. In order to do this the GB has put in place arrangements to better understand the risks in terms of the likelihood of them occurring and the potential impact if they did. The GB holds the operational managers to account for the delivery of agreed actions via the Executive Headteacher.

The principal risks for Holmes Chapel Comprehensive School in 2020/21 include:

- Volatility in student numbers and the impact on overall school development plan
- The impact of COVID-19
- Major site expansion plan being delivered on time within the financial envelope
- Failure to maintain a viable Sixth Form College

Managing risks

The Governors have overall responsibility for maintaining the key strategic risks of the academy. They will delegate the management of those risks to the school's leadership team via the Headteacher. Please see the organisational chart below which shows how risks are delegated throughout the school:

Governing Body
Head Teacher
Core Leadership Team
Senior Leadership Team
Faculties
Support Teams

Corporate risk register

The academy trust maintains a corporate risk register that brings together a summary of the identified risks and the plans in place to mitigate those risks where appropriate. This register is a living document and the scores are reviewed on a regular basis at the relevant committee. The Finance and Estates & Facilities Committees have been the first to migrate across to the new system. Progress will be monitored by the Standards Committee. Risks are measured using a 5x5 [Likelihood x Impact]. The academy has identified definitions for each score that will help to give guidance when compiling the risk register and monitoring against the suitability of the action plans. All identified strategic risks will be scored pre and post mitigation.

Some examples of actions taken to mitigate against the principal key risks include:

- Creating an education at home program which enabled students to secure rapid access to curriculum resources and teachers online.
- Continued to provide a full five lessons per day timetable for all students in the right rooms with the appropriate teachers.
- Ensuring an effective system was in place to facilitate free school meals during lockdown and the school holidays.
- Focus on the recruitment of students into the sixth form
- Introducing an online marketing strategy including Google ads.
- Holding a very successful Year 5 outdoor open evening
- Completing a school site development plan in response to a request for more school places from Cheshire East Local Authority and the development of a 14 place Resource Provision.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial risk

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

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:

- financial reports to every Finance and Full Governors committee meetings
- a comprehensive set of financial rules and procedures reviewed at least annually
- formal budgetary delegation in writing to budget holders along with explanatory notes on financial procedures for placing orders etc
- a financial risk register
- 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 is presented to the Trust Board via the Finance Committee. Internal audit reports will include a series of suggested actions to strengthen controls.

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

Fundraising

Holmes Chapel Comprehensive & Sixth Form College's approach to fundraising complies fully with section 13 of the Charities (Protection and Social Investment) Act 2016 in so much as it works only with professional fundraisers. The school's GDPR policy complies fully with marketing regulations and does not target individuals. All fund raising done by the school is fully monitored by the trustees.

Fundraising

Plans for future periods

During the year ahead, 2021/22, the priorities for delivery will include:

- Conclude the discussions with Cheshire East Local Authority in respect of investment strategy.
- Build and open the 14 place Resource Provision for students with Social, emotional and mental health needs by Easter 2022.
- Agree the site development strategy and investment of circa £2,000,000 to meet the expected demand for an extra 150 school places.
- Ensure the expansion plans gain full planning permission and that construction starts in 2022 for completion by September 2023.
- Continue to implement safe systems and behaviours relating to the Covid-19 pandemic.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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.

At a meeting of the Members, a resolution was passed to appoint Jackson Stephen LLP as the external auditors for a period of three years from 2020/21.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 6th December 2021 and signed on its behalf by:



C. Burgess (Chair of Governors)

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

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 21 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
R. Aston (Parent Governor) (Resigned 28 September 2020)	0	0
C. Armstrong (Parent Governor) (Appointed 9 November 2020)	5	7
N. Bielby (Headteacher) (Appointed 1 September 2020)	21	21
D. Bryant (Parent Governor) (Resigned 30 August 2021)	12	14
C. Burgess (Chair of Governors)	21	21
K. Comb (Community Governor)	15	15
T. Freeman (Parent Governor) (Appointed 2 November 2020)	2	7
T. Goodwin (Parent Governor)	21	21
J. Grace (Community Governor)	12	15
S. Lavin (Parent Governor)	11	12
J. Lawrence (Parent Governor)	13	14
C. Lewis (Parent Governor)	12	13
A. Middleton (Staff Governor) (Appointed 20 October 2020)	6	6
C. Morgan (Staff Governor)	14	14
J. Otter (Community Governor) (Resigned 31 August 2021)	10	12
G. Preece (Parent Governor)	9	11
P. Redford (Staff Governor)	7	8
L. Simpson (Staff Governor)	8	8
J. Wilson (Community Governor) (Resigned 24 May 2021)	5	7
K. Morgan (Community Governor) (Appointed 5 January 2021)	7	8
P. Knox (Community Governor) (Appointed 15 October 2020)	12	14

The composition of the board of governors, its work and performance is covered in more detail in the governors' report.

