

Company Registration Number: 07680770 (England and Wales)



Chipping Campden School
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2017

Chipping Campden School

Contents

	Page
Reference and Administrative Details	2
Governors' Report	3 – 15
Governance Statement	16 – 18
Statement on Regularity, Propriety and Compliance	19
Statement of Governors' Responsibilities	20
Independent Auditor's Report on the Financial Statements	21 – 23
Independent Reporting Accountant's Report on Regularity	24 – 25
Consolidated Statement of Financial Activities	26
Consolidated Balance Sheet	27
Consolidated Statement of Cash Flows	28
Notes to the Financial Statements, incorporating:	
- Statement of Accounting Policies	29 – 33
- Other Notes to the Financial Statements	34 – 47

Chipping Campden School

Reference and Administrative Details

Members	J Annett (appointed 18 May 2017) P Butson (resigned 4 October 2016) B Chatfield A Jones M Pearson (resigned 13 April 2017) A Sunderland
Governors	J Annett, Deputy Chair of Governors J Birch P Butson (resigned 4 October 2016) S Chandler (appointed 1 December 2016) Rev'd Canon D Delap A Jones, Chair of Resources Committee K McQuail M Pearson (resigned 13 April 2017) J Sanderson, Principal V Scutt, Chair of Education Committee S Steele (appointed 23 February 2017) A Sunderland, Chair of Governors C Walker
Company Secretary	S Donnachie
Key Management Personnel	J Sanderson, Principal I Tustian, Vice Principal J King, Assistant Principal D Salles, Assistant Principal D Rushworth, Assistant Principal N Troth, Assistant Principal D Hilditch, Assistant Principal S Donnachie, Director of Business and Finance
Company Name	Chipping Campden School
Company Registered Number	07680770 (England and Wales)
Principal Address	Cidermill Lane Chipping Campden Gloucestershire GL55 6HU
Independent Auditors	PKF Cooper Parry Group LLP Sky View East Midlands Airport Castle Donnington Derby DE74 2SA
Bankers	Lloyds Bank Plc 22 Bridge Street Stratford Upon Avon Warwickshire CV37 6AG
Solicitors	Anthony Collins 134 Edmund Street Birmingham B3 2ES

Chipping Campden School

Governors' Report For The Year Ended 31 August 2017

The Governors present their annual report together with the audited financial statements of the charitable company for the period from 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a Governors' report and a Directors' report, including a Strategic 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 1,301 students currently enrolled based on the autumn 2017 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 served during the year ended 31 August 2017 and to the date of this report are listed on page 2.

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.

Method of Recruitment and Appointment of Governors

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.

When appointing new Governors, the Board of Governors consider the skills and experience mix of existing Governors in order to ensure the Board of Governors has the necessary skills to contribute fully to the Academy's ongoing development.

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.

A bespoke governance development program is operated throughout the year that allows Governors to meet informally as a team for training, to keep the Governors updated on relevant developments impacting on their roles and responsibilities, and to contribute to the strategic leadership and direction of the Academy.

Chipping Campden School

Governors' Report (continued) For The Year Ended 31 August 2017

New and existing 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 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 remit of the Education 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. The remit of the Resources Committee is to ensure the Academy has sufficient resources and that these resources are deployed efficiently and effectively. The Principal and Vice Principals attend these sub-committee meetings, and reports from these sub-committee meetings are received and discussed at full Governing Body meetings.

The Governing Body has also established an additional Risk Committee. 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 five levels: Members, Governors, the Senior Leadership Team, Extended 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 Leadership 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 in line with the Academy's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff.

Related Parties and Other Connected Charities and Organisations

During the year ended 31 August 2017, the Governors decided to bring the provision of school catering in-house. In order to facilitate this change, the Academy established a wholly owned subsidiary company, Chipping Campden School Enterprises Ltd (CCSEL). The objective of the subsidiary company is to provide cost effective educational related support services to the Academy. The subsidiary company was incorporated on 8 March 2017, and commenced trading on 1 April 2017. The subsidiary company had a shortened first accounting reference period of five months ended 31 August 2017. The financial results of the subsidiary company are included in the consolidated financial statements.

At the year end, the following Governors of the Academy were also Directors of CCSEL; A Sunderland, A Jones and J Sanderson.

**Governors' Report (continued)
For The Year Ended 31 August 2017**

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 the 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 expired on 31 August 2017 but which has been renegotiated for a further two years to 31 August 2019.

The Chipping Campden School Charity, a separate registered charity in which B Chatfield and A Jones are Trustees, makes contributions to support particular projects, facilities and awards benefitting pupils of 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.

OBJECTS AND ACTIVITIES

Objects and Aims

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 diverse and 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.
- 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.

**Governors' Report (continued)
For The Year Ended 31 August 2017**

Objectives, Strategies and Activities

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 2017 were as follows:

Priority 1 – Sixth Form: To raise standards in Key stage 5

Objectives

- Reduce variation in outcomes within the key stage.
- Deliver a curriculum which matches the needs of learners and prepares them for Post 18 destinations.
- Develop all Post 16 subject leaders to ensure that the rigorous analysis of results informs planning, ongoing monitoring and interventions.
- Exceed interim minimum Post 16 standards, secure outstanding progress.
- Prepare all students for life in modern Britain.

Priority 2 – Curriculum and Assessment (KS3 & KS4): To ensure all teachers and students have a clear understanding of the knowledge and skills required to make good progress and that these are accurately assessed at agreed points throughout the learning journey.

Objectives

- Ensure transition from KS2 contributes to students being KS3 (secondary) ready.
- Ensure the learning and assessment at KS3 enables students to be GCSE ready.
- Ensure the learning and assessment at KS3 enables students to be post-16 ready.

Priority 3 – Culture for Learning: To further increase the aspiration of all students, ensuring everyone works collaboratively to achieve the very best outcomes.

Objectives

- Increase the visibility of student achievement around the school to mirror best current practice.
- Ensure the learning environment is conducive to deep learning for students of all abilities through the use of consistent expectations and routines.
- Foster a culture of resilience amongst our students.

Priority 4 – Teaching and Learning: All Departments, supported through the CPD programme, ensure that all teaching is good or better in the department, so that students make very good progress in each subject.

