

Company Registration No. 07333133 (England and Wales)

ARTHUR MELLOWS VILLAGE COLLEGE

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2015

COPY FOR SUBMISSION TO THE
REGISTRAR OF COMPANIES

MONDAY



A51AVNE1

A04

22/02/2016

#206

COMPANIES HOUSE

ARTHUR MELLOWS VILLAGE COLLEGE

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Statement of governors' responsibilities	17
Independent auditor's report on the accounts	18 - 19
Independent reporting accountant's report on regularity	20 - 21
Statement of financial activities	22
Balance sheet	23
Cash flow statement	24
Notes to the accounts	25 - 42

ARTHUR MELLOWS VILLAGE COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Mrs S M Clayton (Appointed 6 February 2015)
Mr J S Dadge
Mr G E J Dawkins
Ms T C Downey (Appointed 1 September 2014)
Mr M Dugdale (Appointed 6 February 2015)
Mrs S M Duncliffe
Mrs P Ford
Mr P A Hannah
Councillor J Holdich OBE
Ms S L Humble
Mr N S Jennings
Mr P Jordan
Mr A G Kirkpatrick
Mr D G McLaren
Mr T A Parke
Mrs P E L Reynolds
Mr M A Sandeman
Mr A Welch (Resigned 19 November 2014)
Mr D A Whiles

Members

Mr J S Dadge
Mr G E J Dawkins
Councillor J Holdich OBE
Mr A G Kirkpatrick
Mr D G McLaren
Mrs P Ford
Mrs P E L Reynolds

Senior management team

- Head of College	Mr M A Sandeman
- Deputy Headteacher	Mr J Oakley
- Chief Financial Officer	Mr J Oakley
- Financial Manager	Mrs H Elworthy

Accounting officer

Mr M A Sandeman

Company registration number

07333133 (England and Wales)

Registered office

Helpston Road
Glinton
Peterborough
Cambridgeshire
PE6 7JX

ARTHUR MELLOWS VILLAGE COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	Rawlinsons Chartered Accountants Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP
----------------------------	---

Bankers	Lloyds Bank 65 High Street Stamford Lincolnshire PE9 2AT
----------------	--

Solicitors	Greenwoods Solicitors LLP Monkstone House City Road Peterborough Cambridgeshire PE1 1JE
-------------------	--

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the College's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

The College operates an academy for pupils aged 11 to 19 years serving a catchment area for children living in the catchment area of the following primary schools: Barnack Church of England; Castor Church of England; Duke of Bedford, Thorney; Eye Church of England; John Clare, Helpston; Newborough Church of England; Northborough Primary; Peakirk cum Glinton Church of England; Wittering Primary. Our admission limit for Years 7-11 is 264.

Structure, governance and management

Constitution

Arthur Mellows Village College (the 'College') is a company limited by guarantee with no share capital (company registration number 07333133). The charitable company's Memorandum and Articles of Association are the primary governing documents of the College. Members of the charitable company are nominated by either the Secretary of State for Education and Skills or by unanimous written agreement of the members.

The governors are the trustees of Arthur Mellows Village College and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Method of recruitment and appointment or election of governors

The initial trustees, appointed by the Secretary of State were the Chair of Governors and the Chairs of Governors committees in the governing body of the Foundation school plus the nominee of the Local Authority. Trustees shall become ineligible if they cease to hold a chair and will be replaced by another suitable chair.

Non-executive responsibility for the management and performance of the College is delegated to the governors.

Governors are appointed by the trustees for a period of four years and may offer themselves for re-appointment. A minimum of six governors shall be parents of current students appointed following a ballot of parents. On the formation of the academy all governors were appointed for four years from 1 September 2010. In order to ensure continuity a programme of reappointments was initiated in 2014 for a proportion of the governors.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Policies and procedures adopted for the induction and training of governors

All newly appointed governors meet with the Chair of Governors, Head of College and Clerks to the Governors. This meeting provides a valuable induction using a checklist of documents and procedures in place.

All new governors are also allocated a link governor who they can go to for individual advice and guidance in the early days.

The Vice Chair of Governors has training as part of his responsibilities. He meets with new governors and identifies required training following the Peterborough Local Authority training and development guide.

Ongoing training is identified on a 'need basis' and can be in the format of Local Authority sessions or internal training for a group of governors. Training is a standing item at all governor meetings. No new "Whole Governing Body" training has been required nor carried out since July 2013. Recent Governors have undergone the recommended "National Training for New Governors" one recent Governor has undertaken and passed the on-line Safer Recruitment training, our Safeguarding Chair has attended the Safeguarding Network Group and one Governor has attended the Academy Conference.

Organisational structure

Non-executive Governors

- Chair of Governors
- Governors

Executive

- Head of College
- Senior staff - two Deputy Headteachers (one Deputy Head seconded to School Centred Initial Teachers Training – Teach East for the full financial year)

On forming the company the structure consisted of three levels: trustees, governors and senior managers. The governors maintain accountability, however the aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The governors are responsible for setting policy, adopting an annual plan and budget, monitoring the College by the use of budgets and making major decisions about the direction of the College, capital expenditure and executive appointments.

