Company Registration No. 08100344 (England and Wales)

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2019

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

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TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Governors (who are also trustees)	Trudy Boyle	(Co-Opted Governor)	(Resigned 27 September 2019)	
	Dawn Joyce	(Co-Opted Governor)	(Resigned 2 June 2019)	#
	Michael Lomas	(Co-Opted Governor)		*#
	Jane Stephens	(Co-Opted Governor)	(Resigned 31 August 2019)	*
	Nigel Taylor	(Co-Opted Governor and Chair of Governors)		#
	John Waddington	(Co-Opted Governor)	(Resigned 1 September 2018)	
	Harry Ziman	(Co-Opted Governor)		#
	Andrew Davies	(Co-Opted Governor)		
	James Bowland	(Staff Governor)	(Resigned 9 December 2019)	
	Alison Senior	(Staff Governor)	(Resigned 1 September 2018)	*
	Rachel Simms	(Parent Governor)		
	Sharon Varey	(Parent Governor)	(Resigned 6 September 2019)	
	Roger Craig	(Parent Governor)	(Resigned 1 December 2018)	
	Jane Hough	(Staff Governor)		*
	Bethany Spray	(Parent Governor)		
	Alison Dodwell-Cooke	(Parent Governor)		
	Michael Hutchinson	(Staff Governor)	(Appointed 1 September 2018)	*
	Jason Lowe	(Head Teacher)		*#
	Judith Shorrock	(Co-Opted Governor)	(Appointed 1 September 2019)	

* members of the resources committee
\# members of the strategic committee

Members
Nigel Taylor
John Waddington
Harry Ziman
Dawn Joyce
Michael Lomas

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Senior leadership team

- Headteacher	Jason Lowe
- Deputy Head Teacher	Liam Martin
- Deputy Head Teacher	Jonathan Deakin
- Director of Finance and Operations	Jonathan Hayes
- Assistant Head Teacher	Ffion Eaton
- Assistant Head Teacher	Paul Gildea
- - Associate Assistant Head Teacher	Christopher Nuttall
- - Associate Assistant Head Teacher	Clare Blackhurst (01/09/18 - 31/08/19)
- Associate Assistant Head Teacher	Helen Nutton (01/09/18 - 31/08/19)
- Associate Assistant Head Teacher	Sarah Mulholland (from 01/09/19)
- Associate Assistant Head Teacher	Sarah Shaw (from 01/09/19)

Company secretary	Jonathan Hayes
Company registration number	08100344 (England and Wales)
Principal address	Eaton Road Tarporley Cheshire CW6 0BL United Kingdom
Independent auditor	Paul Clegg and Company Riverside Offices 2nd Floor Lancaster, LA1 1RD
Accountants	Hall Livesey Brown HLB House 68 High Street Tarporley Cheshire CW6 0AT
Bankers	Lloyds Bank plc 8 Foregate Street Chester Cheshire CH1 1XP

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an Academy for pupils aged 11 to 18. It has a pupil capacity of 1048 and had a roll of 1180 in the school census on 3 October 2019.

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.

Principle Activities

The principle activity is to advance education for the public benefit by establishing, maintaining, carrying on, managing, and developing, a secondary school offering a broad and balanced curriculum for students of all abilities between the ages of 11 - 18.

The Academy leads the Cheshire Vale Teaching School Alliance . For operational purposes this is a separate business unit within the Academy Trust. The principle activities of the Teaching School are to deliver (and assist partner schools with) initial teacher training/School Direct, CPD/leadership development, succession planning/ talent management, school to school support, and research and development, primarily within the Cheshire West and Chester local authority area. 2018-19 has been the fifth year of activity of this business unit with the focus being continuing the development of the alliance amongst partner schools, facilitating support of schools in challenging circumstances and delivering School Direct initial teacher training for all Cheshire West Secondary Schools.

Five of the nineteen Governors act as members of the Academy Trust for the Charitable activities of Tarporley High School and Sixth Form College Trust Limited. All Governors are directors of the charitable company for the purposes of company law. The charitable company is known as Tarporley High School and Sixth Form College.

Details of the members who served during the period are included in the reference and administration 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, for the period 1 September 2018 to 31 August 2019 the school joined the UK Government's Risk Protection Arrangement (RPA) to protect Members, Governors and Officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The limit of this indemnity was unlimited.

Method of recruitment and appointment or election of Governors

The Trust shall have the following Governors as set out in its Articles of Association and Funding Agreement:

- Up to 9 Community Governors who are appointed by the members
- 6 Parent Governors elected by parents of registered students at the school
- Up to 3 Staff Governors who are appointed by peer election
- The Head Teacher who is treated as an ex officio governor

Governors are appointed for a four year period, except that the time limit does not apply to the Head Teacher. Subject to remaining eligible to be a particular type of governor, any governor can be re-appointed or re-elected.

When appointing new governors, the members of the Academy Trust will give consideration to the skills and experience mix of the existing governors in order to ensure that the Board has the necessary skills to contribute fully to the school's development.

Policies and procedures adopted for the induction and training of Governors

There is a comprehensive Continuous Professional Development (CPD) and induction programme made available to Governors by the Company Secretary and the Clerk to the Governing Body. The Governing Body have also appointed a Governor with responsibility for training. Governor development needs are identified on an individual basis and tailored to meet these needs and the needs of the Academy Trust.

Organisational structure

The stated vision of the Governing Body is:

Challenging and Inspiring Governance

"Driving a culture of excellence and achievement, to deliver outstanding outcomes for the whole school community"

The Governing Body met six times during the period from 1 September 2018 to 31 August 2019.

It establishes an overall framework for the governance of the school, determining the terms of reference, and members of the committees and other groups. The Governing body receives reports from committees, which it reviews and it also monitors the activities of committees at its meetings.

There are five committees:

- Strategic Development: Strategic Direction of the Academy (also fulfils the role of the Audit Committee Function, ensuring compliance with reporting and regulatory requirements)
- Resources: Financial management, estates, health and safety and wider community partnerships
- Student: Child Protection, safeguarding, safety, student behaviour, student attendance, monitoring of bullying and racist/discriminatory incidents
- Staffing: Performance management, CPD, staffing levels, appointments, salaries, work-life balance and personnel policies
- Teaching and Learning: Curriculum design and planning, and monitoring of academic performance

The following decisions are reserved for Governors:

- To consider all changes to the status of the school and its committee structure
- To appoint the Chair and Vice-Chair
- To appoint the Head teacher, Company Secretary and Clerk to the Governors
- To approve the Strategic Development Plan and budget.

The Governors are responsible for setting general policy, setting the strategic priorities/direction of the Trust, adopting a development plan and budget, approving the statutory accounts, monitoring the school by use of budgets and other data, and making major decisions about the direction of the school, capital expenditure, and staff appointments.

The Governors have devolved responsibility for the day to day management of the school to the Headteacher, Deputy Headteachers, Director of Finance and Operations and Assistant Headteachers (the Senior Leadership Team).

The aim of the leadership structure is to empower leaders at all levels within school to engage with the school's aims and priorities and drive forward improvement.

The Senior Leadership Team operates at an executive level, implementing the policies and procedures agreed by the Governors, and reporting back to them on progress against targets and objectives. The Headteacher, Director of Finance and Operations and Resources Committee are responsible for the authorisation of spending within agreed budgets. Departmental spending control is devolved to budget holders.

The Headteacher is responsible for the appointment of staff.

The Headteacher is the accounting officer.

Trade union facility time

The Academy Trust had no employees engaged in "paid facility time hours" or "paid trade union activities" during the accounting period.