Objectives

- To support teachers so that they take ownership of their CPD, take risks and are enabled to enjoy teaching.
- To develop and change teachers in the classroom so that students make very good progress.
- To share good practice so that all teachers improve.
- To give all students resources that will allow them to excel if they choose to, regardless of the teacher or the class.

**Governors' Report (continued)
For The Year Ended 31 August 2017**

Priority 5 – Literacy: Students have the confidence and skills to assess and communicate their learning effectively and consistently.

Objectives

- To sustain and develop literacy skills taught at KS2.
- To ensure students with weak literacy skills are able to fully access the curriculum.
- To develop a greater degree of clarity and consistency in developing and applying literacy skills across the curriculum.
- To ensure that students are clear what they need to do to improve their literacy skills and are required to do this.
- To promote a positive culture of reading.

Priority 6 – Tutoring: To develop the quality and consistency of tutor time and the role of the tutor

Objectives

- Achieve clarity in the role of the tutor and tutor time so that academic progress, pastoral care and behaviour interventions are timely and effective.
- Develop the skills of the tutor team so that a full picture of each child is achieved and worked upon via learning conversations.
- To achieve understanding of academic progress of each child so that a high quality, data informed end of year report for each student can be written.
- To establish 'progress over time interventions' using ATL grades as primary data field – Structured interventions process from Tutor to HoY/Senior Tutor to HoKS.
- To ensure safeguarding training for all staff is up to date and tutor know how to identify and refer safeguarding issues.

Priority 7 – Pupil Premium: Close the performance and attendance gap between those students in receipt of the pupil premium funding and those deemed more social advantaged.

Objectives

- Reduce the gap between the performance of PP & non-PP students both in school and nationally.
- Reduce the attendance gap between PP students & non-PP students, with a specific focus on current FSM students.

The Senior Leadership Team has direct responsibility for ensuring these 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.

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.

**Governors' Report (continued)
For The Year Ended 31 August 2017**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy is in its sixth year of operation since conversion to an Academy Trust. The total number of pupils in the year ended 31 August 2017 was 1,293, but this increased to 1,301 by the October 2017 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 2017 were:

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 and 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. 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 2017 at Key Stage 4, students completed examinations in 33 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 and is embedded at Key Stage 3. It has a clear focus on Key Stage 4 outcomes based on Key Stage 2 assessment data.

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 continues in order to adapt to the changing national agenda. Cross phase work is very well established. One member of staff continues to lead the Ogden Trust's Primary Physics programme which is delivered at the school. Primary school staff continue to 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.

**Governors' Report (continued)
For The Year Ended 31 August 2017**

More recently 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 an extended leadership team was created with the appointment of Faculty Head known as Directors of Learning. As a result, more robust and effective monitoring and evaluation procedures have been established 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 upon 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: Twice 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 and key stage reviews was put in place for 2016/17 which includes further evaluative activities. The first of these was an Arts and Design review and the second was a review of the Sixth Form. Further monitoring activities are carried out by middle leaders as part of the on-going 'oversight' programme.

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 further embedded. Homework reports are produced and Senior and Middle Leaders have access to homework being set.

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: The new marking policy based on 'think pink, go green' which was developed with staff was further developed and embedded. TPGG is based upon 'feedback and response', students are given time to formally respond to staff feedback. Formal work scrutiny has been maintained 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

Governors' Report (continued) For The Year Ended 31 August 2017

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. The new lunchtime detention system is embedded and these are used positively to engage students in work and address any persistent issues that are preventing learning. These have replaced after school detentions. A review of the school rules has led to a simplification under the headings of Committed, Considerate and Safe (CCS).

Attendance: Whole school attendance over the last four years is as follows:

- 2013/14: 95.1%. 2014/15: 94.7%. 2015/16: 96%. **2016/17: 95.5%**

The Academy has an attendance officer who monitors attendance, support families, issues contracts and works with external agencies. Interventions are triggered when attendance falls below 94%. Pastoral manager and pastoral team are rigorous in following up attendance issues.

Outcomes for Learners (2017)

Key Stage 4 – GCSEs (Provisional)

Attainment 8 (Av. Total)		50.10
Progress 8		0.12
Attainment 8 Grades	English	5.49
	Maths	4.72
	Ebacc	4.74
	Open	5.17
English	Top Pass (9-7)	29%
	Strong Pass (9-5)	72%
	Standard Pass (9-4)	85%
Maths	Top Pass (9-7)	20%
	Strong Pass (9-5)	51%
	Standard Pass (9-4)	76%
	Strong Pass in Maths and English	45%
	Standard Pass in Maths and English	73%

**Governors' Report (continued)
For The Year Ended 31 August 2017**

Key Stage 5 - A Level (Provisional)

Summary outcomes for A2 students 2017 are given below:

A* - B	50%
A* - C	80%
A* - E	99%
ALPS Score	4
Provisional LV3A	-0.01

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

Ofsted Inspection Outcomes

The Academy was subject to a Section 5 Ofsted Inspection in March 2017. The outcomes of the inspection are set out in summary below.

Overall effectiveness	Outstanding
Effectiveness of leadership and management	Outstanding
Quality of teaching, learning and assessment	Outstanding
Personal development, behaviour and welfare	Outstanding
Outcomes for pupils	Outstanding
16 to 19 study programmes	Good

