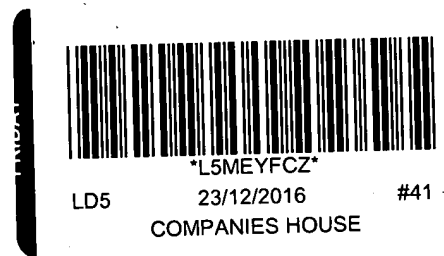


Registered number: 07930340

HOLYPORT COLLEGE
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016



HOLYPORT COLLEGE
(A company limited by guarantee)

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HOLYPORT COLLEGE
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, GOVERNORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members

Simon Dudley - Founder
William Moore - Founder
Sue Dudley - Founder
Emma Barnes - Founder
Liam Maxwell - Founder (resigned 21 March 2016)
Lord Waldegrave of North Hill - Provost of Eton College
Bob Stephenson - Lower Master of Eton College
Janet Walker - Bursar of Eton College
Gerard Evans - Director of Curriculum of Eton College
Simon Henderson - Head Master of Eton College
Nicholas Roberts

Governors

Simon Dudley, Chairman
Nicholas Roberts, Deputy Chairman (resigned 16 June 2016)
Walter Boyle, Head Master and Accounting Officer
Emma Goble (resigned 21 March 2016)
Sue Dudley
Gerard Evans (resigned 16 June 2016)
Serena Hedley-Dent
William Moore (resigned 28 March 2016)
Robert Stephenson
Susannah Daniel (resigned 16 June 2016)
Bruce Powell
Mark Davies
Stuart Clarke
Simon Henderson (appointed 12 November 2015)
Heidi Swidenbank (appointed 16 June 2016)
Thomas Arbuthnott (appointed 16 June 2016)
Lucy Pickering (appointed 10 November 2016)

Company registered number

07930340

Company name

Holyport College

Principal and registered office

Ascot Road, Holyport, Maidenhead, Berkshire, SL6 3LE

HOLYPORT COLLEGE
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Company secretary

James Bell

Senior Leadership Team

Walter Boyle, Head Master

James Bell, Bursar

Benedict McCarey, Deputy Head

John Gale, House Principal, (resigned 31 August 2016)

Graham Alford, Assistant Head, 6th Form, (appointed 1 September 2016)

Independent auditor

James Cowper Kreston, Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS

Bankers

Barclays Bank PLC, 29/30 High Street, Windsor, Berkshire, SL4 1PG

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their annual report together with the audited financial statements of Holyport College ('the Academy' or 'the charitable company') for the year to 31 August 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy, which was incorporated with the name Holyport Free School on 31 January 2012, then changed to Holyport College on 11 January 2013, opened as an Academy on 1 September 2014 and is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Governors act as the Trustees for the charitable activities of the Academy and are also the directors of the charitable company for the purposes of company law.

Details of the Governors who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

The charitable company operates one secondary academy in Holyport, Berkshire. Its academy has a pupil capacity of 548, when fully enrolled up to 6th form, and had an actual pupil roll of 352 (up to year 11) in the school census in October 2016.

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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Governors' Indemnities

The Governors benefit from indemnity insurance purchased by the Academy to cover the liability of the Governors arising from negligent acts, errors or commissions occurring whilst on Academy business. The limit of this indemnity is £1,000,000.

Principal Activities

The principal activity of the Academy is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a secondary school at Holyport for day pupils and boarders offering a broad and balanced curriculum.

Method of Recruitment and Appointment or Election of Governors

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

- up to 8 Governors who are appointed by the Members;
- up to 2 Parent Governors who are elected by the parents of registered pupils at the Academy;
- Staff Governors appointed by the Members (provided that the total number of Governors, including the Head Master, who are employees of the Academy, does not exceed one third of the total number of Governors);
- up to 4 Co-opted Governors who are appointed by the Governing Board; and
- the Head Master who is treated for all purposes as being an ex-officio Governor.

Governors are appointed for a 4 year period, except that this time limit does not apply to the Head Master. Subject to remaining eligible to be a particular type of Governor, any Governors can be re-appointed or re-elected.

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

When appointing new Governors, the Governing Board will give consideration to the skills and experience mix of existing Governors in order to ensure the Governing Board has the necessary skills to contribute fully to the Academy's successful development.

The Governing Body reviewed its composition and the skills of its members during the financial year.

Policies and Procedures Adopted for the Induction and Training of Governors

The 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 pupils. 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 the local authority and various other organisations as appropriate.

There is a Governors training day organised each year which includes training sessions to keep the Governors updated on relevant developments impacting on their roles and responsibilities. New Governors have the opportunity to undertake National Governor Association training and training provided by the Local Authority.