Related parties and other connected charities and organisations

The Academy leads the Cheshire Vale Teaching School Alliance (Cheshire Vale TSA) and has done so since 1 September 2014. Our strategic partners within the alliance are:

Bishop's Blue Coat C of E High School
Bishop Heber High School
Blacon High School
Cheshire West and Chester LA
Chester Catholic High School
Christleton High School
Eaton Primary School
Ellesmere Port Catholic High School
Frodsham Manor House Primary school
Hartford C of E High School
Helsby High School
Neston High School
Queen's Park High School
Sandymoor School
St. Nicholas Catholic High School
Tarporley High School & Sixth Form College
Liverpool John Moores University
Upton High School
Weaverham High School
Whitby High School

The alliance aims to:

- Develop an effective and sustainable alliance that helps deliver improved outcomes for young people
- Be part of system wide improvement that creates a better future for all
- Provide outstanding opportunities for staff within and beyond the Alliance to develop their leadership skills.
- Provide and broker outstanding training and development opportunities for staff within and beyond the Alliance that support the achievement and excellence in terms of learner outcomes
- Broker the supply of system leaders such as National Leaders in Education (NLEs), Local Leaders in Education (LLEs) and Specialist Leaders in Education (SLEs)
- Ensure the supply of outstanding new teachers in to the profession through effective Initial Teacher Education (ITE)
- Provide school to school support that gives additional capacity to ensure that all schools can be strong and successful schools, meeting the needs within their own context
- Work together on succession planning to ensure that schools within and beyond the partnership can continue to be effectively led and managed
- Engage in research and development work that contributes to a more evidence based approach to school improvement.

During 2018-19 the Alliance's School Direct programme continued to build on the strong performance of the previous three years. The programme has been very successful, recruiting 28 candidates for the 2018-19 academic year, and has continued to perform in advance of national trends.

The alliance uses 1 National Leaders of Education (NLEs), 7 Local Leaders of Education (LLEs), 1 National Leader of Governance (NLG), and 45 Specialist Leaders of Education (SLEs) to support other schools in challenging circumstances. During 2018-19 the alliance continued to build on the success of its school to school support programmes by obtaining grants to support a number of schools in challenging circumstances including a PRU. This support will continue during 2019-20 where further bids to support schools will be made.

The Academy has strong collaborative links with its partner primary schools, which have formed the Sandstone Partnership, to further the development of educational and CPD opportunities for all members stakeholder groups.

Tarporley High School and Sixth Form College is a member of a Science Learning Partnership and has established a Cheshire West and Chester Science hub which based at Tarporley High School and Sixth Form College.

The Academy also has a parent teacher association which actively supports the work of the school.

There are no related parties with either control or significant influence on the decisions or operations of the school. There are no sponsors.

Objectives and activities

Objects and aims

The Trust's vision is "Aspire, Learn, Achieve". It is the aim of Academy to provide the very best learning and personal development opportunities for every young person that it serves. The Trust's teaching and support staff are highly qualified, very skilled, and together share the strongest dedication to ensuring that all students are safe, wholeheartedly enjoying their learning, and achieve their full potential.

The Trust is keen to offer students the opportunities to develop as confident, responsible and considerate individuals who excel and make a lasting contribution within and beyond their school life.

The Trust's partnership with parents and carers is very important to Governors, and the organisation work closely with them throughout a student's life to nurture their aspirations, their learning and their achievement.

Objectives, Strategies and Activities

August 2019 saw the end of a three year plan outlining the strategic priorities for the academy.

During 2018 the Senior Leadership Team and Governors undertook a review of the strategic priorities, with the aim of refocussing for the final year of the plan. These priorities have been split into Academy priorities, strategic priorities for Governors, school leaders and support teams, which underpin positive outcomes for our students:

- Staff Strategy
- Academy Development
- Estate Development
- ICT Strategy

And School priorities which focus directly on student outcomes and will be key foci for all staff, but more particularly those staff based in the classroom:

- Behaviour and Culture: Students show respect, courtesy and kindness and their behaviour is excellent at all times. Students' emotional wellbeing is well supported by skilful and confident staff.
- Teaching and Learning: Teaching at Tarporley High School and Sixth Form College is transformational; it inspires curiosity and challenges students to think, reflect and to work hard. Students enjoy their learning and are inquisitive and resilient in their pursuit of knowledge and development of skills.
- Curriculum and Assessment: Our curriculum from years 7-13 challenges, inspires and empowers students to make rapid progress. Students experience breadth and richness through a rigorous, highly engaging and ambitious curriculum. Assessment is planned and designed to provide purposeful and timely information about learning.

- Student Achievement: We have an approach to intervention that is able to identify and focus support across the 11-18 age range so that achievement is excellent for all students in all recognisable groups and across all subjects.

The new three year strategic priorities for the academy for the period 2019 to 2022 were developed following a review by the Governors and Senior Leadership Team of the academy's position. The School Development Priorities for 2019-2022 again fall in to two categories – Trust Priorities and School Priorities. The Trust Priorities are concerned with the strategic development of aspect which include the school site and school governance.

The School Priorities are informed by the school's self-evaluation. There are 5 School Priorities, and they are all connected in their aim to achieve the best possible outcomes for our students. We have high aspirations for our students and strive to ensure that they achieve beyond their own expectations at both GCSE and A level. The academy also wants to provide students with a range of opportunities which support their development as young people so that when they leave the school, they are happy, kind, confident, resilient and fully equipped for the next phase of their lives.

The school priorities for the period 2019-22 are:

Curriculum and Assessment: Our aim is that we will have a curriculum that inspires and empowers all students to make rapid progress. Students will experience breadth and richness through a rigorous, highly engaging and ambitious curriculum where knowledge empowers cultural capital and social mobility. Assessment is an intrinsic part of the curriculum design and structure so that it provides purposeful, accurate and timely information about learning.

Teaching and Learning: Our aim is that staff consistently demonstrate strong pedagogical skills and have deep subject expertise. Their practice is enhanced through a well-established programme of peer observation within and beyond their faculties. They use their skill and professional agility to deliver a curriculum that is ambitious, demanding and coherently sequenced. Students enjoy their learning and learning is characterised by rigour and scholarship. They are inquisitive and resilient in their pursuit of knowledge and development of skills.

School Culture: Our aim is that the school is characterised by a culture of kindness and respect. Students have a positive attitude to their education and respect for others. Our consistent approach to behaviour and routines leads to excellent behaviour in lessons, between lessons and at break and lunchtimes. Staff have a consistent approach to communicating with and engaging parents with our high expectations of behaviour. Attendance is excellent (Above 95%), consistent across vulnerable groups and students are punctual. The good and excellent behaviour of students is recognised and celebrated.

Professional Development and Leadership: Our aim is that Teachers at Tarporley High School have a shared understanding of ongoing and reflective professional development secures outstanding outcomes. We support teachers to develop their practice, skills and leadership experiences so that we have a shared sense of purpose as a school and so that individuals at any career stage can reflect and seize opportunities to develop further.

Student Development: Our aim is that students at Tarporley are respectful and responsible. They embrace difference and diversity and become active and engaged citizens. Students participate widely in opportunities beyond the core curriculum and they are thoroughly prepared for their next phase of life.

Public benefit

The Governors confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in the exercise of their duties.

The Governing Body has met six times during the year, in addition twelve meetings of the various committees have taken place. In all their discussions and decision making the Governors have been conscious of their duty to use public funds to deliver an excellent educational experience to our students. This principle is applied in all expenditure decisions whether it be employing highly qualified and inspiring staff or using the Trust's financial resources to improve the environment on campus for our students. Each committee's Terms of Reference provide a framework for information and challenge, for Governors to enable effect monitoring of the impact of expenditure in each area of operations.

The Leadership Team uses benchmarking and other data to ensure that the advice provided to Governors in their decision making is as robust as possible. The Governors have created a culture of support and challenge within the Trust which promotes continuous improvement, and fosters innovation.

