

**Chipping Campden School**  
**(A Company Limited by guarantee)**  
**Annual Report and Financial Statements**  
**Year ended 31 August 2016**

**Company Registration Number: 07680770 (England and Wales)**

# CHIPPING CAMPDEN SCHOOL

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## CHIPPING CAMPDEN SCHOOL

### REFERENCE AND ADMINISTRATIVE DETAILS

|                                 |  |
|---------------------------------|--|
| Members                         | Patricia Butson (resigned 4 October 2016)<br>Andy Jones<br>Michael Pearson<br>Andrew Sunderland<br>Brian Chatfield (appointed 1 September 2015)  |
| Governors                       | Jane Annett<br>James Birch<br>Patricia Butson (resigned 4 October 2016)<br>The Revd Dana Lürkse Delap<br>Andy Jones<br>Neil Makin (resigned 30 June 2016)<br>Kim McQuail<br>Michael Pearson<br>John Sanderson, Principal<br>Victor Scutt<br>Andrew Sunderland, Chair<br>Christopher Walker                                       |
| Company Secretary               | Steven J Donnachie   |
| Senior Leadership Team          | John Sanderson, Principal<br>Sara Chandler, Vice Principal<br>Ian Tustian, Vice Principal<br>Joanne King, Assistant Principal<br>Dominic Salles, Assistant Principal<br>Daniel Rushworth, Assistant Principal<br>Nicola Troth, Assistant Principal<br>Daniel Hilditch, Assistant Principal<br>Steven Donnachie, Business Manager |
| Company Name                    | Chipping Campden School  |
| Principal and Registered Office | Cidermill Lane<br>Chipping Campden<br>Gloucestershire<br>GL55 6HU  |
| Company Registration Number     | 07680770 (England and Wales)   |
| Independent Auditor             | PKF Cooper Parry Group LLP<br>Chartered Accountants<br>Statutory Auditors<br>No.8 Calthorpe Road<br>Birmingham<br>B15 1QT  |
| Bankers                         | Lloyds Bank<br>22 Bridge Street<br>Stratford Upon Avon<br>Warwickshire<br>CV37 6AG   |
| Solicitors                      | Anthony Collins<br>134 Edmund Street<br>Birmingham<br>B3 2ES   |

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2016**

The Governors present their annual report together with the audited financial statements of the charitable company for the twelve months ended 31 August 2016. The annual report serves the purposes of both a Governors' report and a Directors' report under company law.

Chipping Campden School (the "Academy") was incorporated on 23 June 2011 and commenced activity as an Academy on 1 August 2011.

The Academy operates as a school for students aged 11 to 19 serving a catchment area in North Gloucestershire with a pupil capacity of 1,250 and 1,252 students currently enrolled based on the autumn 2016 Census.

### **Structure, Governance and Management**

#### **Constitution**

Chipping Campden School is a company limited by guarantee with no share capital (company registration No: 07680770) and is an exempt charity. The Memorandum and Articles of Association are the primary governing documents of the Academy.

The Governors are directors of the Academy for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. The Governors who were in office at 31 August 2016 and who served during the year are listed on page 1.

#### **Members' Liability**

The liability of the members of the Academy is limited. Every member of the Academy undertakes to contribute an amount, not exceeding £10, in the event of the Academy being wound up while they are a member, or within one year after they cease to be a member.

#### **Governors' Indemnities**

The Academy has opted into the Department of 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 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.

#### **Method of Recruitment and Appointment of Governors**

Following a Governor skills and capabilities audit in 2013 a Search and Recruitment Committee was established to identify relevant skills and experience required to enhance the effectiveness of the Governing Body, and to recommend candidates for appointment or co-option.

The management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Academy's Articles of Association. The term of office for any Governor is four years; this time limit shall not apply to the Principal.



**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Policies and Procedures Adopted for the Induction and Training of Governors**

Training and induction provided for new Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various other organisations as appropriate.

There is a Governors training day organised each year, which includes training sessions to keep the Governors updated on relevant developments impacting on their roles and responsibilities. New Governors have the opportunity to undertake National Governor Association training and all Governors receive regular National Governor Association updates.

**Organisational Structure**

The Board of Governors normally meets 5 times each year. The Board of Governors establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees of the Board of Governors and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Governors may from time to time establish working groups to perform specific tasks over a limited timescale.

The Governing Body has established two sub committees, Education and Resources; each has its own terms of reference, to review the Academy's policies and performance. The Principal and Vice Principals attend these sub-committee meetings. Reports from these sub-committee meetings are received and discussed at full Governing Body meetings.

The Governing Body has also established a Risk Committee in the year. This committee is a primary working committee of the Board and its remit is to ensure that the Academy has effective risk management systems in place.

The governance and management structure of the Academy consists of four levels: Members, Governors, the Senior Leadership Team and Middle Leaders. The Members of the Academy have the ultimate control over the direction of the Academy whilst the Governing Body has responsibility for the leadership and management of the Academy.

The aim of the management structure is to devolve responsibility and to encourage leadership and the involvement in decision making at all levels. The Governors are responsible for strategic decisions, for setting general policy, adopting the annual budget and for monitoring the utilisation of budgets, capital expenditure decisions and the appointment of senior staff. The Senior Leadership Team control the Academy at an executive level, implement policies which are approved and adopted by Governors. The Principal as the Academy's Accounting Officer has the overall responsibility for the day to day management of the Academy.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Governors consider the senior management team to comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Academy on a day to day basis. The pay of the senior management team is reviewed annually by the Board of Governors and is in line with the Academy's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff.

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Related Parties and Other Connected Charities and Organisations**

The Academy has a strong connection with CCT Learning, an Alternative Provision Free School which trades as Abbey View. In compliance with CCT Learning's Articles of Association, the Principal of Chipping Campden School is a Member and Director of CCT Learning. One other Governor of Chipping Campden School also serves as a Director of CCT Learning. In addition, the Academy holds a Parent Governor election to ensure that parents of the Academy have a specific Governor on the Board of CCT Learning. This parent governor is not part of the board of Governors of Chipping Campden School. The Academy has, and continues to commission places at Abbey View, for students for whom mainstream provision is not appropriate.

Chipping Campden School also provides finance and HR support to CCT Learning. This arrangement is governed by a service level agreement which expires on 31 August 2017.

The Chipping Campden School Charity, a separate registered charity in which N Makin and B Chatfield are Trustees, makes contributions to support particular projects, facilities and awards benefitting pupils connected with the Academy, and is therefore treated as a related party for the purposes of the financial statements. The Governors do not consider the charity to be a connected charity as the Trustees of the charity are not appointed by the Governors, are not directed by or accountable to the Governing Body of the Academy and as the charity's objects differ to, and are wider than, those of the Academy.

**Objectives, Strategies and Activities**

The principle object of the Academy, as set out in the Articles of Association, is to advance, for the public benefit, the provision of education for students of all abilities between the ages of 11 and 19. The Academy provides a balanced and broad curriculum.

The Academy's mission is to provide a safe, supportive and challenging learning environment that inspires and empowers young people to grasp the opportunities to develop responsibility, personal integrity, self-respect, and respect for others; that cultivates creativity and a desire to become a life-long learner; that fosters inclusion through a strong sense of heritage and community, while acknowledging diversity; and that raises aspirations in order to champion academic and personal excellence.

In short, to cultivate an ambitious and vibrant learning community that inspires and empowers students to excel in a dynamic world.

This mission is reflected in the five strategic priorities set out below which collectively underpin our vision that every student is inspired to learn and empowered to excel.

- 1) **Education:** To ensure the safety and well-being of all our students is coupled with the promotion of a challenging and supportive learning experience across a broad range of disciplines in order to deliver high levels of achievement and deliver effective transition onto the next phase of learning.
- 2) **Human Resources:** To recruit, retain and continually develop a team of specialist teaching staff supported by an effective team of non-teaching staff who will either deliver or support the delivery of high quality learning for students regardless of age (11 – 18), gender, background or ability.
- 3) **Physical Resources:** To maintain and develop the school's physical environment so that students and staff have the space and equipment necessary to learn and work in a safe, stimulating and, where appropriate, specialist environment.



**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

- 4) **Financial Resources:** To achieve best value for money with devolved and self-generated funding while ensuring the school's solvency and financial security through the establishment, monitoring and reporting of transparent and robust financial management systems.
- 5) **Strategic Governance & Leadership:** To challenge the status quo in order to determine the strategic direction of the school and deliver ongoing improvements determined by effective evaluation and supported by appropriate policies, protocols and practices.

The key priorities for the year are contained in the Academy's Development plan which is available from the Principal.