Review of value for money

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

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

- Regular reports to committees on performance and comparisons with peer schools
- Development of a contracts register
- Review of all contracts in terms of quality, service and price which has led to significant savings
- Development of the corporate risk register
- Implementation of the Financial Procedures Manual
- Review of and changes to the contract with Sodexo, the catering contractor
- Review of the curriculum delivery team
- Increase in class size in Sixth Form leading to better economies of scale
- A full programme of Internal Audit.

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 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

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 2020 to 31 August 2021 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.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

During 2020/21, the Internal Audit programme has been delivered by an independent company, Howard Worth Chartered Accountants, the internal audit providers.

All internal reports were reported to the Finance Committee and actions taken where recommendations have been made.

A full Financial Procedures Manual, budget plan and reporting schedule have been approved by the Governing Body via the Finance Committee. Together, these set out both the financial plans of the academy and the whole system of financial controls that is expected to be in place. These plans and controls are reviewed in light of any changes identified within the financial handbook for academies, as a result of any internal or external audit findings or as a result of unexpected variation in performance.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

On a termly basis, the reviewer reports to the Board of Governors through the finance committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Governors.

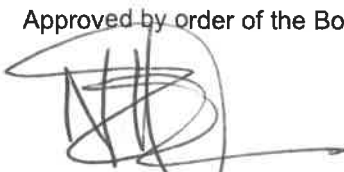
Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the 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 the reviews 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 14 December 2021 and signed on its behalf by:



N. Bielby (Headteacher)



C. Burgess (Chair of Governors)

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2021

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 and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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 2020.

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 ESFA.



N. Bielby (Headteacher)
Accounting Officer

14 December 2021

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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 Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 2015 and the Academies Accounts Direction 2020 to 2021;
- 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 ESFA/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 members of the Board of Governors on 14 December 2021 and signed on its behalf by:



C. Burgess (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

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Holmes Chapel Comprehensive School & Sixth Form College for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Governors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the academy and sector, we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to, the Companies Act 2006, the Charities Act 2011, employment, pension and health and safety legislation and regulation through the Secretary of State for Education as principal regulator, acting through the Education and Skills Funding Agency and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities' Statement of Recommended Practice and the Academies Financial Handbook.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims, their policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing regulatory correspondence with the Secretary of State for Education;
- obtaining an understanding of provisions; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Use of our report

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Peter Atkinson F.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP**

20 December 2021
.....

**Chartered Accountants
Statutory Auditor**

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

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 AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, 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 2020 to 31 August 2021 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 ESFA 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 ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Holmes Chapel Comprehensive School & Sixth Form College and ESFA, 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 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion included:

- A review of the systems in place that govern income, purchases and payroll as outlined in the Financial Procedures Manual
- Substantive testing of income and expenditure of the academy
- Analytical review
- Obtain evidence relevant to the regularity and propriety of the academy'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 AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Jackson Stephen LLP

Reporting Accountant

Jackson Stephen LLP

Dated: 20 December 2021

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	1,000	-	27,116	27,124
Charitable activities:					
- Funding for educational operations	4	-	7,352,673	-	7,022,587
- Funding for teaching schools	24	316,933	-	-	338,472
Other trading activities	5	196,498	-	-	280,735
Investments	6	2,210	-	-	9,593
Total		516,641	7,352,673	27,116	7,896,430
Expenditure on:					
Raising funds	7	83,450	-	-	83,837
Charitable activities:					
- Educational operations	8	-	7,621,054	472,341	7,825,564
- Teaching schools	24	285,416	-	-	328,727
Total	7	368,866	7,621,054	472,341	8,238,128
Net income/(expenditure)		147,775	(268,381)	(445,225)	(565,831)
Transfers between funds	16	(848,944)	-	848,944	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	18	-	(1,186,000)	-	(1,186,000)
Net movement in funds		(701,169)	(1,454,381)	403,719	(1,751,831)
Reconciliation of funds					
Total funds brought forward		1,004,713	(2,819,065)	18,533,687	16,719,335
Total funds carried forward		303,544	(4,273,446)	18,937,406	14,967,504