This is embodied in a culture within the Academy of celebration of student achievement.

Strategic report

Achievements and performance

The Academy was judged by OfSTED in 2014 as outstanding overall, and outstanding in each of the four key areas:

- Achievement of Pupils
- Quality of Teaching
- Behaviour and Safety of Pupils
- Leadership and Management

The Academy's Sixth Form is judged to be especially outstanding by OfSTED.

Public examination results are the key performance measure for the Academy. The Academy's students have obtained a set of results for the academic year 2018-19 which are above the national average. These results are summarised below:

GCSE Results 2019

Examination performance was positive with the following key highlights:

- Improvement in Progress 8, closest to the highest ever achieved
- Second highest attainment and third best progress in Cheshire West and Chester
- Maths improvement in the L5 and L4 Thresholds
- Outstanding English Language and Literature Results
- Record number of grade 9-7

Progress 8 is now one of the key measures of school performance. It measures a student's progress between Key Stage 2 (Year 6) and Key Stage 4 (Year 11) across eight key subjects.

	2014	2015	2016	2017	2018	2019
Progress 8	0.38	0.25	0.36	0.19	0.21	0.34

**Tableschecking Oct 19

The 2019 Progress 8 score of 0.34 shows that students make above the national average rate of progress by an average of 0.34 of a grade.

A Level Results

27% of all A Level grades were awarded A* or A.

A Level 2019 – Headlines

Grade	Achieved 2019
A* - A	27%
A* - B	53%
A* - C	75%
A* - E	99%

Students achieved an Average Points Score (APS) of 110 points and this equates to an average grade of a B-. This was the second highest in Cheshire West and a 5 point increase compared to 2018 and a 16 points increase compared to 2017.

Further information about GCSE and A level results can be found at https://www.gov.uk/school-performance-tables

These results are due to the effectiveness of the strategies that the Academy has put in place to support students' development as effective learners. Furthermore they are evidence of the impact of the Governors' six strategic priorities for development; Achievement for All Students; Continuous Learning for All Staff; High Expectations: Positive Environment; Inspiring Teaching: Great Learning; The Sixth Form: A Beacon of Excellence; Facing Outwards: Shaping Our Future. Each of these priorities was designed to create an environment which allows students to develop to their full potential and achieve the best outcomes that they are able to.

Recruitment and Campus Development
The 11-16 roll of the Academy has increased during the 2018-19 academic year and is forecast to continue to grow during 2019-20. The Academy's sixth form recruitment levels have remained stable.

The Academy entered a bid to the Education Funding and Skills Agency's (EFSA) Condition Improvement Fund (CIF) to address serious concerns over the campus' boiler house infrastructure. This bid was unsuccessful and the issues identified remain.

With limited funding the academy has had to continue to be creative in the development of its existing accommodation to allow it to meet the challenges of a rising roll. During 2018-19, due funding restrictions the focus has been on refurbishment within the Art, English and Humanities subject areas.

Cheshire Vale Teaching School Alliance is based on the Tarporley High School Campus. The Academy has developed a training suite to facilitate CPD events across the alliance.

Key performance indicators

The main financial performance indicator for the Trust is the level of reserves held at 31 August 2019. It is the Trust's management policy that in general terms the income received in any one year is spent for the benefit of those children in school that year, with provision also made for a contingency for "unforeseen" events.

During the financial year 2018-19 has been within projected spending levels, and a positive cashflow has been maintained throughout the period.

The formula for funding academies is primarily based upon student numbers and this is also a key performance indicator. The budget for 2018-19 was based upon a roll of 1,184 including Sixth Form students in October 2017. This included 990 students in Year's 7 to 11, an increase over previous years. Sixth Form numbers are more susceptible to variation, due to the choice element and these numbers are kept under regular review, the number of funded Sixth Form Places for 2018-19 was 194.

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 it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The largest proportion of the Trust's income is obtained from the DfE, via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted for defined purposes. The grants received from the DfE during the period 1 September 2018 to 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

For the financial period which ended 31 August 2019, the total expenditure of the Trust did not exceed the recurrent grant funding from the DfE, together with incoming resources.

The net book value of fixed assets and movements in tangible fixed assets are shown in the notes to the financial statements for the financial period to 31 August 2019. These assets were used exclusively for providing education and the associated support services.

The land buildings and other assets were transferred to the Trust upon conversion. The land and buildings were professionally valued at that time. Other assets have been included in the financial statements as a best estimate, taking into account purchase price and remaining useful lives.

The balance of the predecessor school's budget share was transferred to the Trust three months after conversion and is shown as unrestricted funds.

As a part of the successful 2016-17 grant application, the Governors of the Academy gained permission from the Secretary of State to take out two CIF Loans of £110,000 and £118,692 to support the two projects (Roofing and Cladding) both repayable over 10 years. Permission was also granted for a Salix loan of £24,872 repayable over 8 years to support the Recladding Scheme. These loans were paid to the academy as part of the CIF Grant allocation for 2016-17. Governors have analysed the impact of the loan repayment schedules on revenue income and are confident that they are affordable. The repayment of these loans commenced during the 2017-18 financial year.

Upon conversion the Trust has taken responsibility for the deficit in the Local Government Pension Scheme (LGPS) in respect of its Support Staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in the financial statements.

The Trust's Handbook of Internal Procedures sets out the framework for financial management, including the financial responsibilities of the Governors, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. This handbook is kept under review to ensure fitness of purpose.

Governors have appointed Hall Livesey and Brown to undertake internal checks on financial controls. During the period, 4 internal checks were undertaken covering the following areas:

Visit 1 Spring Term 2018

- Banking Arrangements
- Credit card
- Income
- Bank & Cash

Visit 2 – Summer term 2019

- The School Fund
- VAT
- Personnel
- Teaching School – review of systems
- Stock

Visit 3 – Summer Term 2019

- Purchasing
- Tendering
- Insurance cover
- Computer security

Visit 4 – Summer term 2019

- Pre Year End Health Check – prepayments/accruals/year end adjustments
- Asset register
- Segregation of duties

In addition a stock check was undertaken at the 31 August 2019.

Any matters arising from the internal checks undertaken by Hall Livesey Brown were reported to the Trust's audit committee and appropriate remedial action has been taken.

Reserves policy

The Trust currently holds the following levels of reserves:

• £1,088,294	unrestricted reserves
• £47,619	restricted reserves
• (£1,718,000)	pension reserve
• £11,181,607	fixed asset fund
£10,599,520	

The Governors have decided that elements of the unrestricted reserves will be utilised to support over the coming period:

- Liquidity
- The Trust's Capital Programme including its ongoing bids for CIF funding.
- Allow the Trust to manage the effects of known and unknown funding fluctuations.

During the period 2016-18 £3.875 million was invested in the Academy's Estates, and Governors determined to utilise reserves to support this programme. The Trust continues to seek new capital income streams, and is committed to replacing the current temporary classrooms on the campus. Given this, the Governors have determined to utilise reserves to support this programme. This position will be reviewed annually.

Investment policy

The Trust's investment policy is consistent with its charitable status. Investments must always be made in accordance with written procedures adopted by the governing body and must always ensure the maximum integrity of such investments.

It is the policy of the Trust to have cash invested in liquid investments that bear minimal risk. The Trust is aware that it is not covered by the Financial Services Compensation Scheme as it does not meet any of the threshold measures for inclusion of a company in the protection arrangement.