The main activities of the Academy for the year ending 31 August 2016 were as follows:

Leadership and Management

**HEADLINE TARGET:** *Quality assurance and monitoring systems are effective at all levels*

- Strengthen Governors' ability to hold senior staff accountable for the performance of the school.
- Bring greater consistency to the effectiveness of middle leaders in improving provision in their areas of responsibility.
- Increase the rigour within lines of responsibility between senior and middle leaders, and middle leaders and class teachers, so that the school's expectations of students' progress and provision are upheld.
- Involve middle leaders alongside senior leaders in more frequent learning walks and book scrutiny, ensuring that staff are informed of the focus and outcomes.
- Ensure that there is targeted support for any teaching that does not match the school's expectations.
- Ensure that subject leaders follow through any underachievement during the times between progress reviews to ensure that class teachers are making a difference.

Personal Development, Behaviour and Welfare

**HEADLINE TARGET:** *Standards of behaviour and attitudes to learning are consistently high*

- Support the promotion of fundamental British Values and reduce the risk of radicalisation.
- Ensure effective oversight of the pastoral programme
- Behaviour strategies have a positive impact on learning in the classroom and beyond.
- Tutors are equipped to take a leading role in supporting progress and learning as well as health and well-being.
- Improve student attendance. Reduce the number of students who are persistently poor attenders. Reduce the gap in the attendance of PP students.

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

Teaching and Learning

**HEADLINE TARGET:** *all students are consistently challenged, stretched and inspired to achieve their full potential*

- Individual staff each set their own clear development trajectory which is supported and monitored.
- Students are supported in developing independent learning and revision skills, making the most of electronic resources available to them.
- Middle leaders have a clear and effective role in developing the quality of teaching and learning in their subject.
- Staff are confident users of ICT systems.
- Quality of marking & feedback is consistently high and improves student outcomes.
- Ensuring a high level of challenge in all lessons by matching tasks closely to individual students' starting points

Achievement: Progress & Attainment

**HEADLINE TARGET:** *all subjects add value to all groups of students*

- Ensure class teachers understand the data on students' progress so that they are aware of the impact of their teaching on students' progress.
- Strengthen Progress 8 measures by increasing the percentage of students making expected or better than expected progress in English and Science.
- Reduce the gap between the performance of PP students and non-PP students.
- Ensure that the most able are sufficiently stretched and challenged.
- Develop effective literacy, numeracy and employability skills.
- Reduce in-school performance variations at GCSE and Post-16.
- Ensure that the new curriculums at KS3, GCSE and A Level are appropriately broad and balanced, while ensuring EBac compliance.
- Assessment and reporting of learning and progress is systematic and accurate.

The Senior Leadership Team has direct responsibility for ensuring that the above strategies are kept under constant review.

**Public Benefit**

The Academy Trust aims to advance for the public benefit education for students of all abilities between the ages of 11 and 19, offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.



**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

When setting the Academy's objectives the Governors have given careful consideration to the Charity Commission's general guidance on public benefit. All Governors have been issued with the relevant information and this has been translated in the workings of the Academy via the development planning process.

## **STRATEGIC REPORT**

### **Achievements and Performance**

The Academy is in its fifth year of operation since conversion to an Academy Trust.

The total number of pupils in the year ended 31 August 2016 was 1,226, but this increased to 1,252 by the October 2016 census due to the continued demand for places at the Academy.

The Academy is committed to continual improvement which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning.

The particular achievements and performance of the Academy during the year ended 31 August 2016 were as follows:

#### Leadership and Management

**Vision / Ethos:** The school has a clearly defined ethos of high expectations both academically and personally. Students treat each other with courtesy and respect and this is role modelled by all staff.

School leaders are unwaveringly committed to setting high expectations for students and they demonstrate these in their dealings with all stakeholders in the school. Key priorities are shared with staff annually and revisited regularly, these priorities directly feed into faculty and departmental plans.

**Standards:** Achievement is driven by aspirational target setting and increasingly robust tracking.

Individual student targets at Key Stage 4 are set so that every learner has targets that contribute positively to the whole school Progress 8 target. Increased robustness of staff 'Working towards' grades has improved intervention, in 2016, forecast A\*-C percentages were within 10% of actual results for 25 subjects at Key Stage 4. Best practice data entry involves departmental moderation of work and internal standardisation against new exam specifications. All teaching staff are aware of the changing national accountability measures the importance of each student making progress from their starting points, not just at 'threshold'.

Student progress lies at the heart of all lesson observations. A robust 'Oversight' programme has been developed with Senior and Middle Leaders to monitor standards. Raising Standards Leads are in place at Key Stage 3, 4 and 5 with a clear focus on raising standards. Pre-public examinations are used at Key Stage 4 and 5 to drive interventions and secure robust data.

**Curriculum:** The curriculum is broad and balanced, in 2016 at Key Stage 4, students completed examinations in 35 different courses. More able students are able to study additional courses in a range of subjects from Astronomy to AS Ethics. In excess of 95% of students complete at least two Science GCSE's, with year on year increases in those following a triple Science pathway.

At Key Stage 3, the timetable has been adapted so that three more able groups can be taught across core subjects and languages to raise aspiration. In conjunction with teaching staff, a 'Flightpath' assessment model has been developed for Key Stage 3 that has a clear focus on Key Stage 4 outcomes based on Key Stage 2 assessment data. Only current Year 9 are still operating on NC levels.

At Key Stage 3, the curriculum has been reviewed and developed with schemes of learning being reformed to focus on the concepts of 'knowing, thinking and communicating' rather than purely being content driven. The development of these remains an on-going priority for the school. At Key Stage 4 curriculum planning has been done to adapt to the changing national agenda. Cross phase work is very well established. One



**CHIPPING CAMPDEN SCHOOL**  
**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

member of staff who has dedicated time for working with the Ogden Trust promoting Physics was awarded the STEM Teacher of the Year award. Primary school students benefit from this work and the sixth form students who support this also gain additional skills and confidence.

Following six successful years of working in partnership with Cleeve and Tewkesbury schools, CCT Learning was established and through it Abbey View, an alternative provision free school, to provide high quality alternative provision for some young people who struggle to thrive in a mainstream context.

In 2015 a senior leader was appointed to completely overhaul the school PSHE programme to ensure that students' understanding of themselves, life in modern Britain and the wider world is appropriately developed. This has resulted in the delivery of a new 'Life Learning' programme across the school.

**Middle leadership:** Following a restructuring of middle and senior leadership roles and responsibilities in 2014-15 more robust and effective monitoring and evaluation procedures have been introduced and are being embedded through a structured 'oversight' programme.

Middle leader examination and in-year data analysis is forward looking and drives improvement and intervention at a departmental and faculty level.

**Governance:** A comprehensive review of the make-up and operation of the governing body was conducted two years ago following the school's initial conversion to an academy. This review and the governors ongoing skills audit has led to the recruitment and deployment of governors who have the skills and expertise to work with senior leaders in building on the school's strengths while maintaining a determination to address the areas which remain less effective.

**Use of Pupil Premium Allowance:** In 2015, leaders and governors instigated a full review of the structures in place for students in receipt of pupil premium funding. This led to a restructuring of the school's inclusion team starting with the promotion of the SENDCo to the Senior Leadership Team, the appointment of SEND and Pupil Premium Managers and the training of selected Teaching Assistants to act as case workers to ensure interventions are co-ordinated, appropriate and timely.

The progress of PP students is closely monitored and reviewed, with student and parental involvement on a termly basis. This is evaluated at the end of each academic year and provision changes year on year as a result. Student level information is made readily available to teaching staff and ensures teaching and progress is tracked and reported at a departmental level.

#### Teaching, Learning and Assessment

**Teaching and Learning:** Three times a year the Leadership Team undertake a fortnight of formal paired observations with a focus on progress over time and these judgements have been moderated by the SIP. No overall grade is given for lessons.

Additionally, a cycle of faculty reviews has been put in place for 2016/17 which include further evaluative activities. The first of these is scheduled for October 2016.

Further monitoring activities are carried out by middle leaders as part of the on-going 'oversight' programme.

In March 2016, judgements were made as detailed below:

- Pupil Progress and Outcomes - 28 Outstanding, 25 Good, 7 Requires Improvement
- Quality of Teaching - 28 Outstanding, 25 Good, 7 Requires Improvement
- Assessment and Feedback - 25 Outstanding, 28 Good, 5 Requires Improvement
- Personal Development, behaviour and well-being - 39 Outstanding, 19 Good, 2 Requires Improvement

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

CPD continues to develop a shared vision of outstanding teaching and learning and supports teachers in taking ownership of their own CPD to change teachers in the classroom so that pupils make better progress.

Appraisal is used to address standards and where appropriate, bespoke programmes have been used and impact is monitored.

**Homework:** Online homework tracking has been introduced in light of concerns with regard to homework and students access homework online.

Homework reports are produced and Senior and Middle Leaders have access to homework being set. In 2015/16 in excess of 1,500 pieces of homework were set per year group with consistent amounts across year groups.

Within the 'Oversight' schedule, middle leaders monitor and review homework and the quality of homework on an on-going basis.

The whole school reporting system has been adapted so that teacher assessment of student attitude towards homework is reported on a half termly basis.

