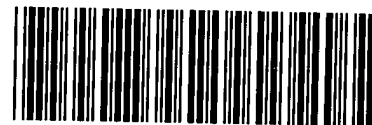


Company Registration No. 08587865 (England and Wales)

HOLMES CHAPEL PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

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HOLMES CHAPEL PRIMARY SCHOOL

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HOLMES CHAPEL PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

E Burnage (Appointed 4 November 2014 and resigned 31 August 2015)
H Charnock
C Clark
M Elliott
K Freeman (Appointed 4 November 2014 and resigned 31 August 2015)
T Fryer (Appointed 4 November 2014 and resigned 14 May 2015)
D K Jackson
G Lee (Appointed 4 November 2014)
J C Longman
R Middleweek (Appointed 4 November 2014)
H Parkinson-Sykes (Appointed 4 November 2014)
R Parry (Appointed 4 November 2014)
H Scott (Appointed 4 November 2014)
J Steenkamp (Appointed 4 November 2014)
N Waddington (Appointed 4 November 2014)
S Jewell (Appointed 24 November 2015)

Senior management team

- Headteacher	H Scott
- Deputy Headteacher	R Morrison
- Deputy Headteacher	F Gresty
- Business Manager	S Jewell

Company registration number

08587865 (England and Wales)

Principal address

Middlewich Road
Holmes Chapel
Cheshire
CW4 7EB

Registered office

Middlewich Road
Holmes Chapel
Cheshire
CW4 7EB

Independent auditor

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

Bankers

Lloyds Bank plc
13 Victoria Street
Crewe
Cheshire
CW1 2JQ

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area around Holmes Chapel. It has a pupil capacity of 420 and had a roll of 379.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors are the trustees of Holmes Chapel Primary School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

The school has Professional Indemnity insurance through Marsh Insurance, underwritten by RSA group. Directors and Officers Liability is to the value of £2,000,000 for any one claim. Each Governor shall benefit from this insurance which covers their liability which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust (unless done knowingly or with criminal intent).

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Method of recruitment and appointment or election of governors

The directors and trustees of the academy are as follows:

Joanna Longman (Chair of Governors)
Clare Clark (Chair of Premises and Community Committee and Vice Chair of Governors)
Helen Charnock (Chair of Curriculum Committee)
Martin Elliott (Chair of Finance and Personnel Committee)
Dave Jackson (Vice Chair of Finance and Personnel Committee)

Other governors serving during the year are as follows:

Helen Scott (Headteacher) (appointed 4 November 2014)

Parent governors:

Ros Middleweek (appointed 4 November 2014)
Joanne Steenkamp (appointed 4 November 2014)
Helen Parkinson-Sykes (appointed 4 November 2014)

Staff governors:

Nicky Waddington (appointed 4 November 2014)
Emma Burnage (appointed 4 November 2014 and resigned 31 August 2015)
Karen Freeman (appointed 4 November 2014 and resigned 31 August 2015)

Co-opted governors:

Rab Parry (appointed 4 November 2014)
Tim Fryer (appointed 4 November 2014 and resigned 14 May 2015)
Gill Lee (appointed 4 November 2014)

3 parent and 3 staff governors (including one non-teaching staff governor) are appointed through a system of nomination with a ballot if more than one nomination is received. Other governors are appointed from the wider community on the basis of their experience. All governors are appointed for a term of 4 years. Elected governors may then stand for re-election. Associate governors (with no voting rights) attend meetings to advise as appropriate.

Policies and procedures adopted for the induction and training of governors

The school has a rigorous induction procedure for new governors. New governors meet with the Chair and Headteacher to discuss the role and to ensure that they understand the Governors' vision for the school, its strengths and the current priorities for school development. All new governors are given a detailed information file and referred to the Department for Education's Governors' Handbook. Governors are also assigned a mentor who liaises with them to explain how governance is organised within the school (including governor link responsibilities) and to answer any questions. The mentor also ensures that new governors attend induction training (run by Cheshire East) and other training as appropriate as well as accessing information via The Key for Governors, the NGA and through collaboration with other schools.

All Governors' training is ongoing and kept under regular review. For each committee, key competencies audits are completed annually to identify training needs. The governor with responsibility for training also identifies an annual programme of further training for all governors including through the Modern Governor, online modules, opportunities for in-school training as well as networking and training opportunities with other schools. Governor training is reported termly and the impact of the training is evaluated.

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Organisational structure

The organisation of the school is structured in several levels with a view to ensuring responsibility and decisions are devolved appropriately. The levels of responsibility are as follows:

Level 1 Trustees

The governors (as trustees) meet at least once each term and the Trustees are responsible for:

- Overseeing the achievement of the objectives of the company and ensuring that the academy complies with its responsibilities under its Articles of Association and its Funding Agreement.
- Ensuring compliance with charity and company law.
- Appointing the Academy's auditors and signing off the company's financial accounts and annual report.
- Ensuring the school meets its requirements to support other schools.