Summary of key findings for parents and pupils

This is an outstanding school

- The leadership of the principal is exceptional. He leads the school with far-sighted analytical skill, underpinned by integrity and compassion. These attributes pervade the school.
- Pupils of all abilities make excellent progress in most subjects. Those who have special educational needs and/or disabilities achieve very well from their starting points. The most able attain the highest grades in many subjects. Disadvantaged pupils make progress at least in line with other pupils nationally and, in many cases, significantly better.
- The school improves year on year. This is because the leaders have focused on embedding key improvements to teaching, learning and assessment. As a result, pupils make consistently strong progress.
- Pupils have excellent attitudes to learning. They take their studies very seriously and are keen to succeed. They pay close attention when teachers give them feedback to help them improve their work.
- Pupils' personal development is of a very high quality. They treat each other with good humour and tolerance. Their behaviour around the school is very good. Pupils are respectful and confident when talking with adults.
- High expectations permeate the school. Everyone, from the principal to staff and to pupils, knows what is expected of them. All are encouraged to rise to the challenge. Consequently, they do.
- Senior leaders are skilful and committed. They are completely focused on ensuring that pupils achieve as well as they can. Middle leaders feel empowered to take decisions to improve their departments and, as a result, respond readily with ideas and plans to further improve their work.
- Governors make a substantial contribution to the strength of the school. They are self-critical and perceptive. New governors have been recruited to ensure that the governing body has the necessary skills to hold leaders to account. They now do this to great effect.
- The school is a very cohesive community. Parents, staff and pupils all agree on the school's qualities and are all equally committed to its success.
- The quality of teaching in the sixth form is improving rapidly. In the past, it had suffered from some variation in quality between subjects. Rigorous action by school leaders is leading to rapid improvements

**Governors' Report (continued)
For The Year Ended 31 August 2017**

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.

FINANCIAL REVIEW

Most of the Academy's income is received from the Education and Skills Funding Agency (ESFA) 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 ESFA 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 £68,000 (2016: net income of £145,000). Excluding the impact of a legacy inheritance received during the year of £16,000 (2016: £160,000), the net income for the year was £52,000 (2016: net expenditure of £15,000).

During the year the Academy also expended £659,000 on the acquisition of fixed assets. The significant investment undertaken during the course of the financial year was the completion of the extension to the Science Block and improvements to the electrical infrastructure. The science block extension was funded from Section 106 finance and the electrical infrastructure project was financed by Condition Improvement Funding.

The combined General Restricted Fund and Unrestricted Fund show a combined net funds balance of £500,000 at 31 August 2017. Within this fund balance is a legacy inheritance of £176,000. 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 2017 was £17,548,000 the Local Government Pension Scheme liability as at 31 August 2017 was £1,539,000.

Key Financial Performance Indicators

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

	2016/17	2015/16
Revenue Income		
Total GAG per pupil	£4,743	£4,776
Total income per pupil	£5,209	£5,258
Ratio GAG to total income	91.16%	90.83%
Staff costs		
Total staff costs per pupil	£4,273	£4,198
Ratio staff costs to total income	82.1%	79.80%
Teaching and pupils		
Pupil to teacher ratio	17.16	17.29
Teaching to non-teaching ratio	1.63	1.47

Key Non-Financial Performance Indicators

	2016/17	2015/16
Attendance	95.5%	96.1%
Funded Pupil No's		
- Pre 16	996	979
- Post 16	260	266

**Governors' Report (continued)
For The Year Ended 31 August 2017**

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 2017, excluding the restricted fixed asset fund and pension fund reserve was £500,000. These reserves include the legacy inheritance of £176,000, 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 2017 was £17,548,000 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.

The pension reserve fund has a deficit balance at 31 August 2017 of £1,539,000, which represents the deficit in the LGPS at the balance sheet date. 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. The Governors have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

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.

Principal Risks and Uncertainties

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.

**Governors' Report (continued)
For The Year Ended 31 August 2017**

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

Financial

The Academy has considerable reliance on continued Government funding through the ESFA. In the year, approximately 90% of the Academy's incoming resources 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.

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, training, reward and retention of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

During the year the Academy engaged PKF Cooper Parry, the external auditors, to perform a program of work aimed at checking and reviewing the financial systems and records 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.

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 has a positive motivational impact on teaching and support staff.

**Governors' Report (continued)
For The Year Ended 31 August 2017**

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

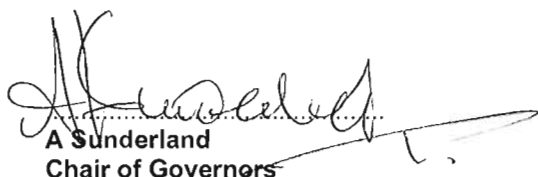
- The availability of section 106 finance of c£1,500,000. Of this funding, £1,100,000 has been used to finance the extension of the Science Block which was completed in October 2016. Legacy funding, ESFA funding (via the Condition Improvement Fund) and residual section 106 funding will be used to finance the expansion 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, including a state of the art Performance Education Space.
- Demographics changes continue to provide the Academy with opportunities, particularly those arising from new housing developments, which 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 Governors Report, incorporating a Strategic Report, was approved by the Board of Governors on 19 December 2017 and signed on their behalf by:


A Sunderland
Chair of Governors

Chipping Campden School

Governance Statement

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 Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 4 times during the year ended 31 August 2017. Attendance during the year at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
J Annett	3	4
J Birch	3	4
S Chandler	4	4
D Delap	3	4
A Jones	4	4
K McQuail	2	4
M Pearson	1	2
J Sanderson, Principal	4	4
V Scutt	2	4
S Steele	3	3
A Sunderland, Chair	4	4
C Walker	3	4

To ensure the continued effectiveness of the Governing Body, the Board of Governors actively seek and appoint persons with appropriate experience and skills. During the year ended 31 August 2017, P Butson and M Pearson resigned as Governors. Following an assessment of the experience and skills of the Board of Governors during the year ended 31 August 2017, S Chandler and S Steele were appointed as Governors.

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. Attendance during the year at meetings of the Committee was as follows:

Governor	Meetings attended	Out of a possible
J Annett	1	1
J Birch	4	5
A Jones	5	5
M Pearson	2	3
J Sanderson	5	5
S Steele	2	2
A Sunderland	4	5

The key issue dealt with by the Resources Committee during the year was the review of the Academy 3 year financial forecasts, particularly in light of the new National Funding Formula, and the actions required to address the impact of changes in funding and increased expenditure over this period.

Chipping Campden School

Governance Statement

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.

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 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Governors 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 2016 to 31 August 2017 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 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.

Chipping Campden School

Governance Statement

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Board of Governors has appointed PKF Cooper Parry to undertake a review of the Academy's systems of internal controls.

On an annual basis, PKF Cooper Parry report to the Board of Governors, through the Resources Committee, on the operation of the systems of internal control and on the discharge of the Board of Governors' financial responsibilities.