**Assessment:** A new marking policy based on 'think pink, go green' was introduced after being developed with staff. Based upon 'feedback and response', students are given time to formally respond to staff feedback. Formal work scrutiny has been introduced to monitor the implementation of this across middle leadership in the school. Evidence indicates that this is being applied with a degree of consistency across the school through SLT and Middle Leader book scrutinises.

**Literacy:** Small group provision is used to target students who are working below expected levels of attainment as identified in Key Stage 2 tests and in school assessments. These students receive a minimum of 3 hours of literacy intervention per fortnight across Years 7, 8 and 9.

**Numeracy:** Small group provision has been introduced for the academic Year 2016/17. This is led by a member of teaching staff in the Mathematics department and students receive an additional 4 hours of numeracy input per fortnight in groups of approximately 8 pupils.

#### Personal Development, Behaviour and Welfare

**Behaviour:** Almost all pupils have an excellent attitude to learning which has a strong, positive impact on their progress. They are highly adept at managing their own behaviour in the classroom and in social situations, supported by systematic, consistently applied approaches to behaviour management. Lesson observations, learning walks and pastoral records evidence this. The Behavioural Policy is reviewed annually to maintain its effectiveness and respond to arising challenges; this has supported whole school consistency in behaviour. Parental feedback evidences that very few parents express concern about behaviour in school and the vast majority say behaviour is good or better. It is the students' view that corridors are crowded, especially those in the oldest part of the school, but students are calm, orderly and considerate when moving around and conduct themselves very well when outside lessons. Incidences of poor behaviour at lunch or break time are rare. In September 2016, a new lunchtime detention system was introduced to further develop a culture for learning across the school. Lunchtime detentions are used positively to engage students in work and address any persistent issues that are preventing learning. These have replaced after school detentions. A highly skilled 'Pastoral Manager' has been appointed to the school to support the pastoral team.



**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Attendance:**

Whole school attendance:

- 2013/14: 95.1%. 2014/15: 94.7%. **2015/16** : 96%

SEN Attendance (15/16):

- Pupils with SEN Support: 93.9%, Pupils with SEN (Statement or EHCP) 95.7%

Pupil Premium Attendance (15/16):

- Pupil premium 93.1%, Non-pupil premium: 96.5%

The school has an attendance officer who monitors attendance, supports families, issues contracts and works with external agencies. Interventions are triggered when attendance falls below 94%.

The Pastoral manager and pastoral team are rigorous in following up attendance issues.

Outcomes for Learners (2016)

Key Stage 4 – GCSEs

Provisional Progress 8 Score of 0.40 (0.36 in 2015). Attainment 8 Score per pupil of 57.3 (53.75 in 2015) giving an average grade per pupil of 'B-' for the first time. Percentage of students achieving a good pass in English and Mathematics 79% (70% in 2015). 'Old' accountability measure of 5+A\*-C (EM) of 79% and increase of approximately 10% on 2015.

Progress 8 score for EBAcc element at 0.58

Percentage of students achieving:

- 3+A\*-A grades = 37.5% (29.7% in 2015),
- 5+A\*-A grades = 25.5% (18.3% in 2015),
- 8+A\*-C grades = 65.1% (54.9% in 2015).

**English:** Progress 8 Element for English of 0.57. 89% of pupils achieved a good pass in English (80% in 2015, 72% in 2014) with 38.2% achieving an A\*-A grade. 'Old' accountability measure – 90% expected progress, 63% exceeding expected progress (79% and 52% in 2015)

These strong results are due to high quality leadership in the department, highly robust tracking and interventions, a strong team ethos, consistently good teaching across the department and a clear focus on the attainment of every pupil.

**Maths:** Progress 8 Element for Mathematics of 0.32. 83% of pupils achieved a good pass in Mathematics (78% in 2015) with 28.4% achieving an A\*-A grade. 'Old' accountability measure – 84% expected progress, 43% exceeding expected progress (76% and 37% in 2015).

These good results are due to consistent leadership, a strong team of teachers with an excellent curriculum knowledge, appropriate interventions and support and improving teaching across the department.

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Other Subject Areas**

**Science:** Percentage of students achieving 2+A\*-C in Science – 73.7% (67% in 2015), Projected Value Added for Science approximately 1001.5 (1001 in 2015). Strong performance of triple science groups.

Increased numbers of students taking 3 Sciences and almost all students taking at least 2 Sciences. A\*-C percentages in Core and Additional Science improving.

Improving results as a new Director of Learning for Science appointed in September 2015 and the team strengthened significantly in September 2015 and again in 2016. New head of Physics in post and major refurbishment and extension of existing facilities.

**Humanities:** Project Value Added for Humanities approximately 1002.8 (1002.4 in 2015). A\*-C in Geography at 88% and A\*-A at 51% with a cohort of 69 students.

Continued high performance in Geography as a result of at least good teaching and a deep and secure knowledge of the assessment and curriculum.

**Languages:** 124 out of 192 students opting to take a modern foreign language at GCSE in 2016. 84% of students achieving A\*-C with 93% A\*-C and 34% A\*-A in French. Project Value Added for Languages approximately 1003.6.

**'Open' Elements:** A\*-C Attainment above 80% in Drama (100%), AS Ethics, Music, Religion and Philosophy, Food Technology, Art, Dance, Product Design and Textiles. A\*-A Attainment above 30% in AS Ethics, Music, Textiles, Art, Drama, Religion and Philosophy and Food. Using a 'levels of progress' approach, in Drama, Textiles, Physics, Music, Biology, Dance, Chemistry, Art and French, in excess of 80% of students made expected progress based on Key Stage 2 aggregate levels.

Increased emphasis on progress, working with teaching staff at all levels around progress measures and having a clear message around aspiration based on challenging targets has all contributed to all round increased performance.

Key Stage 5 - A Level

Summary outcomes for A2 students 2016 are given below:

A2 A\*-B Grade: - 40.2%

A2 A\*-C Grade: - 66.7%

A2 A\*-E Grade: - 97.8%

A\*-B percentages were in excess of 50% for Geography, Art, German, French and Spanish and but below 30% for Product Design, Biology, Chemistry, Economics, Media Studies, Psychology and Sociology.

**Going Concern**

After making appropriate enquiries, the Board of Governors, including all Committees, has a reasonable expectation that the Academy 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 within the financial statements.

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Financial Review**

Most of the Academy's income is received from the Education Funding Agency (EFA) in the form of the General Annual Grant (GAG) the use of which is restricted to particular purposes; i.e. the objects of the Academy. The GAG received during the period of this report and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The Academy's expenditure each year is funded by its recurring GAG income received from the EFA together with other funding generated from voluntary income, activities for generating income and investment income. The net income for the year, excluding transfers between funds, depreciation and Local Government Pension Scheme, FRS102 interest and service cost charges was £145,069 (2015: net expenditure of £52,845). Excluding the impact of a legacy inheritance received during the year of £160,000, the net expenditure for the year was £14,931. However, given the unprecedented level of uncontrollable costs, particularly in relation to employers' on-costs, which the Academy has had to absorb during the financial year, the Governors are satisfied with the overall financial performance of the Academy.

During the year the Academy also expended £693,708 on the acquisition of fixed assets. The significant investment undertaken during the course of the financial year was the extension to the Science Block. The funding for this project came principally from Section 106 finance funding of £642,134.

The combined General Restricted Fund and Unrestricted Fund show a combined net funds balance of £441,117 at 31 August 2016. Within this fund balance is a legacy inheritance of £160,000. The benefactor had expressed the wish that the legacy be used to promote the educational experience for post 16 students. The Restricted Fixed Asset Fund as at 31 August 2016 was £17,137,436 and the Local Government Pension Scheme liability as at 31 August 2016 was £1,819,000. The pension scheme liability arises from the deficit in the Local Government Pension Scheme that is attributable to the Academy. The Academy is not currently required to make accelerated payments to meet this liability, but, were arrangements to change, the Academy would have difficulty in making such payments without significantly impacting its ability to continue to deliver its educational outcomes with the available public funding it receives.



**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Key Financial Performance Indicators**

The Academy uses the following key financial performance indicators in order to benchmark itself against other Academy.

|                           | 2015/16 | 2014/15 |
|---------------------------|---------|---------|
| <b>Revenue Income</b>     |         |         |
| Total GAG per pupil       | £4,776  | £4,625  |
| Total income per pupil    | £5,258  | £5,444  |
| Ratio GAG to total income | 90.83%  | 84.95%  |

|                                   |        |        |
|-----------------------------------|--------|--------|
| <b>Staff costs</b>                |        |        |
| Total staff costs per pupil       | £4,198 | £4,192 |
| Ratio staff costs to total income | 79.8%  | 77.0%  |
| <b>Teaching and pupils</b>        |        |        |
| Pupil to teacher ratio            | 17.29  | 17.22  |
| Teaching to non-teaching ratio    | 1.47   | 1.73   |

**Key Non- Financial Performance Indicators**

|                   | 2015/16 | 2014/15 |
|-------------------|---------|---------|
| Attendance        | 96.1%   | 94.7%   |
| Funded Pupil No's |         |         |
| Pre 16            | 979     | 947     |
| Post 16           | 266     | 214     |

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Reserves Policy**

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors also take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review. The Governors have determined that the appropriate level of free cash reserves should be approximately £200,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences and increasing unfunded employment costs.