The senior managers comprise the Head of College, and two Deputy Headteachers. These managers control the College at an executive level implementing the policies laid down by the governors and reporting back to them. As a group the senior managers are responsible for the authorisation of spending within agreed budgets in accordance with the financial controls document and the appointment of staff, through appointment panels. A governor is involved in all professional appointments.

Related parties and other connected charities and organisations

The College worked with Peterborough City Council to gain accreditation as a provider of Initial Teacher Training. The College has acted as the lead school from September 2014 for 30 trainee teachers across Peterborough in this financial year with Chris Clayton being seconded to head the Teach East - School Centred Initial Teacher Training (SCITT). Funding has been received from bursaries, salaried or fee paying routes to provide teaching, mentoring and resources for students to achieve qualifying teacher status.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and activities

Objects and aims

The College's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a College offering a broad and balanced curriculum. The policies adopted in furtherance of these objects are set out in the College's handbook and there has been no change in these during the year.

The main objectives of the College during the year ended 31 August 2015 are summarised below:

- to be the College of choice by promoting and providing access to relevant, broad, balanced, quality learning;
- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all students;
- to improve the effectiveness of the College by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with other educational establishments, industry and commerce; and
- to conduct the College's business in accordance with the highest standards of integrity, probity and openness.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Admission criteria (to 31 August 2015):

Priority will be given to children with a statement of special educational needs which names the College. This will be in addition to any specific arrangements to specialist provision.

1. Children in care.
2. Children of members of staff provided they have been employed for a minimum of 2 years and/or recruited to fill a vacant post for which there is a demonstrable skills shortage.
3. Children living in the catchment area of the following primary schools: Barnack Church of England; Castor Church of England; Duke of Bedford, Thorney; Eye Church of England; John Clare, Helpston; Newborough Church of England; Northborough Primary; Peakirk cum Glinton Church of England; and Wittering Primary.
4. The attendance of a sibling who is on the College roll at the time of admission.
5. Children living nearest the College as measured by the shortest straight line distance, from the centre of the home address to the College using the National Ordnance Survey seed points and the Local Authority's computerised mapping system.

In cases of equal merit, priority will be given to the child living nearest the College as measured by a straight line. Distance is measured using the Local Authority's Geographic Information System (GIS) from the seed point located at the child's home address to the seed point for the College, using a straight line.

Our admission limit for our Year 7 intake is 264.

To qualify for entry to the College sixth form, all students need to meet the following criteria:

1. To have passed at least seven full subjects at grades A* - C in their GCSE examinations (or equivalent) including four at grade B or above. A vocational subject can count as a maximum of two GCSE equivalents.
2. To be recommended by their current school, as suitable for successful sixth form study in four subjects of their choice, from the range offered by the College.
3. To have satisfied the entry requirements specified for each sixth form course.

Applicants from other schools should apply in writing, to the Head of sixth form, who is responsible for sixth form admissions. Applications will be accepted from 1 October. The closing date for applications will be the last day of the autumn term.

Admission appeals:

Parents/carers have the right to express a preference for their child's school. If parents/carers are not allocated a place for their child at the school of their preference they may appeal to an independent body called the Appeals Panel. Advice can be sought at an early stage from the Head of College.

Appellants will be informed of the date of the next appeal hearing, usually upon initial enquiry. An information leaflet which fully explains the procedures involved will be supplied at that stage.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives, strategies and activities

The College's main strategy is encompassed in its mission statement which is to build a learning community which has access to the best possible teaching facilities and staff.

Mission:

To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications;
- training opportunities for all staff and governors;
- staff and student placements with industrial and commercial partners;
- a programme of sporting and after College leisure activities for all students;
- a system of after College clubs to allow students to develop their knowledge, understanding and skills; and
- a careers advisory service to help students obtain employment or move on to higher education.

Equal opportunities policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The College aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the College. The policy of the College is to support recruitment and retention of students and employees with disabilities. The College does this by adapting the physical environment, by making reasonable support resources available and through training and career development.

Public benefit

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

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategic report

Achievements and performance

The College continues to set strategic goals related to achievement, progress, engagement, destinations and its provision. These goals are monitored closely by the governors. In September 2014, 611 Year 6 students applied for the 264 places in Year 7. Total main school students in the year ended 31 August 2015 numbered 1629 and the College had full complements in all Year Groups.

Examination results for 2015 (see overleaf) were very pleasing and showed a consistent level of performance. To ensure that standards are continually raised the College operates a programme of observations of lessons. During the year the College undertook two separate levels of monitoring, which looks at the quality of the students experience, as well as how the developments plan is delivered within each and every classroom and other aspects of the College. The College also reflects on value added as well as a comprehensive performance management and appraisal process for all staff. From all of this information a training programme is devised to ensure that all staff are developed professionally.

The College will continue to develop its links with Bedfordshire University providing the area of Peterborough and other surrounding authorities with local provision at first degree and masters degree level. This relationship also builds on the initial training of teachers to ensure that good quality staff are available to the College.