Level 2 Head Teacher

The Head Teacher (Principal), Helen Scott, is the Accounting Officer and is responsible for:

- Overseeing that all EFA reporting requirements are submitted in the prescribed format and at the time required.
- Ensuring that administrative and financial staff clearly understand their role and the limits of their responsibilities.
- Approving new staff appointments within the authorised establishment, except for any senior staff posts which the Governors have agreed should be approved by them.
- Authorising contracts up to £5,000.
- Signing cheques in conjunction with the other authorised signatories.

The Head Teacher is responsible for the running of the school and management of staff.

Level 3 Deputy Head Teachers

The two Deputy Heads are Ruth Morrison (leading maths and behaviour) and Fiona Gresty (SENCO). Each Deputy is responsible for the management of a Key Stage.

Level 4 TLR's

Two teachers have TLR posts (teaching and leadership responsibility) taking on the leadership of a significant area of SDP and contributing to the leadership of the school and linked to the SDP priorities. During 2014-15 the TLR's covered the key areas of the curriculum and literacy.

Level 5 Subject Leaders

Responsibility for the leadership and management of discrete subject areas rests with class teachers acting as subject leaders.

Level 6 School Business Manager

The School Business Manager is Sue Jewell. The SBM maintains the school's accounting records.

Scheme of financial delegation

	Main budget bank	Cheque signatory	Authority to raise orders to the limit of;	Authorisation for bad debt write off and disposal of assets	Authority to vary budget
Governing Body	No limit	No	No Limit	1% grant income	n/a
Finance and Personnel Committee	£10,000	No	£10,000	1% grant income	n/a
Head	£5,000	Yes	£5,000	£500	n/a
Deputies	£1,000	Yes	£1,000	No	n/a
SBM	No	Yes	£500	No	£5,000

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Connected organisations including related party relationships

Governors are asked to declare any pecuniary interest or conflict of interest at each meeting and a register of business interests is maintained and published on the VLE (virtual learning environment).

The school is not part of any formal federation but collaborates with a number of schools to drive improvement and share good practice.

Over the year, the school worked with three other Primary schools (the Quad) focusing on developing practice in four main areas, EYFS, formative assessment, summative assessment and SMSC (social, moral, spiritual and cultural) provision.

The school business manager (SBM) is a member of a networking group of academy converter SBMs.

The school is also part of the HCDP (Holmes Chapel and District Community Partnership), a grouping of Holmes Chapel Comprehensive School and its 7 feeder Primary schools which is a charitable company limited by guarantee (Charity number: 1148373). HCDP has organised staff training and provides additional opportunities for KS2 children to take part in sports competitions. During the year HCDP also employed a part time family support worker to assist families and pupils. The school pays an amount per pupil to be part of the HCDP; no income is received from it.

The Chair of Governors became an NLG (national leader of governance) in November 2014 and works to support the chairs of governors in other schools.

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and activities

Objects and aims

The school's object is to maintain, carry on, manage and develop a school offering a broad and balanced curriculum.

The Governors' vision for the school means there is a vibrant, rich curriculum tailored to supporting each child to reach to his / her full potential and that children feel safe, cared for and enjoy their learning.

All achievements are valued and celebrated as children experience a rich, creative and challenging curriculum which enables them to fulfil their potential. They leave school highly literate and numerate and with strong interpersonal skills. Clear communication exists between home and school, encouraging parents and carers to be partners in their child's education. Children become independent lifelong learners, self-motivated and confident to be responsible citizens. All of this is achieved in a safe, attractive and stimulating environment.

The school was inspected by Ofsted in June 2015. Ofsted made the following comments on the delivery of this vision;

- The behaviour of pupils is outstanding. Pupils' conduct in class is exemplary. They have excellent attitudes to learning and enjoy being challenged to think hard. Pupils get on very well with one another both in and out of class and this contributes to the very positive and caring ethos within the school.
- The social, moral, spiritual and cultural awareness of pupils is developed very effectively, successfully encouraging pupils to develop a strong sense of care and respect for the world around them. The work of the school fosters good relationships and prepares pupils well for life in modern Britain.
- The school's broad and highly engaging curriculum provides pupils with a wide range of interesting topics effectively enhanced by school visits and an extensive range of extra-curricular activities.
- The high quality of teaching evident in all year groups ensures that all pupils achieve exceptionally well. Pupils' achievement is outstanding. They make excellent progress across the school and, by the end of Year 6 they consistently reach standards in reading, writing and mathematics that are significantly above the national average.
- The Head teacher, senior leaders, governors and staff are all highly ambitious for the school and the pupils. They are determined to make the school the best it can be.
- Pupils say they feel safe in school because of the high quality support and guidance they receive.
- Strong links with parents are a feature of the early years' provision. Parents speak highly of the sense of partnership that they feel which is fostered through regular meetings and workshops and excellent communication between home and school.
- The outstanding head teacher is an inspirational leader. Her very clear and determined leadership has secured significant improvements in the quality of teaching and the achievement of the pupils. Staff morale is high. They are extremely positive about all aspects of the school and are proud of its achievements.
- Governors are a key strength of the school. They provide senior leaders with an excellent balance of support and robust challenge.