The balance of reserves held by the Academy at 31 August 2016, excluding the restricted fixed asset fund and pension fund reserve was £441,117. These reserves include the legacy inheritance received during the year of £160,000, which will be utilised in future years in line with the original wishes of the benefactor to promote the educational experience for post 16 students. The Governors are satisfied that this level of reserves is in line with the Academy's overall policy and is sufficient to support the Academy's ongoing educational objectives.

The Restricted Fixed Asset Fund reserve as at 31 August 2016 was £17,137,436 and this comprises the Academy's tangible fixed assets, including plant, equipment, fixtures and fittings and both freehold and leasehold land and buildings. These reserves can only be realised by disposing of the related tangible fixed assets, all of which are used for by the Academy in delivering its educational activities.

**Investment Policy**

All funds surplus to immediate requirements are invested to optimal effect by the Academy Trust with the objective of ensuring maximum return on assets invested but with minimal risk.

As of October 2016 the Legacy Funding of £160,000 has been on short term deposit with Lloyds Bank.

**Principal Risks and Uncertainties**

The principal risks and uncertainties facing the Academy are as follows:

**Financial**

The Academy has considerable reliance on continued Government funding through the EFA. In the year, approximately 90% of the Academy's incoming resources (excluding amounts transferred on conversion from the Local Authority) was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and / or management**

The risk in this area arises from the potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Governors continue to review and ensure appropriate measures are in place to mitigate these risks.

**Reputational**

The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Governors ensure that pupil success and achievement are closely monitored and reviewed.

**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Safeguarding and child protection**

The Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing**

The success of the Academy is reliant on the quality of its staff so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds**

The Academy has engaged the Finance Manager of Tewkesbury School to perform the role of Responsible Officer (RO). This is a reciprocal arrangement. The RO performed a programme of work aimed at checking and reviewing the systems of internal financial control as required by the Academies Financial Handbook. All finance staff also receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

**Risk Management**

The Governors have assessed, and where appropriate formulated mitigation strategies, the major strategic and operational risks to which the Academy is exposed, particularly financial and human resource management risk. These risks are recorded in the Academy's risk register which is maintained and reviewed at regular intervals.

The Academy has developed a robust system of internal control which minimises the occurrence of financial risk. For any significant residual financial risk the Academy has procured adequate insurance cover.

Whilst the Academy is currently oversubscribed, risks to revenue funding from a falling roll is small. However, the current freeze on the Government's overall education budget, changes to funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in the coming years.

The Governors examine the financial health of the Academy formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Governors and Resources Committee meetings. The Academy has no financial or liquidity risk as at the Balance Sheet date.

The Governors recognise that the Local Government Pension Scheme deficit represents a significant potential liability to the Academy. However, as the Governors consider the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

**Plans for Future Periods**

The Academy will continue to work to maintain and improve the performance of our students at all levels. Additionally, it will continue in its efforts to improve the achievement and progress of students, not only in academic subjects, but also extra-curricular activities and essential life skills.

The Academy is committed to delivering an innovative and stimulating curriculum which challenges students of all abilities.

The Governors recognise that through good financial management the Academy has been able to strategically invest in and improve significantly the quality of the Academy infrastructure. These improvements not only support the quality of teaching and learning but it has also had a positive motivational impact on teaching and support staff.



**CHIPPING CAMPDEN SCHOOL  
GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

The current opportunities the Academy is developing for the future include:

- The availability of section 106 finance of c£1,500,000. Of this funding £1,100,000, has been used to finance the extension of the Science Block. Other potential projects that could benefit from this funding includes the remodelling of the Sixth Form Centre.
- In collaboration with the School's Housing Association the Academy is actively pursuing strategic opportunities to develop the school site, and
- Demographics changes, particularly those arising from new housing developments, indicate further minor increases to the planned admission number and subsequent intake.

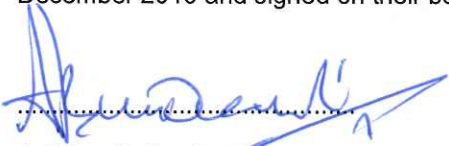
**Auditors**

In so far as the Governors are aware:

- There is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, PKF Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Governors Report, incorporating a Strategic Report, was approved by the Board of Governors on 1 December 2016 and signed on their behalf by:



**A J Sunderland**  
Chair of Governors

**CHIPPING CAMPDEN SCHOOL  
GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Scope of Responsibility**

As Governors we acknowledge we have overall responsibility for ensuring that Chipping Campden 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 Principal, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Chipping Campden School and the Secretary of State for Education. They are also responsible for reporting to the board of tru 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 governing body has formally met 5 times during the year ended 31 August 2016. Attendance during the year at meetings of the board Governors was as follows:

| <b>Governor</b>             | <b>Meetings attended</b> | <b>Out of a possible</b> |
|-----------------------------|--------------------------|--------------------------|
| Jane Annett                 | 5                        | 5                        |
| James Birch                 | 5                        | 5                        |
| Patricia Butson             | 4                        | 5                        |
| Dana Delap                  | 3                        | 5                        |
| Andy Jones                  | 4                        | 5                        |
| Neil Makin                  | 5                        | 5                        |
| Kim McQuail                 | 4                        | 5                        |
| Michael Pearson             | 3                        | 5                        |
| John Sanderson, Principal   | 5                        | 5                        |
| Victor Scutt                | 4                        | 5                        |
| Andrew Sunderland, Chairman | 5                        | 5                        |
| Christopher Walker          | 4                        | 5                        |

**Resources Committee**

The Resource Committee is a sub-committee of the main governing body. The remit of the committee is to ensure the Academy has sufficient resources and that these resources are deployed efficiently and effectively".

| <b>Governor</b>   | <b>Meetings attended</b> | <b>Out of a possible</b> |
|-------------------|--------------------------|--------------------------|
| James Birch       | 5                        | 5                        |
| Neil Makin        | 2                        | 5                        |
| Michael Pearson   | 3                        | 5                        |
| John Sanderson    | 5                        | 5                        |
| Andrew Sunderland | 4                        | 5                        |
| Andy Jones        | 5                        | 5                        |



**CHIPPING CAMPDEN SCHOOL  
GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**Education Committee**

The Education Committee is a sub-committee of the main governing body. The remit of the committee is to focus on the strategic direction of the Academy as embodied in the School Development Plan and to ensure that the school's Quality Management System is fit for purpose.

| <b>Governor</b>    | <b>Meetings attended</b> | <b>Out of a possible</b> |
|--------------------|--------------------------|--------------------------|
| Patricia Butson    | 4                        | 5                        |
| Jane Annett        | 2                        | 5                        |
| Kim McQuail        | 5                        | 5                        |
| John Sanderson     | 5                        | 5                        |
| Victor Scutt       | 5                        | 5                        |
| Andrew Sunderland  | 2                        | 5                        |
| Christopher Walker | 4                        | 5                        |
| Dena Delap         | 3                        | 5                        |

**Risk Committee**

The Risk Committee is a primary working committee of the main governing body. The remit of the committee is to ensure that an effective system of risk management is being maintained and operated within the Academy.

| <b>Governor</b>   | <b>Meetings attended</b> | <b>Out of a possible</b> |
|-------------------|--------------------------|--------------------------|
| Michael Pearson   | 3                        | 3                        |
| Andy Jones        | 2                        | 3                        |
| Neil Makin        | 3                        | 3                        |
| John Sanderson    | 2                        | 3                        |
| Victor Scutt      | 2                        | 3                        |
| Andrew Sunderland | 2                        | 3                        |

**Governance Review**

The Governors carried out a detailed review of governance during the 2014/15 year, with a number of key actions from this review having been implemented over the last 2 years including revising the committee structure of the Board and their terms of reference and appointing new governors with the appropriate experience and skill base. In the current year, the Governors have continued to review the governance structure, and have established a new working committee of the Board, being a Risk Committee. The Governors are satisfied that the current governance structure is appropriate given the School's existing structure and activities. Further reviews and assessments will be undertaken by the Governors each year to ensure the governance structure remains appropriate, which will include seeking the appointment of some new Governors following the resignation of 2 long standing Governors towards the latter end of the year.

**Value for money**

As Accounting Officer the Principal has responsibility for ensuring that the Academy 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'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 has delivered improved value for money during the year by:

- Regular review of contracts, for example utilities, by a cost management company;
- Benchmarking against other Gloucestershire Secondary Schools; and
- Purchasing procedures and routines which are continually tested to ensure best value.