The College has many links with teaching universities and in particular with the Cambridge Faculty of Education. This is always focused on research projects to improve teaching and learning and student engagement.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Key performance indicators

Examination results 2015

TOTAL	2015	2014	2013	2012	2011
Percentage of A* - C	78.9%	81.4%	86.6%	91.1%	84.9%
Percentage of A* - G	99.3%	99.4%	99.6%	99.9%	99.2%
Number with 1 or more A* - G	255	256	260	228	228
% with 1 or more A* - G	100%	99.6%	100%	100%	100%
Number with 1 or more A* - C	247	255	259	228	227
% with 1 or more A* - C	96.9%	99.2%	99.6%	100%	99.6%
Number with 8 or more A* - C	166	175	203	204	171
% with 8 or more A* - C	65.1%	68.1%	78.1%	89.5%	75.0%
Number with 5 or more A* - C	207	217	241	223	209
% with 5 or more A* - C	81.2%	84.4%	92.7%	97.8%	91.7%
Number with 5 or more A* - G	254	254	255	227	227
% with 5 or more A* - G	99.6%	98.8%	98.1%	99.6%	99.6%
Number with 5 or more A* - C inc Maths and English	195	204	184	173	164
% with 5 or more A* - C inc Maths and English	76.5%	79.4%	70.8%	75.9%	71.6%
Average Total Point Score	412.57	424.68	483.93	557.37	529.09
Average Grade Score	41.74	42.25	43.30	45.63	44.21

Going concern

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

Financial review

Most of the College's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The College also receives grants for fixed assets from the EFA. Such grants are shown in the statement of financial activities as restricted income in the restricted fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned, under the current accounting policy.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Reserves policy

It is the policy of the College that unrestricted funds which have not been designated for a specific use should be maintained at a level to reflect the risks included in the financial risk register, and in particular, in respect of the risk of fluctuation of student numbers. An amount of approximately £235,000 is still considered to be an appropriate level of reserves. The Governors have concrete plans to spend the reserves held in excess of this figure on capital projects.

Principal risks and uncertainties

The governors have assessed and monitored the major risks to which the College is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the College, and its finances. The governors have implemented a number of systems to assess risks that the College faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and College trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of College grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The College has an effective system of internal financial controls and this is explained in more detail in the governance statement.

Plans for future periods

The College will continue striving to improve levels of performance of its students at all levels, working together with students, parents and staff to secure places in further and higher education as well as in employment.

The areas of focus for the College are:

1. Teaching, learning and student progress
 - A review of the curriculum at key stage 3, 4 and 5 will take place to enhance the standards for all students to take into account changes to the examination system.
 - A focus for learning within the lesson will be related to progress and how all students are informed about the progress that they are making.
 - Professional development opportunities will exist which will support staff in the areas that have been identified through monitoring.
 - Student voice will inform the best way forward in teaching developments.
 - The gifted and talented programme will be further developed to complement the award achieved in February 2013 from the National Association for Able Children in Education (NACE).
2. Leadership and management
 - To maintain high standards across the College and ensure appropriate professional development will be identified through quality monitoring.
 - To create pathways for high performing staff to progress within the College and gather leadership experience.
 - To develop middle leaders as drivers of change and improvement throughout the College.
 - To appoint and retain staff that add to the overall quality of the College.
 - To review the support staff structure to ensure that it is effective and efficient.
 - To further develop the student voice to play an important role within the leadership and management.
3. Resources
 - To improve College facilities (premises and refurbishment) to enhance achievement at all levels.
 - To develop systems and procedures to aid students and parents in a cashless school.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

4. Sixth form

- To review the curriculum on offer and ensure opportunities exist for key stage 4 students wishing to further their studies into the sixth form.
- To review the pastoral support mechanisms within the sixth form and develop a specialised team of tutors.
- To introduce enrichment programmes for Year 12.
- To improve the facilities for both academic and social use.
- To amend the admissions criteria for sixth form.

5. SEN

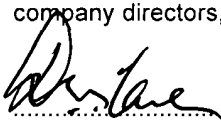
- To reflect the changes introduced in the Children's and Families Act 2014 and implement a transition to the new SEN+D Code of Practice 2014.
- To plan and review reasonable adjustments and access arrangements for all students on SEN Support or with an Education Health and Care Plan enhancing achievement at all levels.

Auditor

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 8.12.15 and signed on its behalf by:



Mr D G McLaren

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that Arthur Mellows Village College has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of governors has delegated the day-to-day responsibility to the Head of College, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Arthur Mellows Village College and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

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

Governors	Meetings attended	Out of possible
Mrs S M Clayton (Appointed 6 February 2015)	2	2
Mr J S Dadge	3	4
Mr G E J Dawkins	4	4
Ms T C Downey (Appointed 1 September 2014)	4	4
Mr M Dugdale (Appointed 6 February 2015)	1	2
Mrs S M Dunccliffe	4	4
Mrs P Ford	2	4
Mr P A Hannah	2	4
Councillor J Holdich OBE	2	4
Ms S L Humble	4	4
Mr N S Jennings	4	4
Mr P Jordan	3	4
Mr A G Kirkpatrick	4	4
Mr D G McLaren	4	4
Mr T A Parke	3	4
Mrs P E L Reynolds	4	4
Mr M A Sandeman	4	4
Mr A Welch (Resigned 19 November 2014)	1	1
Mr D A Whiles	2	4

The governors need to ensure that they fully understand their duties as company directors and charity trustees. An exercise was completed during the year to ask each governor to acknowledge receipt of the Academies Handbook 2014 with a summary extract of the responsibilities of trustees from the handbook.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The finance and administration committee is a sub-committee of the main board of governors. Its purpose is to advise the College on all financial matters. Attendance at meetings in the year was as follows:

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr J S Dadge	0	3
Mr G E J Dawkins	3	3
Ms T C Downey (Appointed 1 September 2014)	3	3
Mrs P Ford	1	3
Ms S L Humble	3	3
Mr A G Kirkpatrick	3	3
Mr D G McLaren	3	3
Mr M A Sandeman	1	3
Mr A Welch (Resigned 19 November 2014)	0	0
Mr D A Whiles	3	3

New governors not part of committee but attended finance and administration meetings:

Mrs S M Clayton	0	2
Mr M Dugdale	1	2

Staff not part of committee but attended finance and administration meetings:

Mr J Oakley (Chief Financial Officer)	3	3
Mrs H Elworthy (Financial Manager)	3	3

The Accounting Officer, Chief Financial Officer, and Financial Manager meet on a weekly basis to discuss all financial matters. The Chief Accounting Officer and Financial Manager have attended all finance and administration committee meetings.

The Accounting Officer will present any strategic financial risks and issues to the full governing body.

Review of value for money

As accounting officer the Head of College has responsibility for ensuring that the College 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 College'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 College has delivered improved value for money during the year by the Targeted Capital Project committee, including project manager, senior management and governors, tendered for large capital projects during the year and successfully appointed builders for essential repairs to the Sports Hall and Changing Rooms (part funded from EFA capital project funding), repairs to flat roof (EFA capital project funding), replacement of the Humanities block boilers and evaluated the progress of new Refectory Two which opened in September 2015. The landscaping of the third school entrance and new site office looks to be completed early 2016.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of College 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 Arthur Mellows Village College for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of governors has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the finance and administration committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors appointed Trudi Downey, a governor, as Responsible Officer ('RO').

The RO's role includes giving advice on financial matters and performing a range of checks on the College's financial systems. In particular the checks carried out in the current period included:

- testing of bank reconciliations
- testing of payroll systems
- testing of purchase systems
- testing of income systems
- testing of cash management

On a termly basis, the RO reports to the board of governors through the finance and administration committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of governors.

Due to a change of the RO during the year, only two reports have been presented in the year. Going forward termly visits are to be undertaken. There were no major issues arising as a result of the RO's work and all minor issues reported to the academy have been addressed.

The governors are satisfied with work undertaken by the RO in the year.

ARTHUR MELLOWS VILLAGE COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Review of effectiveness

As accounting officer the Head of College 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 responsible officer;
- the work of the external auditor;
- the work of the executive managers within the College 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 finance and administration committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 8.12.15. and signed on its behalf by:



Mr D G McLaren
Chair of Governors



Mr M A Sandeman
Accounting Officer

ARTHUR MELLOWS VILLAGE COLLEGE

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

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

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

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

Approved on 8.12.15 and signed by:



Mr M A Sandeman
Accounting Officer

ARTHUR MELLOWS VILLAGE COLLEGE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

In preparing these accounts, the governors are required to:

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

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

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

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

Approved by order of the board of governors on 8.12.15 and signed on its behalf by:


Mr D G McLaren

ARTHUR MELLOWS VILLAGE COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARTHUR MELLOWS VILLAGE COLLEGE

We have audited the accounts of Arthur Mellows Village College for the year ended 31 August 2015 set out on pages 22 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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

Respective responsibilities of governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 17, the governors, who are also the directors of Arthur Mellows Village College for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

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

ARTHUR MELLOWS VILLAGE COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARTHUR MELLOWS VILLAGE COLLEGE

Matters on which we are required to report by exception

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

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



Mark Jackson FCA DChA (Senior Statutory Auditor)
Rawlinsons Chartered Accountants

Chartered Accountants

Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated: 15-12-15

ARTHUR MELLOWS VILLAGE COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ARTHUR MELLOWS VILLAGE COLLEGE AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 11 September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Arthur Mellows Village College during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Arthur Mellows Village College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Arthur Mellows Village College's funding agreement with the Secretary of State for Education dated 31 August 2010 (as amended by the deed of variation dated 11 April 2013) and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

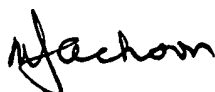
- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of governors' meetings.

ARTHUR MELLOWS VILLAGE COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ARTHUR MELLOWS VILLAGE COLLEGE AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

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



Mark Jackson FCA DChA
Reporting Accountant
Rawlinsons Chartered Accountants
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated: 15-12-15