Organisational Structure

The Governing Board normally meets at least three times per annum. The Governing Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees of the Governing Board 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. The Governing Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 4 full Committees of the Governing Board as follows:

- Governors' Curriculum Committee
- Governors' Welfare Committee
- Governors' Finance Committee (including Audit, Pay and Strategy)
- Head Master's Performance Management Committee

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Governing Board:

- to consider any proposals for changes to the status or constitution of the Academy and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the Head Master
- to appoint the Company Secretary.

The Governors are responsible for setting general policy, agreeing strategy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy by the use of budgets and other performance data, and making the major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Governors have devolved the day-to-day management of the Academy to the Head Master and the Senior Leadership Team ('SLT'). The SLT comprises the Head Master, the Bursar, the Deputy Head, and the House Principal (until 31 August 2016) and the Assistant Head – 6th Form (from 1 September 2016). The SLT implements the policies and plans agreed by the Governors and is held accountable to Governors for their implementation.

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Risk Management

The Governors have implemented a system to assess risks that the Academy faces, especially in the operational areas (such as in relation to teaching, health & safety and school trips) and in relation to the control of finances. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured, where practical, they have adequate insurance cover.

The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of the Academy's key management personnel is set by the Governing Board and relates to the Head Master and his Senior Leadership Team, as set out above. Reference is made to the wider schools sector with particular reference to the specific requirements of the Academy, such as its extensive boarding operation.

Connected Organisations, including Related Party Relationships

The Academy has Eton College as its sole educational sponsor; the details of Eton College's relationship with the Academy are set out in the Heads of Terms on the websites of each institution. There are no other related parties which either control or significantly influence the decisions and operations of the Academy. A Friends of Holyport College association has been formed to act primarily as a parent teacher association.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal objects of the Academy, as set out in its Articles of Association, are 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 school, offering a broad and balanced curriculum; and
- promote for the benefit of the inhabitants of Holyport and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

More specific aims of the Academy during the year ended 31 August 2016 are summarised in the Achievements and Performance section below.

Objectives, Strategies and Activities

The key priorities for the year are contained in the College Strategic Development Plan 2014-2017, several sections of which are summarised below:

Leadership and Management

- Ensure a sense of common purpose and shared understanding of the vision of the founders and governors for Holyport College amongst all members of the College community;
- Ensure that leaders and managers (including middle management) confidently carry out their roles and responsibilities;
- Ensure that policies, procedures and systems are effective and contribute to the sustainable development and improvement of the College;
- Ensure that senior leaders in the Academy work to promote improvement across the wider system.

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Pupil Achievement

- Ensure that a high proportion of pupils make and exceed expected progress when compared with national figures;
- Ensure that attainment is well above the national average;
- Ensure that there are no significant attainment gaps between different groups of learners;
- Ensure that the attainment gap is narrowed between pupils with lower prior attainment and those with higher prior attainment;
- Ensure that the progress of all pupils is rapid and sustained and that areas of underperformance are quickly identified and remedied;
- Ensure that all teachers are aware of pupils' short, medium and long term attainment targets and their responsibilities towards ensuring these are met;
- Ensure that assessment routines are rigorous and transparent and that assessment data stands up to scrutiny both internally and externally;
- Ensure that the curriculum meets the needs of all learners, that GCSE specifications are chosen to maximise pupils' chances of success and that alternative pathways exist to extend, challenge and support the full spectrum of pupils;
- Ensure that the curriculum meets the needs of all learners, that A level specifications, or alternatives, are chosen to maximise pupils' chances of success and that alternative pathways exist to extend, challenge and support the full spectrum of pupils in the 6th Form.

Teaching and Learning

- Ensure that pupil achievement is Outstanding;
- Ensure that all teaching is at least good and that much is Outstanding;
- Ensure that the quality of teaching is consistent between subject areas and key stages;
- Ensure that all teachers are aware of what constitutes Outstanding teaching and learning and what they need to develop in their own practice to achieve this;
- Ensure that the teaching of reading, writing, communication and mathematics is highly effective and cohesively planned and implemented across the curriculum;
- Ensure that assessment routines are robust, transparent and consistent and that pupils are aware of their targets and how to achieve them;
- Ensure that groups of pupils (including EAL, PP, and those with SEND) are supported in their learning and progress through appropriate teaching strategies, graduated interventions and differentiation of the curriculum as appropriate;
- Ensure that all teachers have access to high quality professional development which supports them in developing their practice according to their individual needs;
- Ensure that performance management and appraisal systems are thorough, effective and robust and that teachers are accountable for their performance.

Pupils' Personal Development

- Pupils leave the College equipped with the skills and qualities necessary to take full advantage of the opportunities and challenges of adult and working life;
- The spiritual, moral, social and cultural aspects of College life are clearly observable in the ways in which pupils conduct themselves and interact with others;
- Pupils engage in careers education activities and receive information, advice and guidance which helps them;
- A wide range of co-curricular activities is on offer which is appealing to all pupils and provides skills development and enjoyment.