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	-	-	27,124	27,124
Charitable activities:					
- Funding for educational operations	4	-	7,022,587	-	7,022,587
- Funding for teaching schools	24	338,472	-	-	338,472
Other trading activities	5	280,735	-	-	280,735
Investments	6	9,593	-	-	9,593
Total		<u>628,800</u>	<u>7,022,587</u>	<u>27,124</u>	<u>7,678,511</u>
Expenditure on:					
Raising funds	7	83,837	-	-	83,837
Charitable activities:					
- Educational operations	8	-	7,271,957	553,607	7,825,564
- Teaching schools	24	328,727	-	-	328,727
Total	7	<u>412,564</u>	<u>7,271,957</u>	<u>553,607</u>	<u>8,238,128</u>
Net income/(expenditure)		216,236	(249,370)	(526,483)	(559,617)
Transfers between funds	16	(442,396)	(132,695)	575,091	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	61,000	-	61,000
Net movement in funds		(226,160)	(321,065)	48,608	(498,617)
Reconciliation of funds					
Total funds brought forward		1,230,873	(2,498,000)	18,485,079	17,217,952
Total funds carried forward		<u>1,004,713</u>	<u>(2,819,065)</u>	<u>18,533,687</u>	<u>16,719,335</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		19,016,513		18,620,823
Current assets					
Debtors	13	264,863		254,607	
Cash at bank and in hand		801,737		1,158,808	
			<u>1,066,600</u>		<u>1,413,415</u>
Current liabilities					
Creditors: amounts falling due within one year	14	(642,609)		(468,903)	
Net current assets			<u>423,991</u>		<u>944,512</u>
Net assets excluding pension liability			<u>19,440,504</u>		<u>19,565,335</u>
Defined benefit pension scheme liability	18		(4,473,000)		(2,846,000)
Total net assets			<u>14,967,504</u>		<u>16,719,335</u>
Funds of the Academy Trust:					
Restricted funds	16				
- Fixed asset funds			18,937,406		18,533,687
- Restricted income funds			199,554		26,935
- Pension reserve			(4,473,000)		(2,846,000)
Total restricted funds			<u>14,663,960</u>		<u>15,714,622</u>
Unrestricted income funds	16		303,544		1,004,713
Total funds			<u>14,967,504</u>		<u>16,719,335</u>

The accounts on pages 25 to 47 were approved by the Governors and authorised for issue on 14 December 2021 and are signed on their behalf by:

Christina M. Burgess

C. Burgess (Chair of Governors)

Company Number 07711928

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	19		481,634		137,058
Cash flows from investing activities					
Dividends, interest and rents from investments		2,210		9,593	
Capital grants from DfE Group		27,116		27,124	
Purchase of tangible fixed assets		(868,031)		(583,875)	
Net cash used in investing activities			(838,705)		(547,158)
Net decrease in cash and cash equivalents in the reporting period			(357,071)		(410,100)
Cash and cash equivalents at beginning of the year			1,158,808		1,568,908
Cash and cash equivalents at end of the year			801,737		1,158,808

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure on raising funds

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

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy 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	10-25% per annum straight line basis
Motor vehicles	33% per annum straight line basis

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

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 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 quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 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 and Skills 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 and Skills Funding Agency.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation charge is calculated based on estimates and assumptions on asset useful economic lives and expected residual value.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement (Continued)

Critical areas of judgement

The governors consider there are no other areas considered critical to the academy's financial statements.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	27,116	27,116	27,124
Other donations	1,000	-	1,000	-
	<u>1,000</u>	<u>27,116</u>	<u>28,116</u>	<u>27,124</u>