ARTHUR MELLOWS VILLAGE COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds	Restricted funds	Fixed Asset funds	Total 2015	Total 2014
	Notes	£	£	£	£	£
Incoming resources						
Resources from generated funds						
- Voluntary income	2	-	1,000	-	1,000	12,250
- Activities for generating funds	3	88,725	-	-	88,725	82,670
- Investment income	4	10,392	-	-	10,392	8,395
Resources from charitable activities						
- Funding for educational operations	5	263,353	8,485,262	392,545	9,141,160	9,164,271
Total incoming resources		362,470	8,486,262	392,545	9,241,277	9,267,586
Resources expended						
Costs of generating funds						
- Relating to voluntary income	6	-	-	-	-	498
Charitable activities						
- Educational operations	7	225,936	8,998,504	774,621	9,999,061	9,184,884
Governance costs	8	-	21,533	-	21,533	18,333
Total resources expended	6	225,936	9,020,037	774,621	10,020,594	9,203,715
Net incoming/(outgoing) resources before transfers		136,534	(533,775)	(382,076)	(779,317)	63,871
Gross transfers between funds		-	(147,126)	147,126	-	-
Net income/(expenditure) for the year		136,534	(680,901)	(234,950)	(779,317)	63,871
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	(61,000)	-	(61,000)	(1,060,000)
Net movement in funds		136,534	(741,901)	(234,950)	(840,317)	(996,129)
Fund balances at 1 September 2014		912,672	(582,800)	10,651,946	10,981,818	11,977,947
Fund balances at 31 August 2015		1,049,206	(1,324,701)	10,416,996	10,141,501	10,981,818

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

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

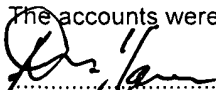
ARTHUR MELLOWS VILLAGE COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	11		9,824,607		9,958,501
Current assets					
Debtors	12	262,238		114,882	
Cash at bank and in hand		2,415,966		3,382,991	
		<u>2,678,204</u>		<u>3,497,873</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(505,310)		(777,556)	
Net current assets			<u>2,172,894</u>		<u>2,720,317</u>
Net assets excluding pension liability			<u>11,997,501</u>		<u>12,678,818</u>
Defined benefit pension liability	17		(1,856,000)		(1,697,000)
Net assets			<u><u>10,141,501</u></u>		<u><u>10,981,818</u></u>
Funds of the College:					
Restricted funds	15				
- Fixed asset funds			10,416,996		10,651,946
- General funds			531,299		1,114,200
- Pension reserve			(1,856,000)		(1,697,000)
Total restricted funds			<u>9,092,295</u>		<u>10,069,146</u>
Unrestricted income funds	15		<u>1,049,206</u>		<u>912,672</u>
Total funds			<u><u>10,141,501</u></u>		<u><u>10,981,818</u></u>

The accounts were approved by order of the board of governors and authorised for issue on 8.12.15



Mr D G McLaren

Company Number 07333133

ARTHUR MELLOWS VILLAGE COLLEGE

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	18	(1,222,836)	(54,893)
Returns on investments and servicing of finance			
Investment income	10,392	8,395	
Net cash inflow/(outflow) from returns on investments and servicing of finance		10,392	8,395
		(1,212,444)	(46,498)
Capital expenditure and financial investments			
Capital grants received	392,545	370,322	
Payments to acquire tangible fixed assets	(147,126)	(195,580)	
Net cash flow from capital activities		245,419	174,742
Increase/(decrease) in cash	19	(967,025)	128,244

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Incoming resources

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

Grants receivable

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

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

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

Sponsorship income

Sponsorship income provided to the College which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

Donations

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

Other income

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the College are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the College can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the College's policies. The value of donated time from volunteers has not been included in these accounts.

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.4 Resources expended

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

Costs of generating funds

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

Charitable activities

These are costs incurred on the College's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

The land and buildings were transferred into the College by the governors of the previous Local Authority school on 7 September 2010. The value used for the purposes of these accounts is the value stated at the Land Registry. Other fixtures, fittings and equipment transferred into the College from the previous Local Authority school have not been valued in these accounts. Tangible fixed assets acquired since the College was established are included in the accounts at cost.

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

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

Land and buildings	2% p.a. straight line
Plant and machinery	20% p.a. straight line
Fixtures, fittings & equipment	25% p.a. reducing balance
Motor vehicles	20% p.a. reducing balance

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.

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.6 Leasing and hire purchase commitments

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

1.7 Taxation

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

1.8 Pensions benefits

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

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

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

1.9 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the College 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 and include grants from the Education Funding Agency.

Designated funds are where the governors have ring fenced unrestricted income for specific projects.

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other donations	-	1,000	1,000	12,250

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Lettings	45,689	-	45,689	36,264
Catering income	1,903	-	1,903	1,723
Sale of services	37,744	-	37,744	38,030
Miscellaneous income	3,389	-	3,389	6,653
	88,725	-	88,725	82,670

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	10,392	-	10,392	8,395

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 Funding for the College's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA grants				
General annual grant (GAG)	-	7,597,264	7,597,264	7,877,848
Capital grants	-	352,545	352,545	370,322
Other DfE / EFA grants	-	283,751	283,751	245,556
	-	8,233,560	8,233,560	8,493,726
Other government grants				
Local authority grants	-	366,199	366,199	317,598
Other grants	-	40,000	40,000	-
	-	406,199	406,199	317,598
Other funds				
Other incoming resources	263,353	238,048	501,401	352,947
Total funding	263,353	8,877,807	9,141,160	9,164,271

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	5,617,229	-	740,471	6,357,700	6,186,192
- Allocated support costs	927,337	1,764,740	949,284	3,641,361	2,998,692
	6,544,566	1,764,740	1,689,755	9,999,061	9,184,884
Other expenditure					
Costs of generating voluntary income	-	-	-	-	498
Governance costs	-	-	21,533	21,533	18,333
	-	-	21,533	21,533	18,831
Total expenditure	6,544,566	1,764,740	1,711,288	10,020,594	9,203,715