**CHIPPING CAMPDEN SCHOOL**  
**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chipping Campden School for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The governing body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

**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 governing body;
- regular reviews by the Resource 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; and
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Academy has appointed a responsible officer to undertake a review of the Academy's systems of internal controls. The responsible officer has undertaken a review of procurement procedures during the year and has identified some minor control recommendations which management have implemented after the year end.

**CHIPPING CAMPDEN SCHOOL  
GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

**REVIEW OF EFFECTIVENESS**

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

- the work of the external auditors;
- the work of the Responsible Officer;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy 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 Resource Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the Board of Governors on 1 December 2016 and signed on its behalf, by:



.....  
**A J Sunderland**  
Chair of Governors



.....  
**J A Sanderson**  
Accounting Officer

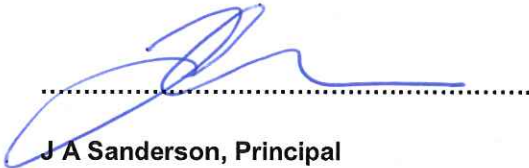


**CHIPPING CAMPDEN SCHOOL  
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2016**

As accounting officer of Chipping Campden 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 2015.

I confirm that I and the academy trust 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 2015.

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.



**J A Sanderson, Principal**

**Accounting Officer**

**1 December 2016**

**CHIPPING CAMPDEN SCHOOL  
STATEMENT OF GOVERNORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2016**

The Governors (who act as trustees of Chipping Campden School) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction published 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 financial statements for each financial year. Under company law they must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 grants received from EFA/DfE have been applied for the purposes intended.

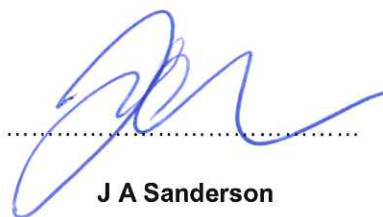
The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Governors on 1 December 2016 and signed on its behalf by:



**A J Sunderland**

Chair of Governors



**J A Sanderson**

Principal



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHIPPING CAMPDEN SCHOOL**

We have audited the financial statements of Chipping Campden School for the year ended 31 August 2016 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an Auditors' 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 Academy and the Academy's members, for our audit work, for this report, or for the opinion we have formed.

### **RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS**

As explained more fully in the Statement of Governors' responsibilities on page 22, the Governors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements 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 FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

### **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 financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHIPPING CAMPDEN SCHOOL**  
(continued)

**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 financial statements 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.

*PKF Cooper Parry Group Limited*

Simon Atkins FCA (Senior statutory auditor)  
for and on behalf of

**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditors  
No.8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

1 December 2016



**CHIPPING CAMPDEN SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO**  
**CHIPPING CAMPDEN 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 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chipping Campden School during the period 1 September 2015 to 31 August 2016 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 Chipping Campden School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to CCT Learning and 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 Chipping Campden School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF CHIPPING CAMPDEN SCHOOL ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Chipping Campden's School funding agreement with the Secretary of State for Education dated 29 July 2011 (as amended by a deed of variation dated 30 July 2014), and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 year 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by 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's income and expenditure.



**CHIPPING CAMPDEN SCHOOL  
(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
CHIPPING CAMPDEN SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

The work undertaken to draw conclusions include:

- review of Governing Body meetings for evidence of non-compliance;
- review of Reporting Officer reports for evidence of non-compliance;
- discussion with the Accounting Officer and senior management team about controls;
- testing expenditure to ensure it conforms with the terms and conditions of the funding agreement;
- testing of income to ensure that restricted funds are used for the purposes intended;
- ensuring that proper accounting records have been maintained; and
- review of the financial handbook to ensure that all procedures are being adhered to.

**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 year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditors

No.8 Calthorpe Road  
Edgbaston  
Birmingham  
B15 1QT

1 December 2016

**CHIPPING CAMPDEN SCHOOL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

|   | Note  | Unrestricted<br>Funds<br>£ | Restricted<br>General<br>Funds<br>£ | Restricted<br>Fixed<br>Asset<br>Funds<br>£ | Total<br>2016<br>£ | Total<br>2015<br>£ |
|---|-------|----------------------------|-------------------------------------|--|--------------------|--------------------|
| <b>Income and endowments from:</b>                        |       |                            |                                     |  |                    |                    |
| Donations and capital grants                              | 2     | 227,770                    | 45,237                              | 696,565                                    | 969,572            | 458,288            |
| Charitable activities:                                    |       |                            |                                     |  |                    |                    |
| Funding for the academy trust's<br>educational operations | 3     | -                          | 5,947,345                           | -  | 5,947,345          | 5,578,659          |
| Other trading activities                                  | 4     | 324,517                    | -                                   | -  | 324,517            | 281,754            |
| Investments   | 5     | 825                        | -                                   | -  | 825                | 1,530              |
| <b>Total</b>  |       | <b>553,112</b>             | <b>5,992,582</b>                    | <b>696,565</b>                             | <b>7,242,259</b>   | <b>6,320,231</b>   |
| <b>Expenditure on:</b>                                    |       |                            |                                     |  |                    |                    |
| Raising funds   | 6     | 365,055                    | -                                   | -  | 365,055            | 273,165            |
| Charitable activities:                                    |       |                            |                                     |  |                    |                    |
| Academy trust educational operations                      | 7     | 62,373                     | 6,062,197                           | 208,753                                    | 6,333,323          | 6,096,095          |
| <b>Total</b>  |       | <b>427,428</b>             | <b>6,062,197</b>                    | <b>208,753</b>                             | <b>6,698,378</b>   | <b>6,369,260</b>   |
| <b>Net income / (expenditure)</b>                         |       | <b>125,684</b>             | <b>(69,615)</b>                     | <b>487,812</b>                             | <b>543,881</b>     | <b>(49,029)</b>    |
| <b>Transfers between funds</b>                            | 13    | 2,857                      | -                                   | (2,857)                                    | -                  | -                  |
| <b>Other recognised gains / (losses):</b>                 |       |                            |                                     |  |                    |                    |
| Actuarial loss on defined<br>benefit pension schemes      | 13,21 | -                          | (395,000)                           | -  | (395,000)          | (19,000)           |
| <b>Net movement in funds</b>                              |       | <b>128,541</b>             | <b>(464,615)</b>                    | <b>484,955</b>                             | <b>148,881</b>     | <b>(68,029)</b>    |
| <b>Reconciliation of funds</b>                            |       |                            |                                     |  |                    |                    |
| Total funds brought forward                               |       | 210,711                    | (1,252,520)                         | 16,652,481                                 | 15,610,672         | 15,678,701         |
| <b>Total funds carried forward</b>                        |       | <b>339,252</b>             | <b>(1,717,135)</b>                  | <b>17,137,436</b>                          | <b>15,759,553</b>  | <b>15,610,672</b>  |

CHIPPING CAMPDEN SCHOOL

BALANCE SHEET  
AS AT 31 AUGUST 2016

COMPANY NUMBER 01234567

|  | Notes | 2016<br>£          | 2016<br>£          | 2015<br>£          | 2015<br>£          |
|--|-------|--------------------|--------------------|--------------------|--------------------|
| <b>Fixed assets</b>                            |       |                    |                    |                    |                    |
| Tangible assets                                | 10    |                    | 17,137,436         |                    | 16,652,481         |
| <b>Current assets</b>                          |       |                    |                    |                    |                    |
| Debtors  | 11    | 459,415            |                    | 218,881            |                    |
| Cash at bank and in hand                       |       | 689,297            |                    | 458,408            |                    |
|  |       | <u>1,148,712</u>   |                    | <u>677,289</u>     |                    |
| <b>Liabilities</b>                             |       |                    |                    |                    |                    |
| Creditors: Amounts falling due within one year | 12    | <u>(707,595)</u>   |                    | <u>(384,098)</u>   |                    |
| <b>Net current assets</b>                      |       |                    | <u>441,117</u>     |                    | <u>293,191</u>     |
| <b>Total assets less current liabilities</b>   |       |                    | <u>17,578,553</u>  |                    | <u>16,945,672</u>  |
| Defined benefit pension scheme liability       | 21    |                    | <u>(1,819,000)</u> |                    | <u>(1,335,000)</u> |
| <b>Total net assets</b>                        |       |                    | <u>15,759,553</u>  |                    | <u>15,610,672</u>  |
| <b>Funds of the academy trust:</b>             |       |                    |                    |                    |                    |
| <b>Restricted funds</b>                        |       |                    |                    |                    |                    |
| Fixed asset fund                               | 13    | 17,137,436         |                    | 16,652,481         |                    |
| Restricted income fund                         | 13    | 101,865            |                    | 82,480             |                    |
| Pension reserve                                | 13    | <u>(1,819,000)</u> |                    | <u>(1,335,000)</u> |                    |
| <b>Total restricted funds</b>                  |       |                    | <u>15,420,301</u>  |                    | <u>15,399,961</u>  |
| <b>Unrestricted income funds</b>               | 13    |                    | <u>179,252</u>     |                    | <u>210,711</u>     |
| <b>Designated income funds</b>                 | 13    |                    | <u>160,000</u>     |                    | <u>-</u>           |
| <b>Total funds</b>                             |       |                    | <u>15,759,553</u>  |                    | <u>15,610,672</u>  |