Principal risks and uncertainties

The Governing Body undertakes a financial risk assessment annually, and maintains a business continuity plan to address different levels of potential disruption to the normal business operations of the Trust. The areas covered by this risk assessment are as follows:

1. Governance
2. Financial Planning and Budgetary Control
3. Payroll
4. Purchasing Arrangements
5. Payment of Invoices
6. Petty Cash Imprest
7. Inventory/School Assets
8. Income
9. Data Security
10. Insurance
11. Cheshire Vale Teaching School Alliance

The Governors have implemented a number of systems to assess and minimise these risks as part of its processes for internal controls. Where significant financial risk still remains they have ensured that adequate insurance cover is in place.

The Academy's roll for Years 7 to 11 is increasing, and analysis of student numbers from our partner primary schools indicates that the risks to revenue funding from a falling roll are slight. The Governors have identified that variations in 6th Form recruitment are more difficult to predict, and projections for recruitment and retention are discussed regularly by the Governing Body and Senior Leadership Team.

As in previous financial periods the constraints imposed by the tightening of the public purse continue to affect the Trust. Changes to the formula for funding schools as the government move towards a national funding formula, the changes to special educational needs funding, and the increases in employment and premises costs due to pay awards, changes to employers superannuation contributions and inflation mean that revenue funding streams will be constrained for the foreseeable future.

The Governing Body monitors the financial performance of the Trust formally every term, reviewing performance against budgets and overall expenditure via reports to the Resources Committee and the Full Governing Body. Governors also receive regular cashflow forecasts and ensure sufficient fund are available to meet the Trust's ongoing financial commitments. Liquidity for all areas of the Trust's operations, including the Cheshire Vale Teaching School Alliance was maintained throughout the period.

At the 31 August 2019, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The trust leads the Cheshire Vale Teaching School Alliance, and ensures that as far as possible it is not exposed to any financial risks arising from its teaching school activity. This element of the trust's operations is controlled by the same rigorous systems of financial controls as other areas of the trust. The Alliance is required to live within the available financial resources within its bank accounts and is not permitted to run programmes which are not self financing. No subsidy is made by the trust to the Alliance's activities.

The most significant potential liability for the Trust is the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in the Notes to the Financial Statements. Having assessed the risk, Governors consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Other risks and uncertainties which the Trust may face are:

Financial:- the Academy receives the majority of its funding from the Government via the EFSA. Whilst the expectation exists that this funding will continue, Government Policy or practice may change and public funding may not remain at the level or indeed be distributed by the same formula

Failures in governance or management: - risk arises in this area from the potential failure to effectively manage the finances of the Academy, internal controls, compliance with regulations and legislation or statutory returns. Through the monitoring and review systems in place Governors ensure appropriate measures are in place to mitigate risks.

Reputational: - the Academy's continued success is dependent on its ability to attract applicants in sufficient numbers by maintaining the highest of educational standards and through them the Outstanding OfSTED judgement. Governors ensure that the quality of teaching and learning is at the core of everything the Academy does. Student success, achievement and progress are monitored closely, reviewed and celebrated.

Safeguarding and child protection:- the Governors continue to ensure that safeguarding and child protection within the Academy are maintained to the highest standard. They do this through robust recruitment processes, and the monitoring and training of staff, ensuring that effective child protection, health and safety and pupil discipline policies and procedures are in place.

Staffing: - the Academy's reputation and success is built on the quality of its staff. Governors have put in place policies and procedures to ensure the continued development and training of all staff, putting in place plans for succession.

Fraud and mismanagement of funds: - The Academy has appointed Auditors to undertake regular checks on financial systems and records as required by the Academy Financial Handbook. The Academy's Finance Team receive training specific to their roles to keep them up to date with financial practice requirements and develop the skills required to undertake their roles.

Litigation: - Many of the potential risks detailed above could result in litigation. Even if the Academy was successful in any such action, it would present a financial and reputational risk. As outlined Governors have put in place robust systems and procedures, together with adequate insurance cover, to mitigate this risk.

Financial and risk management objectives and policies

The Trust incorporates an assessment of risk, both financial and otherwise, within its procedures for Financial Management. This incorporates a formal Financial Management Risk Assessment. In addition the Trust recognises the need to make provision in the event of a major incident which may disrupt normal operations, and this is formalised in a Business Continuity Plan.

The Governors continually assess the major risks to which the Trust may be exposed, focussing on those relating to its finances, teaching and learning, the safeguarding of children, capital infrastructure and other operational areas. The Governors have put in place a robust system of internal controls to evaluate and reduce any risks which are identified. Where significant risk still remains, adequate insurance cover has been put in place.

The Academy's 11 – 16 roll remains stable, and analysis of student numbers within our partner schools indicates that the risks from a falling roll are small. Sixth Form numbers can however vary and this area of risk is kept under review by the Governors and the Senior Leadership Team. Detailed analysis is also undertaken of other areas of pupil related funding where turbulence exists due to formula changes, these include Sixth Form Funding and funding provision for students with special educational needs. Increasing employment and facilities costs, aligned with the ongoing austerity measures, mean that budgets will be challenging for the foreseeable future.

Governors review the financial health of the Trust formally at least once per term, reviewing performance against budgets and overall expenditure by means of reports to the Full Governing Body and Resources Committee meetings. These reports include a cash flow analysis and forecasts, to provide reassurance to Governors that sufficient funds are held to cover all known and anticipated commitments.

The key financial balances that the Trust deals with are largely bank balances and trade creditors with limited trade and other debtors and therefore its financial risk is minimal.

However the Trust does have to carry the deficit on the local government defined pension scheme on its balance sheet which at 31 August 2019 stood at £1,718,000. The deficit is being addressed by the Pension Fund Administrators and is likely to result in increased costs to the Academy over time by way of increased employer contributions.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

The Governors have agreed a vision statement for the Trust, ASPIRE . LEARN . ACHIEVE:

ASPIRE - Encourage our young people to realise their hidden potential and to fulfil their aspirations by helping them to strive for their best on both a personal and academic level.

LEARN - Strive to nurture and develop successful learners for the future, equipped with the skills that will enable them to prosper and achieve in the 21st Century.

ACHIEVE - All members of our school community are encouraged to grow as individuals and achieve success on both an academic and personal level.

This vision drives developments and innovation within the Trust, and is translated into the Trust's 3 year School Development Plan, with its four priorities which are detailed in the Objectives, Strategies and Achievements section of the report.

The Trust has an emerging five year estate development plan, which encompasses ongoing refurbishment of our existing facilities and bids for capital funding to the EFSA to improve our facilities and increase the capacity of the school to meet demands within our locality.

Funds held as custodian trustee on behalf of others

The Academy and its Governors do not act as the Custodian of any other Charity.

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.

Paul Clegg & Company has indicated its willingness to continue in office.

The Governors' report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on 10-12-19 and signed on its behalf by:

.....

Nigel Taylor

Co-Opted Governor and Chair of Governors

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Tarporley High School And 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 Head Teacher, 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 Tarporley High School And Sixth Form College and the Secretary of State for Education. The Director of Finance and Operations is 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 6 times during the year. Attendance during the year at meetings of the board of Governors was as follows:

Governors	Meetings attended	Out of possible
Trudy Boyle (Co-Opted Governor) (Resigned 27 September 2019)	5	6
Dawn Joyce (Co-Opted Governor) (Resigned 2 June 2019)	3	4
Michael Lomas (Co-Opted Governor)	5	6
Jane Stephens (Co-Opted Governor) (Resigned 31 August 2019)	6	6
Nigel Taylor (Co-Opted Governor and Chair of Governors)	5	6
John Waddington (Co-Opted Governor) (Resigned 1 September 2018)	0	0
Harry Ziman (Co-Opted Governor)	3	6
Andrew Davies (Co-Opted Governor)	4	6
James Bowland (Staff Governor) (Resigned 9 December 2019)	4	6
Alison Senior (Staff Governor) (Resigned 1 September 2018)	0	0
Rachel Simms (Parent Governor)	5	6
Sharon Varey (Parent Governor) (Resigned 6 September 2019)	6	6
Roger Craig (Parent Governor) (Resigned 1 December 2018)	1	1
Jane Hough (Staff Governor)	6	6
Bethany Spray (Parent Governor)	6	6
Alison Dodwell-Cooke (Parent Governor)	5	6
Michael Hutchinson (Staff Governor) (Appointed 1 September 2018)	4	6
Jason Lowe (Head Teacher)	6	6
Judith Shorrock (Co-Opted Governor) (Appointed 1 September 2019)	0	0

The Resources committee is a sub-committee of the main board of Governors. Its purpose is to monitor the financial administration of the school to ensure efficient and effective use of funds in accordance with current regulations by discussion, review and challenge at its meetings.