The school has very effective collaborative arrangements with a small group of similar schools that promote the sharing of excellent practice.

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives, strategies and activities

Governors' main strategic focus during this year was to explore the scope for closer collaboration with another strong primary school; governors' discussions are ongoing.

The extension to the school building was completed around Christmas 2014 and the site of the old mobiles is to be used as a dedicated sports facility.

Over the year ended 31 August 2015, the school development plan focused on:

- Further improving attainment in English and Maths with a particular focus on under-attaining and SEN children.
- Improving attainment across the curriculum through improvements in assessment/markings; maximising opportunities to extend learning beyond lessons including homework, visits and work with partner schools.
- Further developing the role of subject leaders and ensuring the breadth of the curriculum including time for the development of social skills.
- Further enhancing our curriculum for computing, food technology and swimming.
- Developing our own system of assessment following the removal of national levels.
- Supporting and guiding every child in behaving appropriately at all times with a focus on further embedding our anti-bullying culture and raising the profile of e-safety.

Public benefit

The governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

Pupil attainment

The following table shows the school's assessment of pupil attainment in terms of meeting or exceeding the new National Curriculum end of year expectations.

	At or above Year 1	At or above Year 3	At or above Year 4	At or above Year 5	At or above Average
Reading	92%	98%	95%	92%	94%
Writing	75%	90%	84%	90%	85%
Maths	77%	93%	89%	92%	88%

The following table shows the schools results at the end of KS1 and KS2 (still measured under the old system of levels)

KEY STAGE 1: Year 2

59 pupils	Level 1	Level 2c	Level 2b	Level 2a	Level 3
Reading	6%	10%	14%	34%	36%
Writing	10%	27%	34%	19%	10%
Maths	3%	14%	32%	24%	27%

KEY STAGE 2: Year 6

63 pupils	Reading	Numeracy	Spelling and Grammar	Writing (teacher assessment)
Level 4+	98%	93%	92%	83%
Level 5+	68%	56%	67%	27%
Level 6	0%	13%	3%	2%

Going concern

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

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

The Academy's financial policy is to maintain systems of financial control which conform to the requirements both of propriety and of good financial management, meet the requirements of the school's funding agreement with the Education Funding Agency and comply with the principles of financial control outlined in the academies guidance published by the EFA.

During the year, governors received three reports from the school's Responsible Officer (who is independent from the school and its external auditors), reviewing the accuracy and robustness of the school's accounting systems.

The principal sources of funding in the year were restricted funds from government grants (including capital grants) of £1,624,786. The costs of running the school (primarily staff costs, premises and equipment) totalled £1,549,110. In addition the school has tangible fixed assets with a net book value of £3,334,517 (land, buildings and equipment) which are being depreciated on a straight line basis.

Overall the school achieved a surplus in the year of £224k. Of this, £30k has been allocated to the building project for the hall extension. Additionally the school has taken on two extra members of staff whose costs, being in the region of £20k, are unfunded. The governors review the level of reserves at least annually, ensuring that the school's expenditure commitments are in line with its income. See below regarding reserves policy.

The governors consider the school's investments on an annual basis ensuring the school maximises the return on its capital whilst minimising any risk and maintaining appropriate reserves. Investment income of £303 was received in the year. See below regarding investment policy.

Reserves policy

Governors consider the level of any reserves in the context of spending requirements and the need to maintain adequate working capital. Uncommitted reserves are maintained:

- As a contingency fund to deal with minor adjustments to expenditure
- As a reserve fund to deal with one or more major expenditures that could not have been accurately forecast
- As a planned build-up of funds to pay for some major work or project
- For expenditure held over to the following year to cope with adjustments to the level of funding to the school and balance out variations in funding levels

The school's uncommitted reserves are maintained at £125k which is approximately one month's running costs.

The school has committed reserves of £50k as the school's contribution to the hall extension project and the funding of the increase in staff numbers.