Sixth Form

- To prepare for, recruit to and open an outstanding sixth form in September 2017;

The Academy also has specific and challenging objectives within the areas of boarding (exceeding national minimum standards), finance (ensuring probity, compliance and best value), estates (asset management, facilities, health and safety management), ICT, community relations and wider staff development.

HOLYPORT COLLEGE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Public Benefit

The Governors confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit education in Holyport, the surrounding area and the UK, offering a broad curriculum.

The Academy 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.

The Academy has fulfilled its duties of public benefit through the direct education of its pupils, the use of its facilities by other groups within the local community and through making boarding education accessible to more pupils through awarding and facilitating bursaries,

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance

The Academy has completed its second year of operation having opened to its first intake of pupils on 1 September 2014 and its second intake on 1 September 2015.

The total number of pupils in the year ended 31 August 2016 was 263, but this has increased to 353 at the October 2016 census date, due to the continued demand for places at the Academy and the recruiting in September 2016 of additional year group cohorts.

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

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

- The majority of teachers and teaching being judged to be good or outstanding, including by external moderation;
- 95% or more of parents / carers responding to a survey stated that their children were well-taught (96), and felt happy and safe (98); they would recommend the Academy to another parent (96), and that the Academy is well led and managed (95);
- Significant pupil achievement and progress being made against ambitious targets;
- Deep and meaningful engagement with the Academy's sole educational sponsor through governance, support, services and facilities;
- The commissioning of significant building works and furnishings to meet the College's developing needs as it increases the number of cohorts;
- Five key stage 4 students took early GSCEs in languages all achieving A*;
- Over 100 co-curricular clubs have been established, further broadening the range of activities on offer in the fields of sport, music, the arts and other fields;
- All staff posts filled in line with budget plan, with good appointments, as demonstrated by consistently good performance against objectives;
- Maintaining and developing the boarding and pastoral care, already rated Good by Ofsted (2015), including the development of the house system.

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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 Accounting Policies note of the financial statements.

Strategic report

The Academy has continued to work on the priorities set out in the College Strategic Development Plan approved by the Governing Board. Notable achievements this year are outlined above.

The Academy's facilities have continued to be further enhanced by the furnishing and opening of additional classrooms and boarding houses the expansion of the kitchen and changing rooms and, thanks to the fund-raising efforts of the Friends of Holyport College, the provision of various amenities such as table tennis tables and art displays.

Planning is well underway to recruit for and open a new 6th Form in September 2017, including the appointment of a Head of 6th Form.

The Academy faces a number of principal risks as set out in the 'Principal Risks and Uncertainties' section.

The Academy uses various financial instruments including cash and items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes The Academy to a number of financial risks which are described in more detail below.

The main risks arising from the financial statements are cash flow, interest rate risk and credit risk. The Academy seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Academy seeks to manage its cash reserves to ensure liabilities are settled as they fall due.

Key Performance Indicators

Although the Academy's Funding Agreement is not subject to a specific carry forward limit on the amount of GAG funding, a key financial performance indicator is the level of reserves held at the balance sheet date and, in particular, the amount of GAG funding carried forward at the balance sheet date. At 31 August 2016, the balance of the Restricted Funds (including GAG) was in deficit £183,877, with a balance on unrestricted funds of £10,179. This is stated after a transfer of £151,920 to the Restricted Fixed Asset Fund to fund capital expenditure during the year. Separately there is a pension reserve deficit £265,000.

As the majority of the Academy's funding is based on pupil numbers, pupil numbers is also a key performance indicator. As noted above, pupil numbers at the most recent census were 353 which is in line with the Pupil Admission Number for the current year of 352.

The ratio of staffing costs to income and to total operating costs are further key performance indicators for the Academy. During the year the percentage of total staff costs to income from charitable activities for the year was 63.7%, while the percentage of staff costs to total operating costs before depreciation was 61.5%.

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

FINANCIAL REVIEW

Financial Review

During the year ended 31 August 2016, there were still some capital set-up costs reflected in the accounts, relating to funding from the EFA's Free Schools programme and corresponding transactions with suppliers of construction, furnishing and IT infrastructure, as well as contributions made by the Local Authority for a specific expansion project which was approaching completion at the end of the financial year. These items add a degree of complexity to the accounts for the year in comparison with more established academies. On an ongoing, operational basis, before depreciation, the College recorded a small surplus during the year.