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Attendance at the resources committee meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Michael Lomas (Co-Opted Governor)	4	4
Jane Stephens (Co-Opted Governor) (Resigned 31 August 2019)	3	4
Alison Senior (Staff Governor) (Resigned 1 September 2018)		
Jane Hough (Staff Governor)	4	4
Michael Hutchinson (Staff Governor) (Appointed 1 September 2018)	4	4
Jason Lowe (Head Teacher)	4	4

The Governors of the Academy decided that The Strategic Development Committee of the board of trustees would also act as the audit committee. Its purpose is to ensure that the financial responsibilities of the Governing Body are being properly discharged; resources are managed in an efficient, economical and effective manner; and sound systems of internal control are being maintained.

Attendance at the strategic development committee meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Dawn Joyce (Co-Opted Governor) (Resigned 2 June 2019)	1	1
Michael Lomas (Co-Opted Governor)	1	1
Nigel Taylor (Co-Opted Governor and Chair of Governors)	1	1
Harry Ziman (Co-Opted Governor)	1	1
Jason Lowe (Head Teacher)	1	1

Review of value for money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of Governors where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Trust has delivered improved value for money during the year by applying the four principles of best value as the main drivers of all the Trust's operations and Governors:

- **Challenge** - Is the Academy's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- **Compare** - How does the Academy's student performance and financial performance compare with all schools? How does it compare with LA schools? How does it compare other Academy schools?
- **Consult** - How does the Academy seek the views of stakeholders about the services the Academy provides?
- **Compete** - How does the Academy secure efficient and effective services? Are services of an appropriate quality or economic benefit?

when making decisions about:

- the allocation of resources to best promote the aims and values of the Academy
- the targeting of resources to best improve standards and the quality of provision
- the use of resources to best support the various educational needs of all students

This approach has underpinned the Academy's drive to improve educational outcomes for all its students.

Ensuring that the Academy gains good value for money, and effective and efficient use of resources

The Academy takes a prudent approach to expenditure. As the largest single expenditure item within the Academy's budget is staffing, the staffing structure is reviewed annually to ensure that it is fit for purpose and can adapt and respond to support the successful attainment of the six strategic priorities as detailed in the Objectives, Strategies and Activities section of the Trustees Report.

Creative use of human resources demonstrates a commitment to using staff skills effectively, and staff are encouraged to use their particular areas of expertise to enhance pupil outcomes.

Purchasing follows best value principles. A scheme of delegation is in place. Governors and the Senior Leadership Team recognise that the pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

The following thresholds and measures are applied to procurement decisions taken by the Academy:

- competitive tendering procedures (e.g. for goods and services above £50,000)
- minimum of 3 quotes for purchases greater than £5,000 but less than £50,000
- procedures which minimise office time by the purchase of goods or services under £5,000 direct from known, reliable suppliers (e.g. stationery, small equipment)

EU procurement regulations are complied with. Governors and staff accept that best value quotes may not be the cheapest as other factors, including workmanship, reliability and quality of services, need to be considered.

The Academy's Finance, ICT and Estates Teams takes an active approach in reducing costs, whilst maintaining the Academy's infrastructure to be fit for purpose.

The Finance Team take a proactive approach to sourcing suitably high quality supplies and services at the most competitive price.

The skills of the ICT Team are utilized to minimise the need for external consultants. For example the Academy's ICT infrastructure is based upon a virtual server environment which was developed, implemented and is maintained by the Academy's Strategic ICT manager. The Academy uses a Voice Over Internet Protocols (VOIP) telecommunications system to reduce maintenance costs, and increase business resilience. In addition the academy is moving to a cloud based infrastructure for the majority of its core systems, relating to the curriculum and support functions. This strategic decision has been taken to reduce the hardware costs for the academy and remove a single point of failure, enhancing business resilience.

The Academy buildings require continual maintenance as a result of their age and condition. The Estate Manager assesses major maintenance works and where possible the Academy's skilled staff undertake repairs, maintenance and decoration to reduce the use of external contractors. Where external contractors are required the Estate Manager and Director of Finance and Operations will seek Governor approval prior to work being put out to tender.

Recent initiatives to reduce costs made by these teams are:

- The Academy's energy procurement is via Crown Commercial Services. This initiative has already seen a reduction in energy charges for the Academy's gas and has seen similar efficiencies when the supply of electricity moved to this service provider in April 2017. The Academy seeks where possible to make use of Crown Commercial Services in the procurement of services.
- The successful 2017-18 Condition Improvement Fund bid delivered energy efficiencies by improving the thermal efficiency of the school's B, C and E blocks (35% of the teaching accommodation), by replacing defective roofing and improving insulation.
- Smaller in house refurbishment schemes have been developed to improve accommodation in the following curriculum areas; Art; English; and Humanities.
- The Trust continues to use of purchasing consortia frameworks to achieve improvements in service provision, for examples the use of the Crescent Purchasing Consortium to source cleaning and catering providers. Both these initiatives have delivered improved services and in the case of the Catering Service greater income. Scrutiny of service contracts to ensure providers are held to account for the quality and effectiveness of their service is ongoing.

Maximising income generation

The Academy has a Lettings policy in place and explores opportunities to generate income through the hire of the site. A proactive approach is taken towards preparing funding bids and generating revenue streams in order to maximise income generation. In order to enhance its chances of success of obtaining funding for refurbishment and / or replacement of buildings, the Academy is working closely with a range of suitably qualified and experienced consultants to prepare Condition Improvement Fund bids to the Education and and Skills Funding Agency (ESFA).

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 at Tarporley High School And Sixth Form College for the period 1 September 2018 to 31 August 2019 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 has been in place for the period 1 September 2018 to 31 August 2019 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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Hall Livesey Brown to perform additional checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The reviewer reports to the board of Governors on the operation of the systems of control and on the discharge of the financial responsibilities of the board of Governors.

This is achieved by carrying out tailored audit tests on the systems of internal controls; reporting to the governors the results of the tests; and attending Resources Committee, Strategic Development Committee or Full Governing Body Meetings as required.

Reviewing controls and managing risks

As detailed in the Risk Management section of the Trustees Report the Governing Body takes a proactive approach to the managing of risks, implementation of control measures and putting in place adequate insurance to provide cover where risk still remains.

Review of effectiveness

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

- the work of Hall Livesey Brown;
- the work of the external auditor, Paul Clegg & Company;
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Lessons Learned

In its seventh year as an Academy, the Governors and Senior Leadership Team have continued to review and develop the academy's systems for the delivery and procurement of services to ensure that service levels are maintained and enhanced, by building on the work undertaken since conversion in 2012. The Academy has faced financial challenges relating to funding budget reductions, and the challenge of funding the curriculum for a growing school. It continues to do this by being proactive and putting in place plans to maintain the budget in balance for the period.