Investment policy and powers

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

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Principal risks and uncertainties

The school's Financial Procedures Manual sets out the basis on which risks are assessed. Annually, governors review the risks identified, the assessment and evidence of existing internal controls and ensure that the SBM and Head Teacher have put appropriate steps in place to manage any risks identified as moderate or high. The principal risk identified is:

Failure to ensure that an adequate disaster recovery plan is in place in relation to the school's financial systems with the risks that financial information cannot be recovered in the event of a disaster e.g. fire, vandalism, theft with significant operational and financial consequences. On review it has been assessed that the school's position is offered protection by its Business Continuity Plan, security systems operated by the school, Risk Assessment Policy and Procedures operated by the school, the availability of other school sites as back up and off-site backup storage and enhanced systems to recover information and data. This risk has therefore been evaluated as low.

These areas are under review by governors and all other risk have also been identified and evaluated as low.

Plans for future periods

Over the following year the school will focus on further raising the achievement of pupils, specifically by

- Continuing to refine assessment, both formative and summative, to ensure pupil progress is tracked as accurately as possible
- Improving standards in writing across school but especially in KS2
- Continuing to look at other ways the school can offer support to other schools, both formally and informally.
- Ensuring that the skills and knowledge progression across the curriculum are appropriately challenging.

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.

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 10 December 2015 and signed on its behalf by:



J C Longman

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that Holmes Chapel Primary School 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 Holmes Chapel Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governors have formally met 17 times during the year. Attendance during the year at meetings of the governors was as follows:

Governors	Meetings attended	Out of possible
E Burnage (Appointed 4 November 2014 and resigned 31 August 2015)	6	7
H Charnock	10	13
C Clark	15	17
M Elliott	10	12
K Freeman (Appointed 4 November 2014 and resigned 31 August 2015)	8	11
T Fryer (Appointed 4 November 2014 and resigned 14 May 2015)	6	7
D K Jackson	7	14
G Lee (Appointed 4 November 2014)	8	10
J C Longman	11	14
R Middleweek (Appointed 4 November 2014)	10	10
H Parkinson-Sykes (Appointed 4 November 2014)	8	8
R Parry (Appointed 4 November 2014)	8	11
H Scott (Appointed 4 November 2014)	17	17
J Steenkamp (Appointed 4 November 2014)	7	9
N Waddington (Appointed 4 November 2014)	8	9
S Jewell (Appointed 24 November 2015)		

A review of governance was undertaken during the year. This included a review on the impact and effectiveness of the board of trustees. No significant weaknesses were noted. The review will be undertaken annually.

Review of value for money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by review of all decisions and correspondence available.

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The purpose of the system of internal control

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the governors 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 K Smyth (Responsible Officer), the business manager of Wellacre Academy to perform a peer review.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, 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.

On a termly basis, 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 was achieved during the year. No significant issues were noted during the course of the reviews.

HOLMES CHAPEL PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Review of effectiveness

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

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

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

Approved by order of the board of governors on 10 December 2015 and signed on its behalf by:



J C Longman

HOLMES CHAPEL PRIMARY SCHOOL

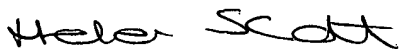
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of Holmes Chapel Primary School I have considered my responsibility to notify the academy trust board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on 10 December 2015 and signed by:



H Scott
Accounting Officer

HOLMES CHAPEL PRIMARY SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

In preparing these accounts, the governors are required to:

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

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

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

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

Approved by order of the board of governors on 10 December 2015 and signed on its behalf by:



J C Longman

HOLMES CHAPEL PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOLMES CHAPEL PRIMARY SCHOOL

We have audited the accounts of Holmes Chapel Primary School for the year ended 31 August 2015 set out on pages 20 to 39. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 15, the governors, who are also the directors of Holmes Chapel Primary School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

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

HOLMES CHAPEL PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HOLMES CHAPEL PRIMARY SCHOOL

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or 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.

Jackson Stephen LLP

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

Chartered Accountants

Statutory Auditor

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

Dated: *17 December 2015*

HOLMES CHAPEL PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLMES CHAPEL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY

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

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

Respective responsibilities of Holmes Chapel Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Holmes Chapel Primary School's funding agreement with the Secretary of State for Education dated 1 September 2013 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. This included examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure, analytical review and substantive testing.

HOLMES CHAPEL PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLMES CHAPEL PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Jackson Stephen LLP

Mr Peter Atkinson F.C.A.