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

6 Resources expended

(Continued)

Net income/(expenditure) for the year includes:	2015 £	2014 £
Operating leases		
- Plant and machinery	36,513	36,513
Loss/(profit) on disposal of fixed assets	3,080	-
Fees payable to auditor		
- Audit	11,250	11,000
- Other services	8,916	2,108
	<u> </u>	<u> </u>

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Direct costs				
Teaching and educational support staff costs	-	5,588,990	5,588,990	5,410,067
Technology costs	-	68,374	68,374	83,967
Educational supplies and services	-	446,161	446,161	402,966
Staff development	-	28,239	28,239	23,656
Other direct costs	225,936	-	225,936	265,536
	<u>225,936</u>	<u>6,131,764</u>	<u>6,357,700</u>	<u>6,186,192</u>
Allocated support costs				
Support staff costs	-	927,337	927,337	821,875
Depreciation	-	281,020	281,020	257,943
Technology costs	-	4,468	4,468	24,052
Maintenance of premises and equipment	-	1,483,720	1,483,720	1,289,455
Other occupancy costs	-	305,047	305,047	288,124
Security and transport	-	12,198	12,198	8,673
Catering	-	(2,827)	(2,827)	14,168
Interest and finance costs	-	(4,000)	(4,000)	(6,000)
Other supplies and services	-	634,398	634,398	300,402
	<u>-</u>	<u>3,641,361</u>	<u>3,641,361</u>	<u>2,998,692</u>
Total costs	<u>225,936</u>	<u>9,773,125</u>	<u>9,999,061</u>	<u>9,184,884</u>

ARTHUR MELLOWS VILLAGE COLLEGE

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

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	350	350	2,632
Auditor's remuneration				
- Audit of financial statements	-	11,250	11,250	11,000
- Other audit costs	-	8,916	8,916	2,108
Governors' meeting expenses	-	1,017	1,017	2,593
	-	21,533	21,533	18,333

9 Staff costs

	2015 £	2014 £
Wages and salaries	5,119,158	5,017,673
Social security costs	379,789	362,590
Other pension costs	849,642	745,015
	6,348,589	6,125,278
Supply teacher costs	137,038	107,162
Compensation payments	30,700	-
Staff development and other staff costs	28,239	23,656
Total staff costs	6,544,566	6,256,096

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

	2015 Number	2014 Number
Teachers	86	88
Administration and support	76	78
Management	3	3
	165	169

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

	2015 Number	2014 Number
£60,001 - £70,000	1	2
£80,001 - £90,000	2	2
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

9 Staff costs

(Continued)

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

		2015	2014
Teachers' Pension Scheme	Numbers	4	5
	£	40,713	57,542

Included in compensation payments are non statutory / non contractual severance payments totalling £30,700 (2014 - £nil). Individually, the payments were £5,700 and £25,000. The EFA contributed £11,460 towards one of these payments.

10 Governors' remuneration and expenses

One or more governors has been paid remuneration or has received other benefits from an employment with the College. The Head of College and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Head of College and staff members under their contracts of employment, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the College in respect of their role as governors.

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

Mr M Sandeman (Head of College and governor)

Remuneration £115,000 - £120,000 (2014 - £105,000 - £110,000)

Employer's pension contributions £15,000 - £20,000 (2014 - £15,000 - £20,000)

Mrs S J Blackmore (staff governor) - Resigned 31 August 2014

Remuneration £nil (2014 - £35,000 - £40,000)

Employer's pension contributions £nil (2014 - £5,000 - £10,000)

Mrs S M Dunccliffe (staff governor)

Remuneration £5,000 - £10,000 (2014 - £25,000 - £30,000)

Employer's pension contributions £nil - £5,000 (2014 - £nil - £5,000)

Mr T A Parke (staff governor)

Remuneration £nil - £5,000 (2014 - £nil - £5,000)

Employer's pension contributions £nil - £5,000 (2014 - £nil - £5,000)

Governors' and officers' insurance

In accordance with normal commercial practice, the College has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on College business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 is included within the total insurance cost of £64,098 (2014 - £67,496).

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2014	9,988,796	348,262	436,077	55,100	10,828,235
Additions	-	38,336	108,790	-	147,126
Disposals	-	(6,231)	-	-	(6,231)
At 31 August 2015	9,988,796	380,367	544,867	55,100	10,969,130
Depreciation					
At 1 September 2014	532,708	158,727	164,334	13,965	869,734
On disposals	-	(3,151)	-	-	(3,151)
Charge for the year	133,176	57,080	79,464	8,220	277,940
At 31 August 2015	665,884	212,656	243,798	22,185	1,144,523
Net book value					
At 31 August 2015	9,322,912	167,711	301,069	32,915	9,824,607
At 31 August 2014	9,456,088	189,535	271,743	41,135	9,958,501

The land and buildings were transferred into the College by the governors of the previous Local Authority school on 7 September 2010. The value used for the purposes of these accounts is the value stated at the Land Registry.

The College has the following restrictions on the land and buildings:

- No charge by the proprietor of the registered estate is to be completed by registration without the consent of the Secretary of State or the local education authority.
- No disposition of the registered estate (other than a charge) by the proprietor of the registered estate is to be registered without a certificate signed by a conveyancer that the provisions of paragraph A2 of Part A1 of Schedule 22 of the School Standards and Framework Act 1998 have been complied with or that they do not apply to the disposition.
- Until 23 January 2025 no disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by The Big Lottery Fund of 1 Plough Place, London EC4A 1DE or their conveyancer.