PKF Cooper Parry completed a review of income and payroll procedures during the year and identified some minor control recommendations which management have implemented.

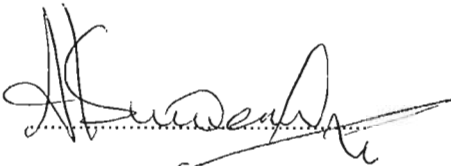
Review of Effectiveness

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:

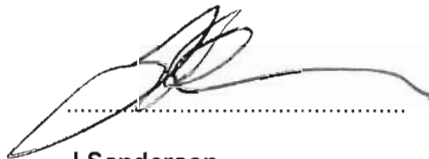
- the work of the external auditors;
- the ongoing financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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 19 December 2017 and signed on its behalf, by:



A Sunderland
Chair of Governors



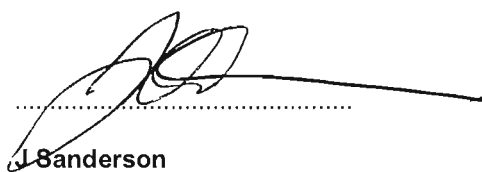
J Sanderson
Accounting Officer

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Chipping Campden School I have considered my responsibility to notify the Academy Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 2016.

I confirm that I and the Academy Board of Governors are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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



.....

J Sanderson
Accounting Officer

19 December 2017

**Statement of Governors' Responsibilities
For The Year Ended 31 August 2017**

The Governors (who act as Trustees of Chipping Campden School and are also Directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report (including the Strategic Report) and the financial statements in accordance 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 the Governors 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 the incoming resources and application of resources, including its income and expenditure. In preparing these financial statements, the Governors are required to:

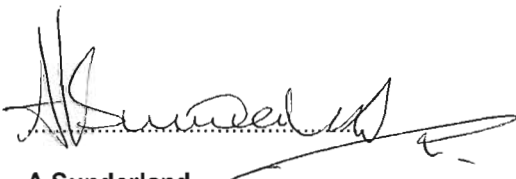
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education and Skills Funding Agency and Department for Education 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 19 December 2017 signed on its behalf by:



**A Sunderland
Chair of Governors**

Independent Auditors' Report on the Financial Statements to the Members of Chipping Campden School

Opinion

We have audited the financial statements of Chipping Campden School Limited (the 'parent Academy') and its subsidiaries (the 'group') for the year ended 31 August 2017 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills 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 as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent Academy's affairs as at 31 August 2017, and of the group's 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 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

Independent Auditors' Report on the Financial Statements to the Members of Chipping Campden School

Other Information

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

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

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the Companies Act 2006

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

- the information given in the Governors' report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on Which We are Required to Report by Exception

In the light of our knowledge and understanding of the group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of Governors

As explained more fully in the trustees' responsibilities statement set out on page 20, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report on the Financial Statements to the Members of Chipping Campden School

In preparing the financial statements, the Governors are responsible for assessing the group's and the parent Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Handwritten signature in black ink that reads "PKF Cooper Parry Group Limited". The signature is written in a cursive style and is underlined.

Simon Atkins FCA (Senior Statutory Auditor)

For and on behalf of

PKF Cooper Parry Group Limited
Chartered Accountants and Statutory Auditors
Sky View
East Midlands Airport
Castle Donnington
Derby
DE74 2SA

Date: 20/12/17

Independent Reporting Accountant's Assurance Report on Regularity to Chipping Campden School Limited and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, 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 2016 to 31 August 2017 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 ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Chipping Campden School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Chipping Campden School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective Responsibilities of Chipping Campden School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Chipping Campden School's 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 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- review of Governing Body meetings for evidence of non-compliance;
- reviewing of program of additional checks of internal controls 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 the restricted funds are used for the purposes intended;
- ensuring that proper accounting records have been maintained; and
- review of the financial procedures policies to ensure that all procedures are being adhered to.

Chipping Campden School

Independent Reporting Accountant's Assurance Report on Regularity to Chipping Campden School Limited and the Education and Skills Funding Agency

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has 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

Reporting Accountant

PKF Cooper Parry Group Limited

Chartered Accountants and Statutory Auditors
Sky View
East Midlands Airport
Castle Donnington
Derby
DE74 2SA

Date: 20/12/17

Consolidated Statement of Financial Activities for the Year Ended 31 August 2017
(Incorporating a Consolidated Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds 2017 £'000	Total Funds 2016 £'000
Income from						
Donations and capital grants	2	16	8	657	681	881
<i>Charitable activities:</i>						
Educational operations	3	277	5,958	-	6,235	6,229
Other trading activities	4	209	67	-	276	131
Investments	5	1	-	-	1	1
Total income		503	6,033	657	7,193	7,242
Expenditure on						
Raising funds	6	159	-	-	159	84
<i>Charitable activities:</i>						
Educational operations	6, 7	298	6,155	255	6,708	6,614
Total expenditure		457	6,155	255	6,867	6,698
Net income / (expenditure) before transfers		46	(122)	402	326	544
Transfers between funds	16	-	(9)	9	-	-
Net income / (expenditure) for the year		46	(131)	411	326	544
Other recognised gains and losses						
Actuarial gains / (losses) on defined benefit pension schemes	24	-	424	-	424	(395)
Net movement in funds in the year		46	293	411	750	149
Reconciliation of funds						
Funds at 1 September 2016	16	339	(1,717)	17,137	15,759	15,610
Funds at 31 August 2017	16	385	(1,424)	17,548	16,509	15,759

All of the Trust's activities derive from continuing operations during the above two financial years.

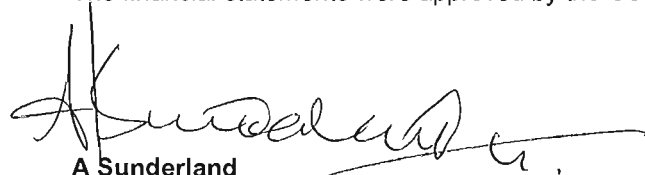
The Statement Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 47 form part of these financial statements.