Reporting Accountant

Jackson Stephen LLP

Dated: *17 December 2015*

HOLMES CHAPEL PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds	Restricted funds	Fixed Asset fund	Total 2015	Total 2014 as restated
	Notes	£	£	£	£	£
<u>Incoming resources</u>						
<i>Resources from generated funds</i>						
- Voluntary income	2	13,579	-	-	13,579	12,854
- Inherited on conversion		-	-	-	-	3,076,899
- Activities for generating funds	3	126,075	-	-	126,075	71,762
- Investment income	4	303	-	-	303	195
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	1,441,196	183,590	1,624,786	1,374,132
Total incoming resources		<u>139,957</u>	<u>1,441,196</u>	<u>183,590</u>	<u>1,764,743</u>	<u>4,535,842</u>
<u>Resources expended</u>						
<i>Costs of generating funds</i>						
- Costs of activities for generating funds	6	80,150	-	-	80,150	45,482
<i>Charitable activities</i>						
- Educational operations	7	5,894	1,368,263	79,690	1,453,847	1,300,977
Governance costs	8	-	15,113	-	15,113	11,428
Total resources expended	6	<u>86,044</u>	<u>1,383,376</u>	<u>79,690</u>	<u>1,549,110</u>	<u>1,357,887</u>
Net incoming/(outgoing) resources before transfers		53,913	57,820	103,900	215,633	3,177,955
Gross transfers between funds		(6,685)	(93,237)	99,922	-	-
Net income/(expenditure) for the year		<u>47,228</u>	<u>(35,417)</u>	<u>203,822</u>	<u>215,633</u>	<u>3,177,955</u>
<u>Other recognised gains and losses</u>						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	8,000	-	8,000	(265,000)
Net movement in funds		47,228	(27,417)	203,822	223,633	2,912,955
Fund balances at 1 September 2014		137,166	(354,906)	3,130,695	2,912,955	-
Fund balances at 31 August 2015		<u>184,394</u>	<u>(382,323)</u>	<u>3,334,517</u>	<u>3,136,588</u>	<u>2,912,955</u>

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

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

HOLMES CHAPEL PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2015

		2015		2014 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		3,334,517		3,130,695
Current assets					
Debtors	12	29,372		36,054	
Cash at bank and in hand		362,596		311,647	
		<u>391,968</u>		<u>347,701</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(191,897)		(180,441)	
		<u></u>		<u></u>	
Net current assets			200,071		167,260
Net assets excluding pension liability			3,534,588		3,297,955
Defined benefit pension liability	17		(398,000)		(385,000)
			<u></u>		<u></u>
Net assets			3,136,588		2,912,955
			<u></u>		<u></u>
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			3,334,517		3,130,695
- General funds			15,677		30,094
- Pension reserve			(398,000)		(385,000)
			<u></u>		<u></u>
Total restricted funds			2,952,194		2,775,789
Unrestricted income funds	15		184,394		137,166
			<u></u>		<u></u>
Total funds			3,136,588		2,912,955
			<u></u>		<u></u>

The accounts were approved by order of the board of governors and authorised for issue on 10 December 2015.



J C Longman

Company Number 08587865

HOLMES CHAPEL PRIMARY SCHOOL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow from operating activities	18	150,568	247,213
Cash funds transferred on conversion		-	110,311
Returns on investments and servicing of finance			
Investment income	303	195	
Net cash inflow from returns on investments and servicing of finance		303	195
		150,871	357,719
Capital expenditure and financial investments			
Capital grants received	183,590	78,681	
Payments to acquire tangible fixed assets	(283,512)	(124,753)	
Net cash flow from capital activities		(99,922)	(46,072)
Increase in cash	19	50,949	311,647

HOLMES CHAPEL PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Incoming resources

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

Grants receivable

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

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

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

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

Other income

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

1.4 Resources expended

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

All resources expended are net of VAT where recoverable.

Costs of generating funds

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

HOLMES CHAPEL PRIMARY SCHOOL

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

1 Accounting policies

(Continued)

Charitable activities

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

Governance costs

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

1.5 Tangible fixed assets and depreciation

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Land and buildings	2% per annum straight line basis
Computer equipment	20% per annum straight line basis
Fixtures, fittings & equipment	10% per annum straight line basis

1.6 Leasing and hire purchase commitments

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

1.7 Taxation

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

1.8 Pensions benefits

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

HOLMES CHAPEL PRIMARY SCHOOL

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

1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 17, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

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

1.9 Fund accounting

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

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

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

1.10 Prior year adjustment

The pension liability in respect of the Local Government Pension Scheme has been corrected following notice from the Actuary that the assets of the scheme had been reassigned and the original basis for calculation was changed. The result of this prior year adjustment has increased the brought forward pension scheme liability by £275,000.

It is noted that the government have underwritten this liability should the Academy be unable to continue as a going concern.