The landscape of service provision to schools continues to be fluid as traditional sources of services, such as the Local Authority, have continued to reduce their capacity to deliver support services to academies. This affects a number of services traditionally provided by the Local Authority, but has particularly been felt in areas such as catering services and cleaning. As report in last year's report both the Cleaning and Catering functions were outsourced via the Crescent Purchasing Consortium Framework. Both services have demonstrated improvements in the quality of provision. The school has seen significant improvements in the quality of service it receives from the Cleaning provider Bulloughs Cleaning Services. Similarly the new catering provider, Midshire Catering Services in its first year of operation has delivered an improved service to the school and its students. Delivering high quality food to students, and generating a payback figure to the academy of £27,400, a figure 60% in excess of the guaranteed payback amount.

The national financial climate remains uncertain. It is anticipated that this will translate into a continuance of stringent public sector financial settlements. Inevitably this will require the academy to identify further financial efficiencies, to address inflationary pressures relating to employer related employee costs and supplies and services which it will face. The Academy will endeavour to make savings through, proactively managing its human resources, effective purchasing, increased use of Crown Commercial Services for procurement where applicable, in addition working with purchasing consortia (such as the Crescent Purchasing Consortia) and other academies to gain economies of scale and take every opportunity to obtain value for money in order to improve outcomes for pupils.

Approved by order of the board of Governors on 10-12-19 and signed on its behalf by:

Nigel Taylor
Co-Opted Governor and Chair of Governors

Jason Lowe
Head Teacher

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of Tarporley High School and Sixth Form College I have considered my responsibility to notify the Academy Trust board of Governors and the Education & 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 2018.

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 2018.

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.

Jason Lowe
Accounting Officer

10.12.19

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who act as governors for Tarporley High School and Sixth Form College and are also the directors of Tarporley High School and Sixth Form College for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from the EFSA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of Governors on 10-12-19 and signed on its behalf by:

Nigel Taylor
Co-Opted Governor and Chair of Governors

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the accounts of Tarporley High School and Sixth Form College for the year ended 31 August 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 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 2019 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 2015 and the Academies Accounts Direction 2018 to 2019.

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Governors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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 have 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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.

Paul Clegg FCA (Senior Statutory Auditor)
for and on behalf of Paul Clegg and Company

Chartered Accountants
Statutory Auditor

10 December 2019

Riverside Offices
2nd Floor
26 St. George's Quay
Lancaster, LA1 1RD

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 6 June 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tarporley High School and Sixth Form College during the period 1 September 2018 to 31 August 2019 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 Tarporley High School and 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 Tarporley High School and 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 Tarporley High School and Sixth Form College and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Tarporley High School and Sixth Form College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Tarporley High School and Sixth Form College's funding agreement with the Secretary of State for Education dated 1 August 2012 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The work undertaken to draw to our conclusion includes:

- A review of the internal control handbook ensuring that the necessary controls are implemented and are working as stated.
- Confirming that guidance set by the ESFA, within the Accounts Direction 2018 to 2019 and the Academies Financial Handbook 2018, has been adhered to.
- Ensuring expenditure does not contravene the funding agreement.
- Ensuring public funds have been spent for the purposes intended.
- Ensuring any connected party transactions are highlighted and the not for profit principles have been adhered to.
- Reviewing relevant Governing Body and committee meeting minutes.
- Reviewing the financial transactions for any unusual transactions which may be improper.
- Ensuring key staff and governors have declared their interests in related parties.

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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Paul Clegg and Company

Dated: Paul Clegg & Company
10 December 2019

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and capital grants	3	3,500	121,581	17,212	142,293	818,813
Charitable activities:						
- Funding for educational operations	4	-	5,813,731	-	5,813,731	5,555,773
Other trading activities	5	135,656	59,135	-	194,791	198,952
Investments	6	402	-	-	402	544
Total		139,558	5,994,447	17,212	6,151,217	6,574,082
Expenditure on:						
Raising funds	7	-	46	-	46	488
Charitable activities:						
- Educational operations	8	-	5,889,796	252,514	6,142,310	6,054,975
Total	7	-	5,889,842	252,514	6,142,356	6,055,463
Net income/(expenditure)		139,558	104,605	(235,302)	8,861	518,619
Transfers between funds	18	99,524	(268,112)	168,588	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	20	-	(545,000)	-	(545,000)	371,000
Net movement in funds		239,082	(708,507)	(66,714)	(536,139)	889,619
Reconciliation of funds						
Total funds brought forward		849,212	(961,874)	11,248,321	11,135,659	10,246,040
Total funds carried forward		1,088,294	(1,670,381)	11,181,607	10,599,520	11,135,659

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

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

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	Notes	Unrestricted Funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2018 £
Income and endowments from:					
Donations and capital grants	3	15,455	117,085	686,273	818,813
Charitable activities:					
- Funding for educational operations	4	-	5,555,773	-	5,555,773
Other trading activities	5	136,068	62,884	-	198,952
Investments	6	544	-	-	544
Total		152,067	5,735,742	686,273	6,574,082
Expenditure on:					
Raising funds	7	-	488	-	488
Charitable activities:					
- Educational operations	8	-	5,842,297	212,678	6,054,975
Total	7	-	5,842,785	212,678	6,055,463
Net income/(expenditure)		152,067	(107,043)	473,595	518,619
Transfers between funds	18	518,113	(22,877)	(495,236)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	371,000	-	371,000
Net movement in funds		670,180	241,080	(21,641)	889,619
Reconciliation of funds					
Total funds brought forward		179,032	(1,202,954)	11,269,962	10,246,040
Total funds carried forward		849,212	(961,874)	11,248,321	11,135,659

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	12		11,879,140		11,914,811
Current assets					
Stocks	13	27,007		21,170	
Debtors	14	222,082		215,999	
Cash at bank and in hand		758,764		925,853	
		1,007,853		1,163,022	
Current liabilities					
Creditors: amounts falling due within one year	15	(393,844)		(684,566)	
Net current assets			614,009		478,456
Total assets less current liabilities			12,493,149		12,393,267
Creditors: amounts falling due after more than one year	16		(175,629)		(201,608)
Net assets before defined benefit pension scheme liability			12,317,520		12,191,659
Defined benefit pension scheme liability	20		(1,718,000)		(1,056,000)
Total net assets			10,599,520		11,135,659
Funds of the Academy Trust:					
Restricted funds	18				
- Fixed asset funds			11,181,607		11,248,321
- Restricted income funds			47,619		94,126
- Pension reserve			(1,718,000)		(1,056,000)
Total restricted funds			9,511,226		10,286,447
Unrestricted income funds	18		1,088,294		849,212
Total funds			10,599,520		11,135,659

The accounts on pages 32 to 54 were approved by the Governors and authorised for issue on 10/12/19 and are signed on their behalf by:

.....

Nigel Taylor

Co-Opted Governor and Chair of Governors

Company Number 08100344

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities					
Net cash provided by operating activities	21		60,991		146,754
Cash flows from investing activities					
Dividends, interest and rents from investments		402		544	
Capital grants from DfE Group		17,212		686,273	
Purchase of tangible fixed assets		(218,264)		(1,328,183)	
Proceeds from sale of tangible fixed assets		1,420		-	
Net cash used in investing activities			(199,230)		(641,366)
Cash flows from financing activities					
Repayment of long term bank loan		(22,870)		(22,869)	
Repayment of other loan		(3,109)		(3,109)	
Finance costs		(2,871)		(2,871)	
Net cash used in financing activities			(28,850)		(28,849)
Net decrease in cash and cash equivalents in the reporting period			(167,089)		(523,461)
Cash and cash equivalents at beginning of the year			925,853		1,449,314
Cash and cash equivalents at end of the year			758,764		925,853

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 financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2016. A summary of the principal accounting policies, which have been applied consistently is set out below.