Consolidated Balance Sheet as at 31 August 2017

	Notes	Consolidated		Academy Trust	
		2017 £'000	2016 £'000	2017 £'000	2016 £'000
Fixed Assets					
Tangible assets	11	<u>17,541</u>	<u>17,137</u>	<u>17,541</u>	<u>17,137</u>
Current Assets					
Stock	13	4	-	-	-
Debtors	14	214	460	213	460
Cash at bank and in hand		837	689	836	689
		<u>1,055</u>	<u>1,149</u>	<u>1,049</u>	<u>1,149</u>
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(548)</u>	<u>(708)</u>	<u>(538)</u>	<u>(708)</u>
Net Current Assets		<u>507</u>	<u>441</u>	<u>511</u>	<u>441</u>
Net Assets excluding pension liability		<u>18,048</u>	<u>17,578</u>	<u>18,052</u>	<u>17,578</u>
Pension scheme liability	24	<u>(1,539)</u>	<u>(1,819)</u>	<u>(1,539)</u>	<u>(1,819)</u>
Net Assets		<u>16,509</u>	<u>15,759</u>	<u>16,513</u>	<u>15,759</u>
Funds of the Trust:					
Restricted Funds					
Fixed asset funds	16	17,548	17,137	17,548	17,137
General funds	16	115	102	115	102
Pension fund reserve	16	<u>(1,539)</u>	<u>(1,819)</u>	<u>(1,539)</u>	<u>(1,819)</u>
Total Restricted Funds		<u>16,124</u>	<u>15,420</u>	<u>16,124</u>	<u>15,420</u>
Unrestricted Funds					
General funds	16	189	179	193	179
Designated funds	16	<u>196</u>	<u>160</u>	<u>196</u>	<u>160</u>
Total Unrestricted Funds		<u>385</u>	<u>339</u>	<u>389</u>	<u>369</u>
Total Funds		<u>16,509</u>	<u>15,759</u>	<u>16,513</u>	<u>15,759</u>

The financial statements were approved by the Governors and signed on 19 December 2017 on their behalf by:



A Sunderland
Chair of Governors

The notes on pages 29 to 47 form part of these financial statements.

Consolidated Statement of Cash Flows for the Year Ended 31 August 2017

	Notes	2017 £'000	2016 £'000
Cash flows from operation activities			
Net cash provided by operating activities	20	149	227
Cash flows from investing activities			
Interest		1	1
Purchases of tangible fixed assets		(659)	(694)
Capital grants and funding		657	697
Net cash provided by / (used in) investing activities		(1)	4
Change in cash and cash equivalents in the year	21	148	231
Cash and cash equivalents at the beginning of the year		689	458
Cash and cash equivalents at the end of the year	21	837	689

The notes on pages 29 to 47 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 August 2017

1 Accounting Policies

General information and basis of preparation

Chipping Campden School is a company limited by guarantee incorporated in England. The address of the registered office and principal place of business are given in the Reference and Administrative Details given on page 2 of these financial statements. The nature of the Academy's operations and principal activities are set out in the Governors' Report on page 3 to 15.

The financial statements of the Academy, 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

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 Academy to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy'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 has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- *Grants receivable*

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

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

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

- *Sponsorship income*

Sponsorship income provided to the Academy 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.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting Policies (continued)

- *Donations*

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

- *Other income*

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided 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'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 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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 restrictions 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.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting Policies (continued)

Tangible fixed assets (continued)

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 on a straight-line/reducing balance basis over its expected useful lives, as follows:

Freehold buildings	- Not depreciated
Long leasehold buildings	- 0.8% to 10% straight line
Fixtures, fittings and equipment	- 20% to 33% straight line
Computer hardware	- 33% straight line

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.

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 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 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.

Investments

The Academy's shareholding in the wholly owned subsidiary is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial instruments

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

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting Policies (continued)

Financial instruments (continued)

Financial assets: trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities: trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stocks

Catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Academy 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 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 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 24, 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.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 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.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

1 Accounting Policies (continued)

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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 Education and Skills Funding Agency.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

There are no key judgements that the Academy has made which have a significant effect on the financial statements.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

2 Donations and capital grants

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000
Donations and legacies	16	8	24
Capital grants	-	657	657
	<u>16</u>	<u>665</u>	<u>681</u>
<i>Total donations and capital grants - 2016</i>	<u>160</u>	<u>721</u>	<u>881</u>

3 Income from Charitable Activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000
Educational Operations			
DfE / ESFA Grants			
General Annual Grant	-	5,737	5,737
Other grants	-	139	139
	<u>-</u>	<u>5,876</u>	<u>5,876</u>
Other Government Grants			
Local Authority grants	-	82	82
	<u>-</u>	<u>82</u>	<u>82</u>
Other Income			
Educational visits	49	-	49
Music tuition	39	-	39
Extra-curricular activities	189	-	189
	<u>277</u>	<u>-</u>	<u>277</u>
	<u>277</u>	<u>5,958</u>	<u>6,235</u>
	<i>2016</i>	<i>2016</i>	<i>2016</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>

Educational Operations

<i>DfE / ESFA Grants</i>			
<i>General Annual Grant</i>	<i>-</i>	<i>5,752</i>	<i>5,752</i>
<i>Other grants</i>	<i>-</i>	<i>148</i>	<i>148</i>
	<u><i>-</i></u>	<u><i>5,900</i></u>	<u><i>5,900</i></u>

Other Government Grants

<i>Local Authority grants</i>	<i>-</i>	<i>47</i>	<i>47</i>
	<u><i>-</i></u>	<u><i>47</i></u>	<u><i>47</i></u>

Other Income

<i>Educational visits</i>	<i>34</i>	<i>-</i>	<i>34</i>
<i>Music tuition</i>	<i>63</i>	<i>-</i>	<i>63</i>
<i>Extra-curricular activities</i>	<i>185</i>	<i>-</i>	<i>185</i>
	<u><i>282</i></u>	<u><i>-</i></u>	<u><i>281</i></u>
	<u><i>282</i></u>	<u><i>5,947</i></u>	<u><i>6,229</i></u>

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

4 Other Trading Activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000
Catering	67	-	67
Departmental income	18	-	18
Hire of facilities	18	-	18
Dual use income	59	-	59
Other income	47	67	114
	<u>209</u>	<u>67</u>	<u>276</u>
<i>Total other trading activities - 2016</i>	<u>111</u>	<u>20</u>	<u>131</u>