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other donations	13,579	-	13,579	12,854

HOLMES CHAPEL PRIMARY SCHOOL

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

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Hire of facilities	11,519	-	11,519	9,964
Training and placements	6,160	-	6,160	-
Parental contributions	99,011	-	99,011	60,798
Other income	9,385	-	9,385	1,000
	<u>126,075</u>	<u>-</u>	<u>126,075</u>	<u>71,762</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	303	-	303	195
	<u>303</u>	<u>-</u>	<u>303</u>	<u>195</u>

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA grants				
General annual grant (GAG)	-	1,269,000	1,269,000	1,217,265
Start up grants	-	-	-	20,300
Capital grants	-	183,590	183,590	78,681
Other DfE / EFA grants	-	133,393	133,393	39,720
	<u>-</u>	<u>1,585,983</u>	<u>1,585,983</u>	<u>1,355,966</u>
Other government grants				
Other grants	-	38,803	38,803	18,166
	<u>-</u>	<u>38,803</u>	<u>38,803</u>	<u>18,166</u>
Total funding	<u>-</u>	<u>1,624,786</u>	<u>1,624,786</u>	<u>1,374,132</u>

HOLMES CHAPEL PRIMARY SCHOOL

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

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £ as restated
Academy's educational operations					
- Direct costs	945,194	-	98,478	1,043,672	968,312
- Allocated support costs	113,977	131,136	165,062	410,175	332,665
	<u>1,059,171</u>	<u>131,136</u>	<u>263,540</u>	<u>1,453,847</u>	<u>1,300,977</u>
Other expenditure					
Costs of activities for generating funds	-	-	80,150	80,150	45,482
Governance costs	-	-	15,113	15,113	11,428
	<u>-</u>	<u>-</u>	<u>95,263</u>	<u>95,263</u>	<u>56,910</u>
Total expenditure	<u>1,059,171</u>	<u>131,136</u>	<u>358,803</u>	<u>1,549,110</u>	<u>1,357,887</u>
(Outgoing)/incoming resources for the period include:				2015 £	2014 £
Fees payable to auditor					
- Audit				5,000	5,000
- Other services				550	550
				<u></u>	<u></u>

HOLMES CHAPEL PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £ as restated
Direct costs				
Teaching and educational support staff costs	-	936,498	936,498	872,637
Technology costs	-	11,066	11,066	13,542
Educational supplies and services	5,894	36,485	42,379	32,414
Visiting teachers' fees	-	13,455	13,455	11,048
Staff development	-	8,696	8,696	8,879
Educational consultancy	-	27,566	27,566	25,844
Other direct costs	-	4,012	4,012	3,948
	<u>5,894</u>	<u>1,037,778</u>	<u>1,043,672</u>	<u>968,312</u>
Allocated support costs				
Support staff costs	-	113,977	113,977	95,831
Depreciation	-	79,690	79,690	70,646
Maintenance of premises and equipment	-	51,446	51,446	55,440
Cleaning	-	16,707	16,707	16,990
Energy costs	-	25,290	25,290	25,230
Rent and rates	-	17,096	17,096	18,703
Insurance	-	21,033	21,033	17,415
Security and transport	-	9,282	9,282	1,887
Catering	-	59,019	59,019	2,056
Interest and finance costs	-	10,000	10,000	11,000
Other support costs	-	6,635	6,635	17,467
	<u>-</u>	<u>410,175</u>	<u>410,175</u>	<u>332,665</u>
Total costs	<u>5,894</u>	<u>1,447,953</u>	<u>1,453,847</u>	<u>1,300,977</u>

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	9,325	9,325	5,283
Auditor's remuneration				
- Audit of financial statements	-	5,000	5,000	5,000
Support staff costs	-	788	788	1,145
	<u>-</u>	<u>15,113</u>	<u>15,113</u>	<u>11,428</u>

HOLMES CHAPEL PRIMARY SCHOOL

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

9 Staff costs

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

	2015 Number	2014 Number
Teachers	15	15
Administration and support	2	2
Teaching and midday assistants	12	11
Maintenance	1	1
	<u>30</u>	<u>29</u>

Costs included within the accounts:

	2015 £	2014 £ as restated
Wages and salaries	844,510	790,249
Social security costs	51,826	49,082
Other pension costs	147,423	125,875
	<u>1,043,759</u>	<u>965,206</u>
Supply teacher costs	6,716	3,262
Staff development and other staff costs	8,696	8,879
	<u>1,059,171</u>	<u>977,347</u>

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

	2015 Number	2014 Number
£60,001 - £70,000	<u>1</u>	<u>1</u>

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' Pension Scheme	Numbers	1	1
	£	<u>9,258</u>	<u>8,945</u>
Local Government Pension Scheme	Numbers	-	-
	£	<u>-</u>	<u>-</u>

HOLMES CHAPEL PRIMARY SCHOOL

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

10 Governors' remuneration and expenses

The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as governors. Other governors did not receive any payments, from the academy trust in respect of their role as governors.

The head teacher received remuneration totalling £65,661 (2014: £62,682) for the year.

The value of governors' remuneration was as follows:

E Burnage £30,000 - £35,000
K Freeman £15,000 - £20,000
N Waddington £40,000 - £45,000

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

Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,676.