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	6,430,317	6,430,317	6,094,114
Other DfE / ESFA grants:				
Pupil premium	-	136,338	136,338	132,320
Others	-	429,673	429,673	379,376
	<u>-</u>	<u>6,996,328</u>	<u>6,996,328</u>	<u>6,605,810</u>
Other government grants				
Local authority grants	-	269,385	269,385	416,777
	<u>-</u>	<u>269,385</u>	<u>269,385</u>	<u>416,777</u>
Exceptional government funding				
Coronavirus exceptional support	-	86,960	86,960	-
	<u>-</u>	<u>86,960</u>	<u>86,960</u>	<u>-</u>
Teaching schools income	316,933	-	316,933	338,472
	<u>316,933</u>	<u>-</u>	<u>316,933</u>	<u>338,472</u>
Total funding	<u>316,933</u>	<u>7,352,673</u>	<u>7,669,606</u>	<u>7,361,059</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	82,629	-	82,629	101,457
Provision of training and courses	23,626	-	23,626	21,623
Other income	90,243	-	90,243	157,655
	<u>196,498</u>	<u>-</u>	<u>196,498</u>	<u>280,735</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Other investment income	2,210	-	2,210	9,593
	<u>2,210</u>	<u>-</u>	<u>2,210</u>	<u>9,593</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2021 £	Total 2020 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	83,450	83,450	83,837
Academy's educational operations					
- Direct costs	5,368,702	-	187,732	5,556,434	5,339,638
- Allocated support costs	1,239,588	929,558	367,815	2,536,961	2,485,926
Teaching schools					
- Direct costs	162,132	-	123,284	285,416	328,727
	<u>6,770,422</u>	<u>929,558</u>	<u>762,281</u>	<u>8,462,261</u>	<u>8,238,128</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	11,320	11,050
- Other services	1,405	1,665
Operating lease rentals	54,090	63,423
Depreciation of tangible fixed assets	472,341	553,607
Net interest on defined benefit pension liability	51,000	51,000
	<u>590,156</u>	<u>650,745</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	-	5,556,434	5,556,434	5,339,638
Teaching schools	285,416	-	285,416	328,727
Support costs				
Educational operations	-	2,536,961	2,536,961	2,485,926
	<u>285,416</u>	<u>8,093,395</u>	<u>8,378,811</u>	<u>8,154,291</u>
	Teaching schools £	Educational operations £	Total 2021 £	Total 2020 £
Analysis of support costs				
Support staff costs	-	1,239,588	1,239,588	1,167,588
Depreciation	-	472,341	472,341	553,607
Technology costs	-	83,828	83,828	78,667
Premises costs	-	457,217	457,217	430,173
Other support costs	-	265,239	265,239	242,157
Governance costs	-	18,748	18,748	13,734
	<u>-</u>	<u>2,536,961</u>	<u>2,536,961</u>	<u>2,485,926</u>

9 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	4,808,661	4,435,087
Social security costs	445,761	406,121
Pension costs	1,431,230	1,334,731
Amounts paid to employees	<u>6,685,652</u>	<u>6,175,939</u>
Agency staff costs	84,770	129,773
Total staff expenditure	<u>6,770,422</u>	<u>6,305,712</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff (Continued)

Staff numbers

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

	2021 Number	2020 Number
Teachers	80	74
Administration and support	93	90
Management	9	10
	<u>182</u>	<u>174</u>

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£100,001 - £110,000	1	-
£120,001 - £130,000	-	1
	<u>-</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance costs) received by key management personnel for their services to the Academy Trust was £311,289 (2020: £414,042).

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Governors' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Executive Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher and staff members under their contracts of employment, and not in respect of their services as Governors.

The value of Governors' remuneration and other benefits was as follows:

H Connolly (Resigned 31 August 2020)

Remuneration: £nil (2020: £40,001 - £45,000)

Pension: £nil (2020: £10,001 - £15,000)

C Morgan (Appointed 18 November 2019)

Remuneration: £20,001 - £25,001 (2020: £15,001 - £20,000)

Pension: £0 - £5,000 (2020: £0 - £5,000)

D Oliver (Executive head) (Resigned 31 August 2020)

Remuneration: £nil (2020: £125,001 - £130,000)

Pension: £nil (2020: £nil)

P Redford

Remuneration: £55,001 - £60,000 (2020: £50,001 - £55,000)

Pension: £10,001 - £15,000 (2020: £10,001 - £15,000)

L Simpson

Remuneration: £35,001 - £40,000 (2020: £35,001 - £40,000)

Pension: £5,001 - £10,000 (2020: £5,001 - £10,000)

N Bielby (appointed 1 September 2020)

Remuneration: £90,001 - £95,000 (2020: £nil)

Pension: £20,001 - £25,000 (2020: £nil)

A Middleton (appointed 20 October 2020)

Remuneration: £40,001 - £45,000 (2020: £nil)

Pension: £10,001 - £15,000 (2020: £nil)

During the period ended 31 August 2021, travel and subsistence expenses totalling £3,082 were reimbursed or paid directly to 4 governors (2020: £1,399 to 3 governors).

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

11 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was deducted from the funding from the ESFA.