5 Investment Income

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000
Bank interest	1	-	1
	<u>1</u>	<u>-</u>	<u>1</u>
<i>Total investment income - 2016</i>	<u>1</u>	<u>-</u>	<u>1</u>

6 Expenditure

	Staff Costs 2017 £'000	Premises Costs 2017 £'000	Other Costs 2017 £'000	Total 2017 £'000	Total 2016 £'000
Raising funds	42	-	117	159	84
Educational operations					
- Direct costs	4,686	-	542	5,228	5,237
- Support costs	639	243	598	1,480	1,377
	<u>5,367</u>	<u>243</u>	<u>1,257</u>	<u>6,867</u>	<u>6,698</u>
<i>Total expenditure - 2016</i>	<u>5,226</u>	<u>341</u>	<u>1,131</u>	<u>6,698</u>	

Of the total expenditure for the year of £6,867,000, £6,410,000 (2016: £6,271,000) was to restricted funds and £457,000 (2016: £427,000) was to unrestricted funds.

Net income / (expenditure) for the year includes

	2017 £'000	2016 £'000
Operating lease rentals	35	27
Depreciation	255	209
Fees payable to the auditor for:		
- audit services	8	7
- other non-audit services	3	1
	<u>3</u>	<u>1</u>

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

7 Expenditure on Charitable Activities

	2017 £'000	2016 £'000
Educational Operations		
Direct costs	5,228	5,237
Support costs	<u>1,480</u>	<u>1,377</u>
	<u>6,708</u>	<u>6,614</u>

Analysis of Direct costs

	2017 £'000	2016 £'000
Teaching and educational support staff costs	4,686	4,633
Other direct costs	<u>542</u>	<u>604</u>
Total support costs	<u>5,228</u>	<u>5,237</u>

Analysis of Support costs

	2017 £'000	2016 £'000
Support staff costs	639	569
Depreciation	255	209
Technology costs	107	109
Premises costs	243	276
Other support costs	215	196
Governance costs	<u>21</u>	<u>18</u>
Total support costs	<u>1,480</u>	<u>1,377</u>

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the Academy's activities. These costs will include any employee benefits for Governorship, 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.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

8 Analysis of Staff Costs

Staff Costs	2017 £'000	2016 £'000
Staff costs during the year were:		
Wages and salaries	4,206	4,143
Social security costs	389	329
Pension costs (note 24)	730	714
Apprenticeship levy	2	-
	<u>5,327</u>	<u>5,186</u>
Supply staff costs	40	24
Staff restructuring costs	-	16
	<u>5,367</u>	<u>5,226</u>

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £NIL (2016: £16,000).

Staff Numbers

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

	2017 Number	2016 Number
Teachers	72	73
Education support, administration and support	86	81
Management	8	8
	<u>166</u>	<u>162</u>

Higher Paid Staff

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

	2017 No.	2016 No.
£60,001 - £70,000	2	1
£90,001 - £100,000	1	1

Key Management Personnel

The key management personnel of the Academy comprise the Senior Leadership Team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy during the year was £627,000 (2016: £623,000).

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

9 Related Party Transactions – Governors' Remuneration and Expenses

One or more Governors have been paid remuneration or have received other benefits from an employment with the Academy. 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.

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

		2017 £'000	2016 £'000
J Sanderson (Principal)	Remuneration	£90 - £95	£90 - £95
	Pension contributions	£15 - £20	£10 - £15
C Walker (Staff Governor)	Remuneration	£45 - £50	£45 - £50
	Pension contributions	£5 - £10	£5 - £10

During the year, no expenses were reimbursed to Governors (2016: £30 reimbursed to 1 Governor).

Other related party transactions involving the Governors are set out in note 25.

10 Governors' and Officers' Insurance

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. The scheme protects Members and Governors from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The scheme 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.

11 Tangible Fixed Assets

	Freehold Land & Buildings £'000	Leasehold Land & Buildings £'000	Assets Under Construction £'000	Furniture and Equipment £'000	Computer Equipment £'000	Total £'000
Consolidated and Academy						
Cost						
At 1 September 2016	4,823	12,555	381	74	230	18,063
Transfers	-	381	(381)			-
Additions	-	624	-	15	20	659
At 31 August 2017	4,823	13,560	-	89	250	18,722
Depreciation						
At 1 September 2016	-	710	-	63	153	926
Charge for the year	-	198	-	20	37	255
At 31 August 2017	-	908	-	83	190	1,181
Net book value						
At 31 August 2016	4,823	11,845	381	11	77	17,137
At 31 August 2017	4,823	12,652	-	6	60	17,541

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

12 Fixed Asset Investments

	2017 £'000	2016 £'000
Investment in subsidiary undertakings	-	-

The Academy owns 100% of the issued share capital of Chipping Campden School Enterprises Limited. The company is registered in England and Wales. The Company's Registration number is 10659430 and the registered office is Cidermill Lane, Chipping Campden, GL55 6HU.

The company was incorporated on 8 March 2017 and commenced trading from 1 April 2017. It's principal activity is the provision of catering, cleaning and student counselling services to the Academy Trust and its pupils.

The company's activities for the period ended 31 August 2017 have been consolidated on a line-by-line basis. The turnover for the period was £76,000 and the retained result for the period was a loss of £4,000. The net liabilities at 31 August 2017 were £4,000.

13 Stock

	Consolidated		Academy Trust	
	2017 £'000	2016 £'000	2017 £,000	2016 £,000
Shop stock	4	-	-	-

14 Debtors

	Consolidated		Academy Trust	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Trade debtors	16	269	16	269
VAT recoverable	21	86	21	86
Amounts owed by subsidiary company	-	-	-	-
Other debtors	1	4	-	4
Prepayments and accrued income	176	101	176	101
	<u>214</u>	<u>460</u>	<u>213</u>	<u>460</u>

15 Creditors: Amounts Falling Due Within One Year

	Consolidated		Academy Trust	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Trade creditors	100	391	100	391
Taxation and social security	186	180	185	180
Other creditors	9	-	-	-
Accruals and deferred income	253	137	253	137
	<u>548</u>	<u>708</u>	<u>538</u>	<u>708</u>

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

15 Creditors: Amounts Falling Due Within One Year (continued)

Deferred income

	2017 £'000	2016 £'000
Deferred income at 1 September 2016	80	123
Released from previous years	(80)	(123)
Resources deferred during the year	<u>101</u>	<u>80</u>
Deferred income at 31 August 2017	<u>101</u>	<u>80</u>

Deferred income at 31 August 2017 relates to trip income, 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 of 31 August 2017 prior to the next financial year to ensure the funds are available from 1 September 2017.