The financial statements on pages 30 to 51 were approved by the Governors and authorised for issue on 1 December 2016 and are signed on their behalf by:

  
A J Sunderland  
Chair of Governors

  
J A Sanderson  
Principal



**CHIPPING CAMPDEN SCHOOL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2016**

|  | Notes | 2016<br>£      | 2015<br>£        |
|--|-------|----------------|------------------|
| <b>Cash flows from operating activities</b>                        |       |                |                  |
| Net cash provided by/(used in) operating activities                | 17    | 227,206        | (395,083)        |
| <b>Cash flows from investing activities</b>                        |       |                |                  |
|  | 18    | 3,683          | (274,913)        |
| <b>Change in cash and cash equivalents in the reporting period</b> |       | <u>230,889</u> | <u>(669,996)</u> |
| <b>Cash and cash equivalents at 1 September 2015</b>               |       | 458,408        | 1,128,404        |
| <b>Cash and cash equivalents at 31 August 2016</b>                 | 19    | <u>689,297</u> | <u>458,408</u>   |

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1 Statement of accounting policies**

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

**Basis of Preparation**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Chipping Campden School meets the definition of a public benefit entity under FRS 102.

**First time adoption of FRS 102**

These financial statements are the first financial statements of Chipping Campden School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Chipping Campden School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015.

**Explanation of transition to FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below:

| <b>Reconciliation of net expenditure</b>          | <b>Notes</b> | <b>31 August<br/>2015<br/>£</b> |
|---|--------------|---------------------------------|
| Net expenditure previously reported under UK GAAP |              | (32,029)                        |
| Change in recognition of LGPS interest cost       | A            | (17,000)                        |
| Net movement in funds reported under FRS 102      |              | <u>(49,029)</u>                 |

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1 Statement of accounting policies (continued)**

**A – Change in recognition of LGPS interest cost**

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £17,000 and reduce the debit in other recognised gains and losses in the SoFA by an equivalent amount.

**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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement 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.

- **Sponsorship Income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- **Donations**

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



**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1 Statement of accounting policies(continued)**

- **Other Income**

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

- **Donated goods, facilities and services**

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

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

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1 Statement of accounting policies (continued)**

**Tangible Fixed Assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

- |                                    |                 |
|------------------------------------|-----------------|
| • Freehold buildings               | Not depreciated |
| • Long leasehold buildings         | 0.8% - 10%      |
| • Fixtures, fittings and equipment | 20 – 33.33%     |
| • Computer hardware                | 33.33%          |

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

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.

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1 Statement of accounting policies (continued)**

**Liabilities**

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

**Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Leased Assets**

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

**Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Pensions Benefits**

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

The 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. As stated in note 29, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.



**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1 Statement of accounting policies (continued)**

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 credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**Fund Accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

**Critical accounting estimates and areas of judgement**

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

*Critical accounting estimates and assumptions*

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

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1 Statement of accounting policies (continued)**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

**2 Donations and capital grants**

|                   | <b>Unrestricted<br/>Funds<br/>£</b> | <b>Restricted<br/>Funds<br/>£</b> | <b>Total<br/>2016<br/>£</b> | <b>Total<br/>2015<br/>£</b> |
|-------------------|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Donations         | -                                   | 24,597                            | <b>24,597</b>               | 37,420                      |
| Capital grants    | -                                   | 696,565                           | <b>696,565</b>              | 318,597                     |
| Dual use income   | 57,114                              | -                                 | <b>57,114</b>               | 56,830                      |
| Other income      | 170,656                             | 20,640                            | <b>191,296</b>              | 45,441                      |
|                   | <u>227,770</u>                      | <u>741,802</u>                    | <u><b>969,572</b></u>       | <u>458,288</u>              |
| <br>              |                                     |                                   |                             |                             |
| <b>Total 2015</b> | <u>-</u>                            | <u>458,288</u>                    | <u><b>458,288</b></u>       |                             |

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**3 Funding for the Academy Trust's educational operations**

|                                | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2016<br>£ | Total<br>2015<br>£ |
|--------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| <b>DfE / EFA grants</b>        |                            |                          |                    |                    |
| General annual grant (GAG)     | -                          | 5,752,385                | 5,752,385          | 5,369,147          |
| Other DfE/EFA grants           | -                          | 148,356                  | 148,356            | 143,619            |
|                                | <u>-</u>                   | <u>5,900,741</u>         | <u>5,900,741</u>   | <u>5,512,766</u>   |
| <b>Other Government grants</b> |                            |                          |                    |                    |
| Trainees                       | -                          | 1,700                    | 1,700              | 5,400              |
| High needs funding             | -                          | 44,904                   | 44,904             | 60,493             |
|                                | <u>-</u>                   | <u>46,604</u>            | <u>46,604</u>      | <u>65,893</u>      |
|                                | <u>-</u>                   | <u>5,947,345</u>         | <u>5,947,345</u>   | <u>5,578,659</u>   |
| <b>Total 2015</b>              | <u>-</u>                   | <u>5,578,659</u>         | <u>5,578,659</u>   |                    |

**4 Other trading activities**

|                     | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2016<br>£ | Total<br>2015<br>£ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities  | 20,373                     | -                        | 20,373             | 22,253             |
| Departmental income | 22,368                     | -                        | 22,368             | 22,024             |
| Educational visits  | 34,491                     | -                        | 34,491             | 38,946             |
| Music tuition       | 62,900                     | -                        | 62,900             | 62,453             |
| Extra-curricular    | 184,385                    | -                        | 184,385            | 136,078            |
|                     | <u>324,517</u>             | <u>-</u>                 | <u>324,517</u>     | <u>281,754</u>     |
| <b>Total 2015</b>   | <u>281,754</u>             | <u>-</u>                 | <u>281,754</u>     |                    |

**5 Investment income**

|                     | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2016<br>£ | Total<br>2015<br>£ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | 825                        | -                        | 825                | 1,530              |
|                     | <u>825</u>                 | <u>-</u>                 | <u>825</u>         | <u>1,530</u>       |
| <b>Total 2015</b>   | <u>1,530</u>               | <u>-</u>                 | <u>1,530</u>       |                    |



**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**6 Expenditure**

|                                   | Staff<br>Costs   | Non Pay Expenditure |                  | Total<br>2016           | Total<br>2015    |
|-----------------------------------|------------------|---------------------|------------------|-------------------------|------------------|
|                                   | £                | Premises<br>£       | Other<br>£       | £                       | £                |
| Expenditure on raising funds      | 89,812           | -                   | 275,243          | <b>365,055</b>          | 273,165          |
| Academy's educational operations: |                  |                     |                  |                         |                  |
| Direct costs                      | 4,542,977        | -                   | 413,289          | <b>4,956,266</b>        | 4,714,379        |
| Allocated support costs           | 593,180          | 341,045             | 442,832          | <b>1,377,057</b>        | 1,381,716        |
|                                   | <u>5,225,969</u> | <u>341,045</u>      | <u>1,131,364</u> | <b><u>6,698,378</u></b> | <u>6,369,260</u> |

Net income/(expenditure) for the period includes:

|                              | 2016<br>£      | 2015<br>£    |
|------------------------------|----------------|--------------|
| Operating lease rentals      | <b>27,163</b>  | 35,024       |
| Depreciation                 | <b>208,752</b> | 218,781      |
| Fees payable to auditor for: |                |              |
| - audit                      | <b>7,475</b>   | 7,895        |
| - other services             | <b>850</b>     | 1,775        |
|                              | <u>850</u>     | <u>1,775</u> |

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**7 Charitable activities**

|  | <b>Total<br/>2016<br/>£</b> | <b>Total<br/>2015<br/>£</b> |
|--|-----------------------------|-----------------------------|
| Direct costs – educational operations  | 4,956,265                   | 4,714,379                   |
| Support costs – educational operations | <u>1,377,057</u>            | <u>1,364,716</u>            |
|  | <b>6,333,322</b>            | <b>6,079,095</b>            |

| <b>Analysis of support costs</b> | <b>Total<br/>2016<br/>£</b> | <b>Total<br/>2015<br/>£</b> |
|----------------------------------|-----------------------------|-----------------------------|
| Support staff costs              | 569,043                     | 563,437                     |
| Depreciation                     | 208,753                     | 218,781                     |
| Technology costs                 | 109,523                     | 91,958                      |
| Premises costs                   | 275,568                     | 276,562                     |
| Other support costs              | 195,752                     | 217,415                     |
| Governance costs                 | <u>18,418</u>               | <u>13,563</u>               |
| <b>Total support costs</b>       | <b><u>1,377,057</u></b>     | <b><u>1,381,716</u></b>     |

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs will include any employee benefits for governors, the cost of charity employees involved in meetings with governors, the cost of any administrative support provided to the governors, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**8 Staff**

**a. Staff costs**

Staff costs during the period were:

|  | <b>Total<br/>2016<br/>£</b> | <b>Total<br/>2015<br/>£</b> |
|--|-----------------------------|-----------------------------|
| Wages and salaries                                 | 4,158,521                   | 3,915,927                   |
| Social security costs                              | 329,291                     | 278,517                     |
| Operating costs of defined benefit pension schemes | 714,020                     | 628,014                     |
|  | <u>5,201,832</u>            | <u>4,822,458</u>            |
| Supply staff costs                                 | 24,137                      | 44,651                      |
|  | <u>5,225,969</u>            | <u>4,867,109</u>            |

**b. Non statutory/non contractual staff severance payments**

Included in staff costs are non-statutory/non-contractual severance payments totalling £16,173 (2015: £nil). Individually, the payments were £11,672 and £4,501.