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2014	3,079,846	25,872	95,623	3,201,341
Additions	229,382	30,909	23,221	283,512
At 31 August 2015	3,309,228	56,781	118,844	3,484,853
Depreciation				
At 1 September 2014	60,000	2,244	8,402	70,646
Charge for the year	60,375	9,178	10,137	79,690
At 31 August 2015	120,375	11,422	18,539	150,336
Net book value				
At 31 August 2015	3,188,853	45,359	100,305	3,334,517
At 31 August 2014	3,019,846	23,628	87,221	3,130,695

HOLMES CHAPEL PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

12 Debtors	2015	2014
	£	£
Trade debtors	1,250	-
Other debtors	21,161	26,980
Prepayments and accrued income	6,961	9,074
	<u>29,372</u>	<u>36,054</u>
	<u><u>29,372</u></u>	<u><u>36,054</u></u>
13 Creditors: amounts falling due within one year	2015	2014
	£	£
Trade creditors	61,323	83,318
Taxes and social security costs	15,948	14,404
Other creditors	17,364	16,190
Accruals	53,281	35,702
Deferred income	43,981	30,827
	<u>191,897</u>	<u>180,441</u>
	<u><u>191,897</u></u>	<u><u>180,441</u></u>
14 Deferred income	2015	2014
	£	£
Deferred income is included within:		
Creditors due within one year	<u>43,981</u>	<u>30,827</u>
	<u><u>43,981</u></u>	<u><u>30,827</u></u>
Total deferred income at 1 September 2014	30,827	-
Amounts credited to the statement of financial activities	(30,827)	-
Amounts deferred in the year	<u>43,981</u>	<u>30,827</u>
Total deferred income at 31 August 2015	<u><u>43,981</u></u>	<u><u>30,827</u></u>

HOLMES CHAPEL PRIMARY SCHOOL

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

15 Funds

	Balance at 1 September 2014 £ as restated	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant	30,094	1,269,000	(1,190,180)	(93,237)	15,677
Other DfE / EFA grants	-	133,393	(133,393)	-	-
Other government grants	-	38,803	(38,803)	-	-
	<u>30,094</u>	<u>1,441,196</u>	<u>(1,362,376)</u>	<u>(93,237)</u>	<u>15,677</u>
Funds excluding pensions	(385,000)	-	(21,000)	8,000	(398,000)
	<u>(354,906)</u>	<u>1,441,196</u>	<u>(1,383,376)</u>	<u>(85,237)</u>	<u>(382,323)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	78,681	183,590	-	26,489	288,760
Inherited fixed asset fund	3,008,929	-	(67,659)	-	2,941,270
Capital expenditure from GAG or other funds	43,085	-	(12,031)	73,433	104,487
	<u>3,130,695</u>	<u>183,590</u>	<u>(79,690)</u>	<u>99,922</u>	<u>3,334,517</u>
Total restricted funds	<u>2,775,789</u>	<u>1,624,786</u>	<u>(1,463,066)</u>	<u>14,685</u>	<u>2,952,194</u>
Unrestricted funds					
General funds	<u>137,166</u>	<u>139,957</u>	<u>(86,044)</u>	<u>(6,685)</u>	<u>184,394</u>
Total funds	<u>2,912,955</u>	<u>1,764,743</u>	<u>(1,549,110)</u>	<u>8,000</u>	<u>3,136,588</u>

HOLMES CHAPEL PRIMARY SCHOOL

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

15 Funds

(Continued)

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Other DfE/EFA grants relate to sports grants and pupil premium, funding received to assist pupils within the school. It also includes the funding received towards Universal Free School Meals, and a grant towards the maintenance of the roof.

Other government grants relates to local authority pupil premium, SEN for specific pupils and devolved formula capital contribution for certain capital expenditure.

Prior year adjustment

	£
Pension reserve as at 1 September as previously reported	(110,000)
Prior year adjustment	(275,000)
Pension reserve as restated above	(385,000)

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	3,334,517	3,334,517
Current assets	376,291	15,677	-	391,968
Creditors falling due within one year	(191,897)	-	-	(191,897)
Defined benefit pension liability	-	(398,000)	-	(398,000)
	<u>184,394</u>	<u>(382,323)</u>	<u>3,334,517</u>	<u>3,136,588</u>

17 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 August 2015.

Contributions amounting to £16,190 were payable to the schemes at 31 August 2015 and are included within creditors.

HOLMES CHAPEL PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £65,933 (2014: £59,238).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21.0 per cent for employers and 5.0 per cent for employees. The estimated value of employer contributions for the forthcoming year is £51,000.