16 Funds

	At 1 September 2016 £'000	Income £'000	Expenditure £'000	Transfers between Funds £'000	Other gains & losses £'000	At 31 August 2017 £'000
Consolidated						
Restricted Funds						
General Annual Grant	61	5,737	(5,687)	(9)	-	102
Other DfE/ESFA grants	41	139	(167)	-	-	13
Other grants and income	-	157	(157)	-	-	-
Pension fund	(1,819)	-	(144)	-	424	(1,539)
	<u>(1,717)</u>	<u>6,033</u>	<u>(6,155)</u>	<u>(9)</u>	<u>424</u>	<u>(1,424)</u>
Restricted Fixed Asset Funds						
Transfer on Academy conversion	15,037	-	(127)	-	-	14,910
Capital grants	1,771	657	(75)	-	-	2,353
Funded from GAG and unrestricted funds	329	-	(53)	9	-	285
	<u>17,137</u>	<u>657</u>	<u>(255)</u>	<u>9</u>	<u>-</u>	<u>17,548</u>
Total Restricted Funds	<u>15,420</u>	<u>6,690</u>	<u>(6,410)</u>	<u>-</u>	<u>424</u>	<u>16,124</u>
Unrestricted Funds						
General funds	179	487	(457)	(20)	-	189
Designated funds:						
Post 16 fund	160	16	-	-	-	176
AGP sinking fund	-	-	-	20	-	20
Designated funds	<u>160</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>196</u>
Total Unrestricted Funds	<u>339</u>	<u>503</u>	<u>(457)</u>	<u>-</u>	<u>-</u>	<u>385</u>
Total Funds	<u>15,759</u>	<u>7,193</u>	<u>(6,867)</u>	<u>-</u>	<u>424</u>	<u>16,509</u>

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

16 Funds (continued)

<i>Prior Year</i>	<i>At 1 September 2015</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers between Funds</i>	<i>Other gains & losses</i>	<i>At 31 August 2016</i>
<i>Consolidated</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Restricted Funds</i>						
<i>General Annual Grant</i>	31	5,752	(5,720)	(2)	-	61
<i>Other DfE/ESFA grants</i>	48	193	(200)	-	-	41
<i>Other grants and income</i>	4	47	(53)	2	-	-
<i>Pension fund</i>	(1,335)	-	(89)	-	(395)	(1,819)
	<u>(1,252)</u>	<u>5,992</u>	<u>(6,062)</u>	<u>-</u>	<u>(395)</u>	<u>(1,717)</u>
<i>Restricted Fixed Asset Funds</i>						
<i>Transfer on Academy conversion</i>	15,164	-	(127)	-	-	15,037
<i>Capital grants Funded from GAG and unrestricted funds</i>	1,097	696	(19)	(3)	-	1,771
	391	-	(62)	-	-	329
	<u>16,652</u>	<u>696</u>	<u>(208)</u>	<u>(3)</u>	<u>-</u>	<u>17,137</u>
<i>Total Restricted Funds</i>	<u>15,400</u>	<u>6,688</u>	<u>(6,270)</u>	<u>(3)</u>	<u>(395)</u>	<u>15,420</u>
<i>Unrestricted Funds</i>						
<i>General funds</i>	210	394	(428)	3	-	179
<i>Designated funds:</i>						
<i>Post 16 fund</i>	-	160	-	-	-	160
<i>AGP sinking fund</i>	-	-	-	-	-	-
<i>Designated funds</i>	<u>-</u>	<u>160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>160</u>
<i>Total Unrestricted Funds</i>	<u>210</u>	<u>554</u>	<u>(428)</u>	<u>3</u>	<u>-</u>	<u>339</u>
<i>Total Funds</i>	<u>15,610</u>	<u>7,242</u>	<u>(6,698)</u>	<u>-</u>	<u>(395)</u>	<u>15,759</u>

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

Restricted General Funds

The General Annual Grant (GAG) fund 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 funds that it could carry forward at 31 August 2017.

Other DfE/ESFA grants and other restricted income are utilised for the purposes for which the grants and income were provided to the Academy.

The pension fund reserve represents the deficit in the Local Government Pension Scheme.

Restricted Fixed Asset Funds

The restricted fixed asset fund represents the fixed assets inherited by the Academy on conversion together with fixed assets funded from capital grants and fixed assets funded from GAG or other unrestricted funds, net of the depreciation charge on these assets.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

16 Funds (continued)

Unrestricted Designated Funds

The post 16 fund represents the funds previously received as a legacy, the use of which has been designated by the Governors to use in the promotion of the educational experience of post 16 students.

The AGP sinking fund represents the funds that have been set aside by the Governors to fund the eventual replacement of the Academy's artificial grass pitch carpet, which is expected to be replaced within the next 8 years.