**c. Staff numbers**

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

|                            | <b>2016<br/>No.</b> | <b>2015<br/>No.</b> |
|----------------------------|---------------------|---------------------|
| Teachers                   | 73                  | 72                  |
| Administration and support | 11                  | 11                  |
| Management                 | 8                   | 8                   |
| Educational staff          | 44                  | 41                  |
| Premises staff             | 26                  | 25                  |
|                            | <u>162</u>          | <u>157</u>          |

**d. Higher paid staff**

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

|                    | <b>2016<br/>No.</b> | <b>2015<br/>No.</b> |
|--------------------|---------------------|---------------------|
| £60,001 - £70,000  | 1                   | 1                   |
| £80,001 - £90,000  | -                   | 1                   |
| £90,001 - £100,000 | 1                   | -                   |

The above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for these staff members amounted to £22,099 (2015: £21,240).

**e. Key management personnel**

The key management personnel of the academy trust comprise of the senior leadership 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 £622,929 (2015: £591,792).



**CHIPPING CAMPDEN SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**9 Related Party Transactions – Governors’ remuneration and expenses**

One or more governors have been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal 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:

J A Sanderson (principal and governor):

Remuneration £90,001 - £95,000 (2015: £85,000 - £90,000)  
Employers’ pension contributions £10,001 - £20,000 (2015: £10,001 - £20,000)

C Walker (staff governor)

Remuneration £40,001 - £50,000 (2015: £40,001 - £50,000)  
Employers’ pension contributions £0 - £10,000 (2015: £10,001 - £20,000)

During the year ended 31 August 2016, travel and subsistence expenses totalling £30 (2015: £30) were reimbursed to 1 Governor (2015: 1 Governors). The remaining £1,149 included within governor expenses reimbursed included photocopying charges, training workshops and reimbursements made to the clerk to the governors

Related party transactions involving the governors are set out in note 22.

**11 Governors and officers insurance**

The school 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 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.

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**10 Tangible fixed assets**

|                          | Freehold<br>Land and<br>Buildings<br>£ | Leasehold<br>Buildings<br>£ | Assets<br>Under<br>Construction<br>£ | Furniture<br>and<br>Equipment<br>£ | Computer<br>Equipment<br>£ | Total<br>£        |
|--------------------------|--|-----------------------------|--------------------------------------|------------------------------------|----------------------------|-------------------|
| <b>Cost</b>              |  |                             |                                      |                                    |                            |                   |
| At 1 September 2015      | 4,822,500                              | 12,282,604                  | -                                    | 73,510                             | 190,779                    | 17,369,393        |
| Additions                | -                                      | 272,436                     | 381,017                              | 800                                | 39,455                     | 693,708           |
| <b>At 31 August 2016</b> | <b>4,822,500</b>                       | <b>12,555,039</b>           | <b>381,017</b>                       | <b>74,310</b>                      | <b>230,234</b>             | <b>18,063,100</b> |
| <b>Depreciation</b>      |  |                             |                                      |                                    |                            |                   |
| At 1 September 2015      | -                                      | 560,372                     | -                                    | 44,194                             | 112,346                    | 716,912           |
| Charged in year          | -                                      | 149,161                     | -                                    | 18,444                             | 41,147                     | 208,753           |
| <b>At 31 August 2016</b> | <b>-</b>                               | <b>709,532</b>              | <b>-</b>                             | <b>62,638</b>                      | <b>153,494</b>             | <b>925,664</b>    |
| <b>Net book values</b>   |  |                             |                                      |                                    |                            |                   |
| At 31 August 2016        | 4,822,500                              | 11,845,507                  | 381,017                              | 11,672                             | 76,740                     | 17,137,436        |
| At 31 August 2015        | 4,822,500                              | 11,722,232                  | -                                    | 29,316                             | 78,433                     | 16,652,481        |

**11 Debtors**

|                                | 2016<br>£      | 2015<br>£      |
|--------------------------------|----------------|----------------|
| Trade debtors                  | 268,624        | 52,594         |
| VAT recoverable                | 85,792         | 17,717         |
| Other debtors                  | 4,470          | -              |
| Prepayments and accrued income | 100,529        | 148,570        |
|                                | <b>459,415</b> | <b>218,881</b> |

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**12 Creditors: amounts falling due within one year**

|                              | <b>2016</b>           | <b>2015</b>           |
|------------------------------|-----------------------|-----------------------|
|                              | <b>£</b>              | <b>£</b>              |
| Trade creditors              | <b>390,509</b>        | 57,917                |
| Other creditors              | <b>179,746</b>        | 153,766               |
| Accruals and deferred income | <b>137,340</b>        | 172,415               |
|                              | <b><u>707,595</u></b> | <b><u>384,098</u></b> |

|                                     | <b>2016</b>          | <b>2015</b>           |
|-------------------------------------|----------------------|-----------------------|
|                                     | <b>£</b>             | <b>£</b>              |
| <b>Deferred income</b>              |                      |                       |
| Deferred income at 1 September 2015 | <b>123,407</b>       | 46,072                |
| Released from previous years        | <b>(123,407)</b>     | (46,072)              |
| Resources deferred in the year      | <b>80,054</b>        | 123,407               |
| Deferred Income at 31 August 2016   | <b><u>80,054</u></b> | <b><u>123,407</u></b> |

Deferred income at 31 August 2016 relates to trip income, deferred rates relief funding and curriculum related activities that will consume resources in the next financial year. The nature of this funding is such that it is received in advance in the August prior to the next financial year to ensure that funds are available from 1 September 2016.



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**13 Funds**

|  | Balance at 1<br>September<br>2015<br>£ | Income<br>£             | Expenditure<br>£          | Gains,<br>losses and<br>transfers<br>£ | Balance at<br>31 August<br>2016<br>£ |
|--|--|-------------------------|---------------------------|--|--------------------------------------|
| <b>Restricted general funds</b>                        |  |                         |                           |  |                                      |
| General Annual Grant (GAG)                             | 30,555                                 | 5,752,385               | (5,720,027)               | (1,609)                                | 61,304                               |
| Other DfE/EFA grants                                   | 47,841                                 | 193,260                 | (200,540)                 | -                                      | 40,561                               |
| Other income   | 4,084                                  | 46,937                  | (52,630)                  | 1,609                                  | -                                    |
| Pension reserve  | (1,335,000)                            | -                       | (89,000)                  | (395,000)                              | (1,819,000)                          |
|  | <u>(1,252,520)</u>                     | <u>5,992,582</u>        | <u>(6,062,197)</u>        | <u>(395,000)</u>                       | <u>(1,717,135)</u>                   |
| <b>Restricted fixed asset funds</b>                    |  |                         |                           |  |                                      |
| Capital grants and income                              | 1,096,539                              | 696,565                 | (19,366)                  | (2,857)                                | 1,770,881                            |
| Capital expenditure from GAG<br>and unrestricted funds | 390,949                                | -                       | (62,084)                  | -                                      | 328,865                              |
| Transfer on academy conversion                         | 15,164,993                             | -                       | (127,303)                 | -                                      | 15,037,690                           |
|  | <u>16,652,481</u>                      | <u>696,565</u>          | <u>(208,753)</u>          | <u>(2,857)</u>                         | <u>17,137,436</u>                    |
| <b>Total restricted funds</b>                          | <b><u>15,399,961</u></b>               | <b><u>6,689,147</u></b> | <b><u>(6,270,950)</u></b> | <b><u>(397,857)</u></b>                | <b><u>15,420,301</u></b>             |
| General restricted funds                               | 210,711                                | 393,112                 | (427,428)                 | 2,857                                  | 179,252                              |
| Designated restricted funds                            | -                                      | 160,000                 | -                         | -                                      | 160,000                              |
| <b>Total unrestricted funds</b>                        | <b><u>210,711</u></b>                  | <b><u>553,112</u></b>   | <b><u>(427,428)</u></b>   | <b><u>2,857</u></b>                    | <b><u>339,252</u></b>                |
| <b>Total funds</b>                                     | <b><u>15,610,672</u></b>               | <b><u>7,242,259</u></b> | <b><u>(6,698,378)</u></b> | <b><u>(395,000)</u></b>                | <b><u>15,759,553</u></b>             |

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

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

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

- (ii) Other DfE/EFA Grants are utilised for the purposes intended.
- (iii) The pension reserve is the deficit in the Local Government Pension Scheme.
- (iv) Restricted fixed assets are represented by assets funded by government grants and assets inherited on academy conversion.
- (v) Unrestricted general funds include voluntary payments made to the School Fund, other income generating activities and surpluses transferred on academy conversion, to be spent at the discretion of the governors.
- (vi) Designated funds relate to a legacy inheritance to which the benefactor had expressed the wish that the legacy is to be used to promote the educational experience of post 16 students. The Academy Trust is actively formulating a policy which will ensure these wishes are satisfied when considering the use of these funds in the future.