The English Sports Council has also registered a charge against part of the property for which some funding was received from them.

ARTHUR MELLOWS VILLAGE COLLEGE

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

12 Debtors	2015	2014
	£	£
Trade debtors	8,159	964
VAT recoverable	109,953	19,310
Other debtors	-	326
Prepayments and accrued income	144,126	94,282
	<u>262,238</u>	<u>114,882</u>
	<u><u>262,238</u></u>	<u><u>114,882</u></u>
 13 Creditors: amounts falling due within one year	 2015	 2014
	£	£
Trade creditors	44,214	85,168
Taxes and social security costs	110,270	111,349
Other creditors	-	400,000
Accruals	177,063	53,221
Deferred income	173,763	127,818
	<u>505,310</u>	<u>777,556</u>
	<u><u>505,310</u></u>	<u><u>777,556</u></u>
 14 Deferred income	 2015	 2014
	£	£
Deferred income is included within:		
Creditors due within one year	<u>173,763</u>	<u>127,818</u>
	<u><u>173,763</u></u>	<u><u>127,818</u></u>
 Total deferred income at 1 September 2014	 127,818	 98,748
Amounts credited to the statement of financial activities	(127,818)	(98,748)
Amounts deferred in the year	<u>173,763</u>	<u>127,818</u>
 Total deferred income at 31 August 2015	 <u>173,763</u>	 <u>127,818</u>

Deferred income relates to income received for trips and grants for the next financial year.

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant	1,039,100	7,597,264	(7,959,214)	(147,126)	530,024
Other DfE / EFA grants	15,734	283,751	(299,485)	-	-
Other government grants	-	366,199	(366,199)	-	-
Other restricted funds	59,366	239,048	(297,139)	-	1,275
	<u>1,114,200</u>	<u>8,486,262</u>	<u>(8,922,037)</u>	<u>(147,126)</u>	<u>531,299</u>
Funds excluding pensions	(1,697,000)	-	(98,000)	(61,000)	(1,856,000)
	<u>(582,800)</u>	<u>8,486,262</u>	<u>(9,020,037)</u>	<u>(208,126)</u>	<u>(1,324,701)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	177,460	352,545	(453,601)	-	76,404
Other capital grants	-	40,000	(40,000)	-	-
Property transferred from Local Authority school governors	9,456,088	-	(133,176)	-	9,322,912
Capital expenditure from GAG or other funds	502,413	-	(147,844)	147,126	501,695
Funds transferred from Local Authority school	515,985	-	-	-	515,985
	<u>10,651,946</u>	<u>392,545</u>	<u>(774,621)</u>	<u>147,126</u>	<u>10,416,996</u>
Total restricted funds	<u>10,069,146</u>	<u>8,878,807</u>	<u>(9,794,658)</u>	<u>(61,000)</u>	<u>9,092,295</u>
Unrestricted funds					
General funds	912,672	362,470	(225,936)	-	1,049,206
	<u>912,672</u>	<u>362,470</u>	<u>(225,936)</u>	<u>-</u>	<u>1,049,206</u>
Total funds	<u>10,981,818</u>	<u>9,241,277</u>	<u>(10,020,594)</u>	<u>(61,000)</u>	<u>10,141,501</u>
General unrestricted funds include designated funds:					
Designated funds	677,672	247,219	(225,936)	115,251	814,206
Balance of general funds	235,000	115,251	-	(115,251)	235,000
	<u>912,672</u>	<u>362,470</u>	<u>(225,936)</u>	<u>-</u>	<u>1,049,206</u>

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

(Continued)

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

General Annual Grant (GAG):

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

The restricted grant income in the year all relates to the provision of education for the students attending the College.

The pension provision equates to the deficit on the Local Government Pension Scheme FRS17 valuation. 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.

Restricted fixed assets funds represent capital funding received from the EFA and other sources. In accordance with the accounting policies set out in note 1, assets are capitalised where applicable, and depreciation is charged to this fund over the assets' useful economic life. Where costs are not capital in nature they are charged directly to this fund as an expense.

The funds transferred from Local Authority school represent money held by the College from the Local Authority for the purposes of capital projects.

Designated funds have been set aside by the governors for use in a variety of different areas.

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	9,824,607	9,824,607
Current assets	1,104,043	949,507	624,654	2,678,204
Creditors falling due within one year	(54,837)	(418,208)	(32,265)	(505,310)
Defined benefit pension liability	-	(1,856,000)	-	(1,856,000)
	<u>1,049,206</u>	<u>(1,324,701)</u>	<u>10,416,996</u>	<u>10,141,501</u>

17 Pensions and similar obligations

The College'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 Cambridgeshire County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £486,721 (2014 - £478,421).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.7% for employers and 5.5% to 8.5% for employees. The estimated value of employer contributions for the forthcoming year is £276,000.