HOLMES CHAPEL PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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

Contributions made	2015 £	2014 £
Employer's contributions	54,000	46,000
Employees' contributions	14,000	11,000
Total contributions	68,000	57,000

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	2.7	2.7
Rate of increase for pensions in payment	3.6	3.5
Discount rate for scheme liabilities	3.8	5.6
Inflation assumption (CPI)	3.8	3.7

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

	2015 Years	2014 Years
Retiring today		
- Males	22.3	22.3
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.1	24.1
- Females	26.7	26.7

HOLMES CHAPEL PRIMARY SCHOOL

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

17 Pensions and similar obligations

(Continued)

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

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	3.8	199,000	6.3	149,000
Bonds	3.8	51,000	2.9	29,000
Property	3.8	26,000	4.5	14,000
Other assets	3.8	9,000	3.3	12,000
Total market value of assets		285,000		204,000
Present value of scheme liabilities - funded		(683,000)		(589,000)
Net pension asset / (liability)		(398,000)		(385,000)

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	65,000	45,000
Past service cost	-	-
Total operating charge	65,000	45,000
Finance costs/(income)		
Expected return on pension scheme assets	(13,000)	(9,000)
Interest on pension liabilities	23,000	20,000
Net finance costs/(income)	10,000	11,000
Total charge/(income)	75,000	56,000

HOLMES CHAPEL PRIMARY SCHOOL

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

17 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	(8,000)	265,000
Experience (gains)/losses on liabilities	-	-
(Gains)/losses arising from changes in assumptions	-	-
	<u>(8,000)</u>	<u>265,000</u>
Total (gains)/losses	<u>(8,000)</u>	<u>265,000</u>
Cumulative (gains)/losses to date	<u>257,000</u>	<u>265,000</u>

Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(589,000)	(110,000)
Current service cost	(65,000)	(45,000)
Interest cost	(23,000)	(20,000)
Contributions by employees	(14,000)	(11,000)
Actuarial gains/(losses)	8,000	(103,000)
Past service cost	-	(300,000)
	<u>(683,000)</u>	<u>(589,000)</u>
At 31 August 2015	<u>(683,000)</u>	<u>(589,000)</u>

Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	204,000	110,000
Expected return on assets	13,000	9,000
Actuarial gains/(losses)	-	28,000
Contributions by employers	54,000	46,000
Contributions by employees	14,000	11,000
	<u>285,000</u>	<u>204,000</u>
At 31 August 2015	<u>285,000</u>	<u>204,000</u>

HOLMES CHAPEL PRIMARY SCHOOL

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

17	Pensions and similar obligations	(Continued)			
History of experience gains and losses					
		2015		2014	
		£		£	
	Present value of defined benefit obligations	(683,000)		(589,000)	
	Fair value of share of scheme assets	285,000		204,000	
		<u></u>		<u></u>	
	Surplus / (deficit)	(398,000)		(385,000)	
		<u></u>		<u></u>	
	Experience adjustment on scheme assets	-		28,000	
	Experience adjustment on scheme liabilities	8,000		(103,000)	
		<u></u>		<u></u>	
18	Reconciliation of net income to net cash inflow from operating activities	2015		2014	
		£		£	
	Net income	215,633		3,177,955	
	Capital grants and similar income	(183,590)		(78,681)	
	Net deficit/(surplus) transferred on conversion	-		(3,076,899)	
	Investment income	(303)		(195)	
	Defined benefit pension costs less contributions payable	11,000		(1,000)	
	Defined benefit pension finance costs/(income)	10,000		11,000	
	Depreciation of tangible fixed assets	79,690		70,646	
	Decrease/(increase) in debtors	6,682		(36,054)	
	Increase in creditors	11,456		180,441	
		<u></u>		<u></u>	
	Net cash inflow from operating activities	150,568		247,213	
		<u></u>		<u></u>	
19	Reconciliation of net cash flow to movement in net funds	2015		2014	
		£		£	
	Increase in cash	50,949		311,647	
	Net funds at 1 September 2014	311,647		-	
		<u></u>		<u></u>	
	Net funds at 31 August 2015	362,596		311,647	
		<u></u>		<u></u>	
20	Analysis of net funds	At 1 September	Cash flows	Non-cash	At 31 August
		2014		changes	2015
		£	£	£	£
	Cash at bank and in hand	311,647	50,949	-	362,596
		<u></u>	<u></u>	<u></u>	<u></u>

HOLMES CHAPEL PRIMARY SCHOOL

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

21 Commitments under operating leases

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

	2015	2014
	£	£
Expiry date:		
- Between two and five years	3,370	-
	<u> </u>	<u> </u>

22 Related parties

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.

During the year the school received funds on behalf of Holmes Chapel and District Community Partnership totalling £8,000 (2014: £nil), which it paid over to the Partnership. The Partnership is related by virtue of a common director.

23 Members' liability

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