The cost of this insurance was £2,400 for the year.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Freehold buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2020	20,491,907	2,317,894	65,490	22,875,291
Additions	859,536	8,495	-	868,031
At 31 August 2021	21,351,443	2,326,389	65,490	23,743,322
Depreciation				
At 1 September 2020	2,351,916	1,837,317	65,235	4,254,468
Charge for the year	336,563	135,523	255	472,341
At 31 August 2021	2,688,479	1,972,840	65,490	4,726,809
Net book value				
At 31 August 2021	18,662,964	353,549	-	19,016,513
At 31 August 2020	18,139,991	480,577	255	18,620,823

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

13 Debtors

	2021 £	2020 £
Trade debtors	39,308	7,070
Other debtors	112,435	114,579
Prepayments and accrued income	113,120	132,958
	264,863	254,607

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	287,120	109,547
Other taxation and social security	109,784	99,125
Other creditors	208,541	229,491
Accruals and deferred income	37,164	30,740
	642,609	468,903

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Deferred income

	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	-	544
	<u> </u>	<u> </u>
Deferred income at 1 September 2020	544	203,817
Released from previous years	(544)	(203,817)
Resources deferred in the year	-	544
	<u> </u>	<u> </u>
Deferred income at 31 August 2021	<u> </u>	<u> </u>

At the balance sheet date the academy trust was holding funds received in advance for rates relief of £nil (2020: £544).

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	11,022	6,430,317	(6,241,785)	-	199,554
Pupil premium	-	136,338	(136,338)	-	-
Other DfE / ESFA grants	15,913	429,673	(445,586)	-	-
Other government grants	-	356,345	(356,345)	-	-
Pension reserve	(2,846,000)	-	(441,000)	(1,186,000)	(4,473,000)
	<u>(2,819,065)</u>	<u>7,352,673</u>	<u>(7,621,054)</u>	<u>(1,186,000)</u>	<u>(4,273,446)</u>
Restricted fixed asset funds					
DfE group capital grants	16,944,818	27,116	(472,341)	-	16,499,593
Capital expenditure from GAG	647,255	-	-	-	647,255
Unrestricted funds	941,614	-	-	848,944	1,790,558
	<u>18,533,687</u>	<u>27,116</u>	<u>(472,341)</u>	<u>848,944</u>	<u>18,937,406</u>
Total restricted funds	<u>15,714,622</u>	<u>7,379,789</u>	<u>(8,093,395)</u>	<u>(337,056)</u>	<u>14,663,960</u>
Unrestricted funds					
General funds	808,459	199,708	(83,450)	(743,276)	181,441
Designated fund	105,668	-	-	(105,668)	-
Teaching schools	90,586	316,933	(285,416)	-	122,103
	<u>1,004,713</u>	<u>516,641</u>	<u>(368,866)</u>	<u>(848,944)</u>	<u>303,544</u>
Total funds	<u>16,719,335</u>	<u>7,896,430</u>	<u>(8,462,261)</u>	<u>(1,186,000)</u>	<u>14,967,504</u>

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.

Designated funds have been set aside to fund capital development projects.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	6,094,114	(5,950,397)	(132,695)	11,022
Pupil premium	-	132,320	(132,320)	-	-
Other DfE / ESFA grants	-	379,376	(363,463)	-	15,913
Other government grants	-	416,777	(416,777)	-	-
Pension reserve	(2,498,000)	-	(409,000)	61,000	(2,846,000)
	<u>(2,498,000)</u>	<u>7,022,587</u>	<u>(7,271,957)</u>	<u>(71,695)</u>	<u>(2,819,065)</u>
Restricted fixed asset funds					
DfE group capital grants	17,471,301	27,124	(553,607)	-	16,944,818
Capital expenditure from GAG	647,255	-	-	-	647,255
Unrestricted funds	366,523	-	-	575,091	941,614
	<u>18,485,079</u>	<u>27,124</u>	<u>(553,607)</u>	<u>575,091</u>	<u>18,533,687</u>
Total restricted funds	<u>15,987,079</u>	<u>7,049,711</u>	<u>(7,825,564)</u>	<u>503,396</u>	<u>15,714,622</u>
Unrestricted funds					
General funds	650,032	290,328	(83,837)	(48,064)	808,459
Designated fund	500,000	-	-	(394,332)	105,668
Teaching schools	80,841	338,472	(328,727)	-	90,586
	<u>1,230,873</u>	<u>628,800</u>	<u>(412,564)</u>	<u>(442,396)</u>	<u>1,004,713</u>
Total funds	<u>17,217,952</u>	<u>7,678,511</u>	<u>(8,238,128)</u>	<u>61,000</u>	<u>16,719,335</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	19,016,513	19,016,513
Current assets	867,046	199,554	-	1,066,600
Creditors falling due within one year	(563,502)	-	(79,107)	(642,609)
Defined benefit pension liability	-	(4,473,000)	-	(4,473,000)
Total net assets	303,544	(4,273,446)	18,937,406	14,967,504