17 Analysis of Net Assets Between Funds

The fund balances at 31 August 2017 are represented by:

Consolidated	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	17,541	17,541
Current assets	497	457	101	1,055
Current liabilities	(112)	(342)	(94)	(548)
Pension scheme liability	-	(1,539)	-	(1,539)
Total net assets	385	(1,424)	17,548	16,509

Academy	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	17,541	17,541
Current assets	491	457	101	1,049
Current liabilities	(102)	(342)	(94)	(538)
Pension scheme liability	-	(1,539)	-	(1,539)
Total net assets	389	(1,424)	17,548	16,513

The fund balances at 31 August 2016 were represented by:

Consolidated and Academy	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	17,137	17,137
Current assets	407	435	307	1,149
Current liabilities	(68)	(333)	(307)	(708)
Pension scheme liability	-	(1,819)	-	(1,819)
Total net assets	339	(1,717)	17,137	15,759

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

18 Capital Commitments

	2017 £'000	2016 £'000
Contracted for but not provided for in the financial statements	<u>17</u>	<u>205</u>

19 Commitments under Operating Leases

At 31 August 2017 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2017 £'000	2016 £'000
Due within one year	-	24
Due between one and five years	115	21
Due after more than five years	<u>-</u>	<u>25</u>
	<u>115</u>	<u>70</u>

20 Reconciliation of Net Income / (Expenditure) to Net Cash Flows from Operating Activities

	2017 £'000	2016 £'000
Net income / (expenditure) for the year	326	544
Adjustments for:		
Depreciation	255	209
Interest receivable	(1)	(1)
Capital grants and capital income	(657)	(697)
Defined benefit pension scheme cost less contributions payable	107	39
Defined benefit pension scheme net finance costs	37	50
(Increase) in stocks	(4)	-
(Increase) / decrease in debtors	246	(240)
Increase / (decrease) in creditors	<u>(160)</u>	<u>323</u>
Net Cash Provided by Operating Activities	<u>149</u>	<u>227</u>

21 Analysis of Cash and Cash Equivalents

	At 1 September 2016 £'000	Cash Flows £'000	At 31 August 2017 £'000
Cash in hand and at bank	<u>689</u>	<u>148</u>	<u>837</u>

22 Guarantees, Letters of Comfort and Indemnities

The Academy has entered into a guarantee with its wholly owned subsidiary company, Chipping Campden School Enterprises Limited, in order to take advantage of the exemption from audit of the subsidiary company available under s.479C of the Companies Act 2006. Under the guarantee, the Academy guarantees the outstanding liabilities of the subsidiary company at 31 August 2017 until such time as they are satisfied in full. The balance of the outstanding liabilities of the subsidiary company at 31 August 2017 was £10,500.

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

23 Members Liability

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

24 Pension and similar obligations

The Academy'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 2016.

Contributions amounting to £86,000 (2016: £83,000) were payable to the schemes at 31 August 2017 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

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

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

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

24 Pension and similar obligations (continued)

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 is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019. Academy Trusts should disclose the total pension contributions payable to the Teachers' Pension Scheme during the period.

The employer's pension costs paid to TPS in the year amounted to £499,000 (2016: £432,000).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in a separate trustee-administered fund. The total contributions made for the year ended 31 August 2017 were £265,000 (2016: £247,000), of which employer's contributions totalled £217,000 (2016: £200,000) and employees' contributions totalled £48,000 (2016: £47,000). The agreed contribution rates for future years are on a phased increase basis, starting at 28.1% and increasing to 29.3% for employers and varying rates of 5.5% to 6.8% 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.

Principal Actuarial Assumptions

The principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were:

	2017	2016
Rate of increase in salaries	2.7%	2.4%
Rate of increase for pensions in payment / inflation	2.4%	2.1%
Discount rate for scheme liabilities	2.5%	2.0%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed live expectations on retirement age 65 are:

Retiring today - Males	22.4	22.5
Retiring today - Females	24.6	24.6
Retiring in 20 years - Males	24.0	24.4
Retiring in 20 years - Females	26.4	27.0

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

24 Pension and similar obligations (continued)

The Academy's share of the assets in the scheme was as follows:

	Fair value 2017 £'000	Fair value 2016 £'000
Equities	1,424	1,034
Gilts and Bonds	376	319
Property, LLP's and Diversified Growth Funds	138	107
Cash	40	61
Total market value of assets	<u>1,978</u>	<u>1,521</u>

The actual return on scheme assets for the year ended 31 August 2017 was £33,000 (2016: £44,000).

Sensitivity analysis:

The sensitivities regarding the principal assumptions used to measure the scheme liabilities (i.e. the defined benefit obligations) are as follows:

	2017 £'000	2016 £'000
Discount rate -0.5%	405	400
Salary increase +0.5%	44	124
Pension increase rate + 0.5%	356	266

Amount recognised in the Statement of Financial Activities

	£'000	£'000
Current service cost	(324)	(239)
Interest income	33	44
Interest cost	(70)	(94)
Total operating charge	<u>(361)</u>	<u>(289)</u>

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

At 1 September	3,340	2,430
Current service cost	324	239
Interest cost	70	94
Employee contributions	48	47
Actuarial (gain) / loss	(232)	569
Benefits paid	(33)	(39)
At 31 August	<u>3,517</u>	<u>3,340</u>

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

At 1 September	1,521	1,095
Interest income	33	44
Actuarial gain / (loss)	192	174
Employer contributions	217	200
Employee contributions	48	47
Benefits paid	(33)	(39)
At 31 August	<u>1,978</u>	<u>1,521</u>

Notes to the Financial Statements for the Year Ended 31 August 2017 (continued)

25 Related Party Transactions – Governors' Remuneration and Expenses

Owing to the nature of the Academy 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 the Academy has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations, the Academies Financial Handbook and normal procurement procedures.

The following related party transaction 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 ended 31 August 2017, the Academy commissioned 6 full time places at Abbey View Free School at a cost of £26,700 (2016: 8 places at a cost of £38,400). The Academy also provides HR and finance support to Abbey View Free School costing £12,500 (2016: £12,000).

B Chatfield, a Member of the Academy, and A Jones, a Governor and Member of the Academy, are also Trustees of the Chipping Campden School Charity ("the charity") a separate registered charity. During the year ended 31 August 2017, the charity made contributions to the Academy of £17,990 (2016: £5,215) in support of pupil awards and other school related projects. At the year end an amount of £10,500 (£2016: £Nil) was included in deferred income relating to the contributions made during the year.

A Jones is also Director of Whitley Stimpson Limited. During the year ended 31 August 2017, Whitley Stimpson Limited charged the Academy Trust for accountancy services totalling £750 (2016: £nil). At 31 August 2017, the Academy Trust owed £750 (2016: £nil) to Whitley Stimpson Limited. In entering into this transaction, the Academy Trust has complied with the requirements of the Academies Financial Handbook.