1.2 Going concern

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

The Governors have reviewed and approved budgets and cash flow forecasts for 2018/19 and future years which are regularly updated to reflect the latest information and assumptions, and consider in light of this review that it is appropriate to prepare the financial statements on a going concern basis.

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.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

1 Accounting policies **(Continued)**

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

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.

All resources expended are inclusive of irrecoverable VAT.

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.

1 Accounting policies **(Continued)**

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 and assets held under construction, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Land and buildings	2% Straight line
Assets in the course of construction	Not to be depreciated until the work is completed
Computer equipment	25% Straight line
Fixtures, fittings & equipment	15-20% Straight line
Motor vehicles	25% Straight line

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.

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 of services it must provide.

1.7 Leased assets

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

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.

1 Accounting policies **(Continued)**

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 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 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.

1.11 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 prospective unit credit 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.

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.

1.12 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.

1 Accounting policies **(Continued)**

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

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

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 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The most significant judgement which the Governors have established as critical in the preparation of the academy trust's financial statements is the assessment of the Local Government Pension Scheme (LGPS) deficit. This assessment is undertaken on behalf of the academy by Hymans Robertson, the pension fund's actuary, and makes assumptions about future fund performance, membership and members' life expectancy. This report is prepared in line with FRS 102.

3 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Private sponsorship	-	117,295	117,295	117,085
Capital grants	-	17,212	17,212	686,273
Other donations	3,500	4,286	7,786	15,455
	3,500	138,793	142,293	818,813

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,416,570	5,416,570	5,226,103
Other DfE group grants	-	321,756	321,756	217,562
	-	5,738,326	5,738,326	5,443,665
Other government grants				
Local authority grants	-	75,405	75,405	112,108
Total funding	-	5,813,731	5,813,731	5,555,773

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	15,080	-	15,080	7,240
Catering income	27,500	-	27,500	656
School fundraising events	1,111	-	1,111	1,765
Transport contributions	-	59,135	59,135	60,602
Other income	91,965	-	91,965	128,689
	135,656	59,135	194,791	198,952

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	402	-	402	544

7 Expenditure

	Staff costs	Non Pay Expenditure Premises	Other	Total 2019	Total 2018
	£	£	£	£	£
Expenditure on raising funds					
- Direct costs	-	-	46	46	488
Academy's educational operations					
- Direct costs	3,869,638	-	276,673	4,146,311	3,928,994
- Allocated support costs	810,935	873,992	311,072	1,995,999	2,125,981
	4,680,573	873,992	587,791	6,142,356	6,055,463

Net income/(expenditure) for the year includes:	2019	2018
	£	£
Fees payable to auditor for audit services	2,950	2,950
Operating lease rentals	97,776	112,822
Depreciation of tangible fixed assets	253,934	212,678
Gain on disposal of fixed assets	(1,420)	-
Bank and loan interest	2,871	2,871
Net interest on defined benefit pension liability	31,000	33,000

8 Charitable activities

	2019	2018
All from restricted funds:	£	£
Direct costs		
Educational operations	4,146,311	3,928,994
Support costs		
Educational operations	1,995,999	2,125,981
	6,142,310	6,054,975

	2019	2018
	£	£
Analysis of support costs		
Support staff costs	812,465	910,816
Depreciation	252,514	212,678
Technology costs	6,309	12,536
Premises costs	621,478	626,141
Other support costs	213,884	210,305
Governance costs	89,349	153,505
	1,995,999	2,125,981

9 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	3,548,230	3,426,395
Social security costs	335,553	320,242
Pension costs	693,035	691,909
Amounts paid to employees	4,576,818	4,438,546
Agency staff costs	103,755	78,674
Amounts paid to staff	4,680,573	4,517,220
Staff development and other staff costs	31,406	34,103
Total staff expenditure	4,711,979	4,551,323

Staff numbers

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

	2019 Number	2018 Number
Teachers	69	70
Administration and support	20	20
	89	90

Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	5	2
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1

Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £795,008 (2018 £711,292).

10 Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking roles of headteacher and staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

Jason Lowe (Headteacher and Governor)
Remuneration £85,000 - £90,000 (2018 - £55,000 - £60,000 from 01.01.18)
Employer's pension contributions £10,000 - £15,000 (2018 - £5,000 - £10,000)

James Bowland
Remuneration £40,000 - £45,000 (2018 - £40,000 - £45,000)
Employers pension contributions £5,000 - £10,000 (2018 - £5,000 - £10,000)

Jane Hough
Remuneration £15,000 - £20,000 (2018 - £15,000 - £20,000)
Employers pension contributions £1 - £5,000 (2018 - £1 - £5,000)

Michael Hutchinson (appointed 01.09.18)
Remuneration £35,000 - £40,000 (2018 - £NIL)
Employers pension contributions £5,0000 - £10,0000 (2018 - £NIL)

Alison Senior (resigned as governor from 01.09.18)
Remuneration £NIL (2018 - £35,000 - £40,000)
Employer's pension contributions £NIL (2018 - £5,000 - £10,000)

During the period ended 31 August 2019, travel and subsistence expenses were also paid to the staff governors which has been included in the remuneration figures reported above.

Other related party transactions are set out in note 22.

11 Governors and officers insurance

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.

12 Tangible fixed assets

	Land and buildings	Assets in the course of construction	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2018	12,691,246	98,421	149,806	216,863	70,980	13,227,316
Additions	21,588	49,675	17,244	129,757	-	218,264
Disposals	-	-	(16,555)	-	-	(16,555)
At 31 August 2019	12,712,834	148,096	150,495	346,620	70,980	13,429,025
Depreciation						
At 1 September 2018	969,572	-	139,636	140,368	62,930	1,312,506
On disposals	-	-	(16,555)	-	-	(16,555)
Charge for the year	210,073	-	6,566	33,045	4,250	253,934
At 31 August 2019	1,179,645	-	129,647	173,413	67,180	1,549,885
Net book value						
At 31 August 2019	11,533,189	148,096	20,848	173,207	3,800	11,879,139
At 31 August 2018	11,721,675	98,420	10,170	76,495	8,051	11,914,811

The land and buildings transferred on conversion were independently professionally valued by Mason Owen, Chartered Surveyors and were included in the financial statements at their depreciated replacement valuation as at 1 August 2012. The Governors are of the opinion that the value of the land and buildings has not changed materially since this date and no further revaluations are considered necessary in the financial statements for the year ended 31 August 2019 as a result.

Included within freehold land and buildings is land valued at £800,000.

13 Stocks

	2019	2018
	£	£
School uniform	27,007	21,170

14 Debtors

	2019	2018
	£	£
Trade debtors	8,962	5,276
VAT recoverable	91,985	126,079
Other debtors	-	13,129
Prepayments and accrued income	121,135	71,515
	222,082	215,999

15	Creditors: amounts falling due within one year	2019 £	2018 £
	Government loans	22,869	22,869
	Other loans	3,109	3,109
	Trade creditors	16,776	163,530
	Other taxation and social security	105,039	96,368
	Other creditors	57,867	56,929
	Accruals and deferred income	188,184	341,761
		393,844	684,566

16	Creditors: amounts falling due after more than one year	2019 £	2018 £
	Government loans	160,084	182,954
	Other loans	15,545	18,654
		175,629	201,608
	Analysis of loans		
	Wholly repayable within five years	201,607	227,586
	Less: included in current liabilities	(25,978)	(25,978)
	Amounts included above	175,629	201,608
	Loan maturity		
	Debt due in one year or less	25,978	25,978
	Due in more than one year but not more than two years	25,978	25,978
	Due in more than two years but not more than five years	77,934	77,934
	Due in more than five years	71,717	97,696
		201,607	227,586

Included within other creditors is a loan of £21,763 from Salix, which is provided on the terms that the loan is repayable by annual instalments of £3,109 and is repaid in full by 2025. This loan is interest free and unsecured.