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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

Contributions made	2015 £	2014 £
Employer's contributions	268,000	243,000
Employees' contributions	75,000	73,000
Total contributions	343,000	316,000

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	4.6	4.5
Rate of increase for pensions in payment	2.7	2.7
Discount rate for scheme liabilities	3.8	3.7
Inflation assumption (CPI)	3.8	5.6

Changes in assumptions at 31 August 2015	Approximate % increase to employer liability	Approximate monetary amount
0.5% decrease in Real Discount Rate	13%	£755,000
1 year increase in member life expectancy	3%	£172,000
0.5% increase in the Salary Increase Rate	6%	£358,000
0.5% increase in the Pension Increase Rate	6%	£372,000

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

	2015 Years	2014 Years
Retiring today		
- Males	22.5	22.5
- Females	24.5	24.5
Retiring in 20 years		
- Males	24.4	24.4
- Females	26.9	26.9

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Pensions and similar obligations

(Continued)

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

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	3.8	2,873,000	6.3	2,614,000
Bonds	3.8	582,000	2.9	565,000
Cash	3.8	116,000	3.3	106,000
Property	3.8	310,000	4.5	247,000
Total market value of assets		3,881,000		3,532,000
Present value of scheme liabilities - funded		(5,737,000)		(5,229,000)
Net pension asset / (liability)		(1,856,000)		(1,697,000)

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Operating costs/(income)		
Current service cost (net of employee contributions)	370,000	266,000
Past service cost	-	-
Total operating charge	370,000	266,000
Finance costs/(income)		
Expected return on pension scheme assets	(205,000)	(167,000)
Interest on pension liabilities	201,000	161,000
Net finance costs/(income)	(4,000)	(6,000)
Total charge/(income)	366,000	260,000

ARTHUR MELLOWS VILLAGE COLLEGE

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

17 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	154,000	(356,000)
Experience (gains)/losses on liabilities	(93,000)	1,416,000
(Gains)/losses arising from changes in assumptions	-	-
Total (gains)/losses	61,000	1,060,000
Cumulative (gains)/losses to date	909,000	848,000

Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(5,229,000)	(3,357,000)
Current service cost	(370,000)	(266,000)
Interest cost	(201,000)	(161,000)
Contributions by employees	(75,000)	(73,000)
Actuarial gains/(losses)	93,000	(1,416,000)
Benefits paid	45,000	44,000
At 31 August 2015	(5,737,000)	(5,229,000)

Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	3,532,000	2,737,000
Expected return on assets	205,000	167,000
Actuarial gains/(losses)	(154,000)	356,000
Contributions by employers	268,000	243,000
Contributions by employees	75,000	73,000
Benefits paid	(45,000)	(44,000)
At 31 August 2015	3,881,000	3,532,000

ARTHUR MELLOWS VILLAGE COLLEGE

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

17 Pensions and similar obligations (Continued)

History of experience gains and losses

	2015 £	2014 £	2013 £	2012 £
Present value of defined benefit obligations	(5,737,000)	(5,229,000)	(3,357,000)	(2,853,000)
Fair value of share of scheme assets	3,881,000	3,532,000	2,737,000	2,092,000
Surplus / (deficit)	<u>(1,856,000)</u>	<u>(1,697,000)</u>	<u>(620,000)</u>	<u>(761,000)</u>
Experience adjustment on scheme assets	(154,000)	356,000	243,000	(16,000)
Experience adjustment on scheme liabilities	<u>93,000</u>	<u>(1,416,000)</u>	<u>(79,000)</u>	<u>(293,000)</u>

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net income	(779,317)	63,871
Capital grants and similar income	(392,545)	(370,322)
Investment income	(10,392)	(8,395)
Defined benefit pension costs less contributions payable	102,000	23,000
Defined benefit pension finance costs/(income)	(4,000)	(6,000)
Depreciation of tangible fixed assets	277,940	257,943
Losses/(profits) on disposals of fixed assets	3,080	-
(Increase)/decrease in debtors	(147,356)	11,564
Increase/(decrease) in creditors	(272,246)	(26,554)
Net cash inflow/(outflow) from operating activities	<u>(1,222,836)</u>	<u>(54,893)</u>

19 Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Increase/(decrease) in cash	(967,025)	128,244
Net funds at 1 September 2014	3,382,991	3,254,747
Net funds at 31 August 2015	<u>2,415,966</u>	<u>3,382,991</u>

20 Analysis of net funds

	At 1 September 2014 £	Cash flows £	Non-cash changes £	At 31 August 2015 £
Cash at bank and in hand	<u>3,382,991</u>	<u>(967,025)</u>	<u>-</u>	<u>2,415,966</u>

ARTHUR MELLOWS VILLAGE COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

21 Commitments under operating leases

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

	2015 £	2014 £
Expiry date:		
- Within one year	-	3,486
- Between two and five years	22,492	19,608
	<u>22,492</u>	<u>23,094</u>

22 Related parties

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

During the year the College purchased goods and services of £99,240 (2014 - £34,195) from Eastern Shires Purchasing Organisation (ESPO). ESPO is a Joint Committee set up under Section 102 of the 1972 Local Government Act. Peterborough City Council is a member of the organisation and Councillor J Holdich OBE is the chairman of the management committee but receives no remuneration for his role.

Some of the governors have children who are pupils at the College, consequently there will be transactions between those governors and the College in respect of their children's education. These are on the same basis as other pupils at the College.

23 Members' liability

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