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	18,620,823	18,620,823
Current assets	1,386,480	26,935	-	1,413,415
Creditors falling due within one year	(381,767)	-	(87,136)	(468,903)
Defined benefit pension liability	-	(2,846,000)	-	(2,846,000)
Total net assets	1,004,713	(2,819,065)	18,533,687	16,719,335

18 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England (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 2016 and of the LGPS 31 March 2019.

Contributions amounting to £120,830 (2020: £107,131) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to the TPS in the period amounted to £760,000 (2020: £678,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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% for employers and 6% for employees. The estimated value of employer contributions for the forthcoming year is £277,000.

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.

Total contributions made	2021 £	2020 £
Employer's contributions	277,000	301,000
Employees' contributions	86,000	76,000
Total contributions	<u>363,000</u>	<u>377,000</u>

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations (Continued)

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.6	2.9
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	21.4	21.2
- Females	24.0	23.6
Retiring in 20 years		
- Males	22.4	21.9
- Females	25.7	25.0

The Academy Trust's share of the assets in the scheme	2021 Fair value £	2020 Fair value £
Equities	2,244,800	1,798,650
Bonds	2,049,600	1,638,770
Property	488,000	399,700
Other assets	97,600	159,880
Total market value of assets	4,880,000	3,997,000

The actual return on scheme assets was £546,000 (2020: £127,000).

Amount recognised in the statement of financial activities	2021 £	2020 £
Current service cost	667,000	659,000
Interest income	(71,000)	(70,000)
Interest cost	122,000	121,000
Total operating charge	718,000	710,000

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2021	
	£	
At 1 September 2020	6,843,000	
Current service cost	667,000	
Interest cost	122,000	
Employee contributions	86,000	
Actuarial loss/(gain)	1,661,000	
Benefits paid	(26,000)	
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At 31 August 2021	9,353,000	
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Changes in the fair value of the Academy Trust's share of scheme assets	2021	
	£	
At 1 September 2020	3,997,000	
Interest income	71,000	
Actuarial gain	475,000	
Employer contributions	277,000	
Employee contributions	86,000	
Benefits paid	(26,000)	
	<hr/>	
At 31 August 2021	4,880,000	
	<hr/> <hr/>	
19 Reconciliation of net expenditure to net cash flow from operating activities	2021	2020
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	(565,831)	(559,617)
Adjusted for:		
Capital grants from DfE and other capital income	(27,116)	(27,124)
Investment income receivable	(2,210)	(9,593)
Defined benefit pension costs less contributions payable	390,000	358,000
Defined benefit pension scheme finance cost	51,000	51,000
Depreciation of tangible fixed assets	472,341	553,607
(Increase)/decrease in debtors	(10,256)	36,530
Increase/(decrease) in creditors	173,706	(265,745)
	<hr/>	<hr/>
Net cash provided by operating activities	481,634	137,058
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HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Analysis of changes in net funds

	1 September 2020	Cash flows	31 August 2021
	£	£	£
Cash	1,158,808	(357,071)	801,737

21 Long-term commitments, including operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£	£
Amounts due within one year	55,355	66,138
Amounts due in two and five years	121,740	157,863
	<u>177,095</u>	<u>224,001</u>

22 Related party transactions

At the year end the academy owed £nil by (2020: £21,962) to The Chimney House Teaching School Foundation.

The above entities are related by virtue of a common director.

23 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

HOLMES CHAPEL COMPREHENSIVE SCHOOL & SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

24 Teaching schools trading account

	2021		2020	
	£	£	£	£
Direct income				
Fee income		316,933		338,472
Direct costs				
Educational supplies and services	285,416		328,727	
Total operating costs		(285,416)		(328,727)
Surplus from teaching schools		31,517		9,745
Teaching schools balances at 1 September 2020		90,586		80,841
Teaching schools balances at 31 August 2021		122,103		90,586