17 Deferred income

	2019	2018
	£	£
Deferred income is included within:		
Creditors due within one year	70,775	117,170
Deferred income at 1 September 2018	117,170	96,387
Released from previous years	(117,170)	(96,387)
Resources deferred in the year	70,775	117,170
Deferred income at 31 August 2019	70,775	117,170

18 Funds

	Balance at 1 September 2018	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2019
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	5,416,570	(5,148,458)	(268,112)	-
Other DfE / ESFA grants	89,626	321,756	(374,374)	-	37,008
Other government grants	-	75,405	(75,405)	-	-
Other restricted funds	4,500	180,716	(174,605)	-	10,611
Pension reserve	(1,056,000)	-	(117,000)	(545,000)	(1,718,000)
	(961,874)	5,994,447	(5,889,842)	(813,112)	(1,670,381)
Restricted fixed asset funds					
Inherited on conversion	7,921,006	-	-	-	7,921,006
DfE group capital grants	486,103	17,212	(252,514)	-	250,801
Capital expenditure from GAG	2,841,212	-	-	168,588	3,009,800
	11,248,321	17,212	(252,514)	168,588	11,181,607
Total restricted funds	10,286,447	6,011,659	(6,142,356)	(644,524)	9,511,226
Unrestricted funds					
General funds	849,212	139,558	-	99,524	1,088,294
Total funds	11,135,659	6,151,217	(6,142,356)	(545,000)	10,599,520

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

18 Funds **(Continued)**

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	5,226,103	(5,203,226)	(22,877)	-
Other DfE / ESFA grants	61,546	217,562	(189,482)	-	89,626
Other government grants	-	112,108	(112,108)	-	-
Other restricted funds	4,500	179,969	(179,969)	-	4,500
Pension reserve	(1,269,000)	-	(158,000)	371,000	(1,056,000)
	(1,202,954)	5,735,742	(5,842,785)	348,123	(961,874)
Restricted fixed asset funds					
Transfer on conversion	8,133,684	-	-	-	8,133,684
DfE group capital grants	470,657	686,273	(212,678)	(670,827)	273,425
Capital expenditure from GAG	2,665,621	-	-	175,591	2,841,212
	11,269,962	686,273	(212,678)	(495,236)	11,248,321
Total restricted funds	10,067,008	6,422,015	(6,055,463)	(147,113)	10,286,447
Unrestricted funds					
General funds	179,032	152,067	-	518,113	849,212
Total funds	10,246,040	6,574,082	(6,055,463)	371,000	11,135,659

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	11,879,140	11,879,140
Current assets	960,234	47,619	-	1,007,853
Creditors falling due within one year	303,689	-	(697,533)	(393,844)
Creditors falling due after one year	(175,629)	-	-	(175,629)
Defined benefit pension liability	-	(1,718,000)	-	(1,718,000)
Total net assets	1,088,294	(1,670,381)	11,181,607	10,599,520

19 Analysis of net assets between funds **(Continued)**

	Unrestricted Funds	Restricted funds: General	Restricted funds: Fixed asset	Total Funds
	£	£	£	£
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	11,914,811	11,914,811
Current assets	1,735,386	94,126	(666,490)	1,163,022
Creditors falling due within one year	(684,566)	-	-	(684,566)
Creditors falling due after one year	(201,608)	-	-	(201,608)
Defined benefit pension liability	-	(1,056,000)	-	(1,056,000)
Total net assets	849,212	(961,874)	11,248,321	11,135,659

20 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire Pension Fund. Both are defined benefit pension schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS, 31 March 2016.

Contributions amounting to £76,460 (2018: £70,720) were payable to the schemes at 31 August 2019 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

20 Pension and similar obligations **(Continued)**

The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The pension costs paid to the TPS in the period amounted to £705,921 (2018: £653,328).

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 pension 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 24.15% for employers and between 5.5% and 12.5% for employees.

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

Total contributions made	**2019**	**2018**
	£	**£**
Employer's contributions	157,000	155,000
Employees' contributions	41,000	41,000
Total contributions	198,000	196,000

Principal actuarial assumptions	**2019**	**2018**
	%	**%**
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

20 Pension and similar obligations **(Continued)**

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

	2019 Years	2018 Years
Retiring today		
- Males	21.2	22.3
- Females	23.5	24.5
Retiring in 20 years		
- Males	22.1	23.9
- Females	25.0	26.5

Scheme liabilities would have been affected by changes in assumptions as follows:

	2019	2018
0.5% decrease in the Real Discount Rate	587,000	437,000
0.5% increase in the Pension Increase Rate (CPI)	458,000	334,000
0.5% increase in the Salary Increase Rate	116,000	96,000

The Academy Trust's share of the assets in the scheme	2019 Fair value £	2018 Fair value £
Equities	1,113,270	1,052,160
Bonds	1,216,830	942,560
Property	207,120	175,360
Other assets	51,780	21,920
Total market value of assets	2,589,000	2,192,000

The actual return on scheme assets was £219,000 (2018: £73,000).

Amount recognised in the Statement of Financial Activities	2019 £	2018 £
Current service cost	243,000	280,000
Past service cost	13,000	-
Interest income	(64,000)	(51,000)
Interest cost	95,000	84,000
Total operating charge	287,000	313,000

20 Pension and similar obligations **(Continued)**

Changes in the present value of defined benefit obligations

	2019 £
At 1 September 2018	3,248,000
Current service cost	243,000
Interest cost	95,000
Employee contributions	41,000
Actuarial loss/(gain)	687,000
Benefits paid	(20,000)
Past service cost	13,000
At 31 August 2019	4,307,000

Changes in the fair value of the Academy Trust's share of scheme assets

	2019 £
At 1 September 2018	2,192,000
Interest income	64,000
Actuarial gain	155,000
Employer contributions	157,000
Employee contributions	41,000
Benefits paid	(20,000)
At 31 August 2019	2,589,000

21 Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income for the reporting period (as per the statement of financial activities)	8,861	518,619
Adjusted for:		
Capital grants from DfE and other capital income	(17,212)	(686,273)
Investment income receivable	(402)	(544)
Finance costs payable	2,871	2,871
Defined benefit pension costs less contributions payable	86,000	125,000
Defined benefit pension scheme finance cost	31,000	33,000
Depreciation of tangible fixed assets	253,934	212,678
Profit on disposal of fixed assets	(1,420)	-
(Increase) in stocks	(5,837)	(1,637)
(Increase) in debtors	(6,083)	(31,411)
(Decrease) in creditors	(290,722)	(25,548)
Net cash provided by operating activities	60,990	146,755

22 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which Governors have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions for the year under review.

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.

24 Teaching school	2019		2018	
	£	£	£	£
Direct income				
External funding		100,213		101,900
Other direct income		145,559		145,886
		245,772		247,786
Other income				
Fundraising and other trading activities		-		8
Investment income		100		92
		245,872		247,886
Direct costs				
Direct staff costs	38,548		36,865	
Staff development	950		1,088	
Other direct costs	99,245		99,370	
Educational supplies and services	2,803		2,851	
THS support services	18,175		18,175	
University student placements & professional fees	19,810		25,525	
	179,531		183,874	
Other costs				
Support staff costs	19,608		16,712	
Technology costs	495		429	
Maintenance of premises and equipment	159		42	
Rent and rates	2,280		-	
Other support costs	5,457		3,410	
	27,999		20,593	
Total expenditure		(207,530)		(204,467)
Surplus/(deficit) from all sources		38,342		43,419
balances at 1 September 2018		116,897		73,478
balances at 31 August 2019		155,239		116,897