**CHIPPING CAMPDEN SCHOOL  
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**14 Analysis of net assets between funds**

Fund balances at 31 August 2016 are represented by:

|                          | Unrestricted<br>Funds<br>£ | Restricted<br>General<br>Funds<br>£ | Restricted<br>Fixed Asset<br>Funds<br>£ | Total Funds<br>£  |
|--------------------------|----------------------------|-------------------------------------|---|-------------------|
| Tangible fixed assets    | -                          | -                                   | 17,137,436                              | 17,137,436        |
| Current assets           | 407,286                    | 435,038                             | 306,388                                 | 1,148,712         |
| Current liabilities      | (68,034)                   | (333,173)                           | (306,388)                               | (707,595)         |
| Pension scheme liability | -                          | (1,819,000)                         | -                                       | (1,819,000)       |
| <b>Total net assets</b>  | <u>339,252</u>             | <u>(1,717,135)</u>                  | <u>17,137,436</u>                       | <u>15,759,553</u> |

**15 Capital commitments**

|  | 2016<br>£      | 2015<br>£ |
|--|----------------|-----------|
| Contracted for, but not provided in the financial statements | <u>204,550</u> | -         |

**16 Commitments under operating leases**

**Operating leases**

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

|  | 2016<br>£     | 2015<br>£     |
|--|---------------|---------------|
| Amounts due within one year            | 23,882        | 24,738        |
| Amounts due between one and five years | 21,306        | 15,967        |
| Amounts due after five years           | 25,392        | 16,781        |
|  | <u>70,580</u> | <u>57,486</u> |

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

|  | 2016<br>£      | 2015<br>£        |
|--|----------------|------------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 543,881        | (49,029)         |
| Adjusted for:  |                |                  |
| Depreciation [note 12]   | 208,752        | 218,781          |
| Capital grants from DfE and other capital income [note 4]  | (696,565)      | (318,597)        |
| Interest receivable [note 6]   | (826)          | (1,530)          |
| Defined benefit pension scheme cost less contributions payable [note 23]                         | 39,000         | 50,000           |
| Defined benefit pension scheme finance cost [note 23]  | 50,000         | 46,000           |
| (Increase)/decrease in debtors   | (240,532)      | (46,180)         |
| Increase/(decrease) in creditors   | 323,496        | (294,528)        |
| <b>Net cash provided by / (used in) Operating Activities</b>                                     | <b>227,206</b> | <b>(395,083)</b> |

**18 Cash flows from investing activities**

|  | 2016<br>£    | 2015<br>£      |
|--|--------------|----------------|
| Dividends, interest and rents from investments               | 826          | 1,530          |
| Purchase of tangible fixed assets                            | (693,708)    | (595,040)      |
| Capital funding received from sponsors and others            | 696,565      | 318,597        |
| <b>Net cash provided by / (used in) investing activities</b> | <b>3,683</b> | <b>274,913</b> |

**19 Analysis of cash and cash equivalents**

|  | At 31<br>August<br>2016<br>£ | At 31<br>August<br>2015<br>£ |
|--|------------------------------|------------------------------|
| Cash in hand and at bank               | 689,297                      | 458,408                      |
| <b>Total cash and cash equivalents</b> | <b>689,297</b>               | <b>458,408</b>               |



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**20 Members liability**

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

**21 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 Gloucestershire County Council Both are multi-employer defined benefit schemes

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £83,340 (2015: £71,460) were payable to the schemes at 31 August 2016 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' 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%))

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**21 Pension and similar obligations (continued)**

- 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 previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be 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 TPS in the year amounted to £770,209 which included employers contributions of £432,111 and employee contributions of £338,098.

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 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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £246,205 (2015: £201,000), of which employer's contributions totalled £194,246 (2015: £159,000) and employees' contributions totalled £51,959 (2015: £42,000). The agreed contribution rates for future years are 23.5 per cent for employers and 5.5 to 12.5 per cent 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.

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**21 Pension and similar obligations (continued)**

| <b>Principal actuarial assumptions</b>             | <b>At 31 August 2016</b> | <b>At 31 August 2015</b> |
|--|--------------------------|--------------------------|
| Rate of increase in salaries                       | 2.40%                    | 4.00%                    |
| Rate of increase for pensions in payment/inflation | 2.10%                    | 2.60%                    |
| Discount rate for scheme liabilities               | 2.00%                    | 3.70%                    |

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

|                             | <b>At 31 August 2016</b> | <b>At 31 August 2015</b> |
|-----------------------------|--------------------------|--------------------------|
| <i>Retiring today</i>       |                          |                          |
| Males                       | 22.5                     | 22.5                     |
| Females                     | 24.6                     | 24.6                     |
| <i>Retiring in 20 years</i> |                          |                          |
| Males                       | 24.4                     | 24.4                     |
| Females                     | 27.0                     | 27.0                     |

The academy trust's share of the assets in the scheme were:

|                                     | <b>Fair value at 31<br/>August 2016<br/>£</b> | <b>Fair value at 31<br/>August 2015<br/>£</b> |
|-------------------------------------|---|---|
| Equity instruments                  | 1,034,280                                     | 755,550                                       |
| Debt instruments                    | 319,410                                       | 240,900                                       |
| Property                            | 106,470                                       | 87,600  |
| Cash                                | 60,840  | 10,950  |
| <b>Total market value of assets</b> | <b>1,521,000</b>                              | <b>1,095,000</b>                              |

The actual return on scheme assets was £44,000 (2015: £36,000).

**Amount recognised in the statement of financial activities**

|  | <b>2016<br/>£</b> | <b>2015<br/>£</b> |
|--|-------------------|-------------------|
| Net interest cost                                    | (50,000)          | (46,000)          |
| Current service cost (net of employee contributions) | (239,000)         | (209,000)         |
| <b>Total operating charge</b>                        | <b>(289,000)</b>  | <b>(255,000)</b>  |



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**21 Pension and similar obligations (continued)**

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

|                        | <b>2016</b>      | <b>2015</b>      |
|------------------------|------------------|------------------|
|                        | <b>£</b>         | <b>£</b>         |
| <b>At 1 September</b>  | <b>2,430,000</b> | <b>2,104,000</b> |
| Current service cost   | <b>239,000</b>   | 209,000          |
| Interest cost          | <b>94,000</b>    | 82,000           |
| Employee contributions | <b>47,000</b>    | 42,000           |
| Actuarial (gain)/loss  | <b>569,000</b>   | 18,000           |
| Benefits paid          | <b>(39,000)</b>  | (25,000)         |
| <b>At 31 August</b>    | <b>3,340,000</b> | <b>2,430,000</b> |

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

|   | <b>2016</b>      | <b>2015</b>      |
|---|------------------|------------------|
|   | <b>£</b>         | <b>£</b>         |
| <b>At 1 September</b>   | <b>1,095,000</b> | <b>884,000</b>   |
| Return on plan assets (excluding net interest on the net defined pension liability) | <b>44,000</b>    | 36,000           |
| Actuarial gain/(loss)   | <b>174,000</b>   | (1,000)          |
| Employer contributions  | <b>200,000</b>   | 159,000          |
| Employee contributions  | <b>47,000</b>    | 42,000           |
| Benefits paid   | <b>(39,000)</b>  | (25,000)         |
| <b>At 31 August</b>   | <b>1,521,000</b> | <b>1,095,000</b> |

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**22 Related party transactions**

Owing to the nature of the academy'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 a governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

J Sanderson and K McQuail, who are Governors of the Academy, are also Directors of CCT Learning (trading as Abbey View Free School), an Alternative Provision Free School. During the year, the Academy commissioned 8 full time places at Abbey View Free School at a cost of £38,400 (2015: £48,000). The Academy also provides HR and finance support to Abbey View Free School costing £12,000 (2015: £10,000).

During the year, the Academy received £nil (2015: £61,381) of funding towards the construction of an all-weather sports pitch from the Chipping Campden School Charity, a separate registered charity in which N Makin, a Governor, and B Chatfield, a Member, are Trustees.

The Charity also provides funding to the Academy for other activities such as pupil awards, prize giving and other charitable causes, and the total funding providing during the year ended 31 August 2016 was £5,215 (2015: £6,267)