The majority of the Academy's income is received from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the year ended 31 August 2016, the total expenditure of £3,444,801, which includes depreciation of £361,331, was largely funded by the recurrent grant funding from the DfE, together with other incoming resources (particularly capital funding grants from the EFA, contributions from the LA, and boarding fees). The excess of total income over expenditure for the year gave rise to a surplus of £95,662.

The net book value of fixed assets at 31 August 2016 were £18,275,844, which includes the value of land and buildings transferred on opening, subsequent fixed asset additions and is stated after depreciation charges for the year of £361,331.

The fixed assets held by the Academy are used exclusively for providing education and associated support services to the pupils of the Academy.

The balance of total funds held at 31 August 2016 were £17,837,146 which comprised of the following:

Restricted Funds (excluding Pension Liability)	(£183,877)
Restricted Pension Liability Fund	(£265,000)
Restricted Fixed Asset Fund	£18,275,844
Unrestricted Funds	£10,179

The key financial policies reviewed and adopted during the year included the Financial Procedures Policies and Manual, which lays out the framework for the Academy's financial management, including financial responsibilities of the Governing Board, Head Master, Senior Leaders, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the year included Charges and Lettings, Asset Management and Insurance.

Financial and Risk Management Objectives and Policies

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by the Governors and include the financial risks to the Academy. The Risk Register and Risk Management Plan, which are constantly reviewed in light of any new information are a standing item on the agenda of the Governors' Finance Committee, are formally reviewed annually.

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, safeguarding, facilities and other operational areas. The Governors have implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the Governors have ensured, where practical, the Academy has adequate insurance cover.

HOLYPORT COLLEGE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Whilst the Academy remains over-subscribed, risks to revenue funding from a falling roll are smaller. However, the current squeeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets are expected to be increasingly tight in 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 Finance Committee meetings.

The Governors recognised that the Local Government Pension Scheme deficit represents a significant potential long term 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.

Principal Risks and Uncertainties

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

Financial

The Academy has considerable reliance on continued Government funding through the EFA. In the year, approximately 50.7% of the Academy's incoming resources, excluding fixed assets, 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. There is a further risk to the Academy's boarding income, should places not be filled for the year, mitigated by ongoing monitoring, proactive marketing and maintaining a high quality boarding experience.

Failures in governance and / or management

The Governors undertook a Self-Review in summer 2016 which has led to changes in the composition of the Governing Board. 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 and boarding standards. To mitigate this risk, the Governors ensure that pupil progress 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. An external review of health and safety was undertaken, as well as targeted governor visits.

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 and performance management of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds

The Academy has engaged its 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 receive training to keep them up to date with financial practice requirements and to develop their skills in this area. Accounting and finance reports are regularly reviewed by the Finance Committee.

The Academy has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness. A Risk Register is maintained and reviewed and updated on a regular basis.

HOLYPORT COLLEGE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Reserves Policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors also take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Governors have determined that the appropriate level of free cash reserves should be approximately 10% of total incoming resources. 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.

The Academy's current total level of reserves is £17,837,146, the greater part of which £18,275,844 relates to Restricted Fixed Asset Funds. After the long term Pension reserve deficit £265,000 there is currently a deficit £183,877 in free reserves.

This is not yet in line with our target level of free cash reserves. Appropriate steps are being taken over the medium term to increase the free reserves towards the target level.

Investment Policy

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

On a daily basis this is achieved by automatic transfer of surplus funds to an overnight deposit account with the Academy's principal bankers. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods with the Academy's principal bankers or other reputable financial institutions.

PLANS FOR FUTURE PERIODS

The Academy strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment, as well as promoting the continued professional development of its staff.

The Academy's plans for future periods are:

- To build upon and develop good and outstanding teaching, learning and pupil experience through the College's curriculum, co-curriculum and pupil welfare;
- To build upon the achievement of a good Ofsted judgement of boarding after only two terms of operation to develop an outstanding boarding provision, exceeding all National Minimum Standards;
- To continue preparing current and future pupil cohorts to maximise their potential for their first external examinations, commencing with GCSEs in summer 2017;
- To open an outstanding 6th form in September 2017;
- To plan, implement and monitor a robust long term financial plan to support the operations of the College and the delivery of its educational goals;
- To continue supporting an inclusive College community;
- To improve the estate facilities and resources in line with growing student numbers.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Governors do not act as Custodian Trustees of any other charity.

HOLYPORT COLLEGE
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

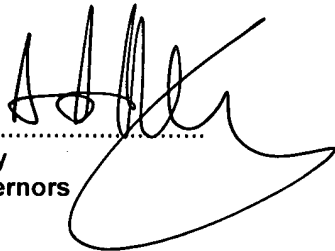
AUDITOR

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 Governors report, incorporating a strategic report has been approved by order of the Board of Governors on12-12-2016.....and signed on its behalf by:

.....
Simon Dudley
Chair of Governors

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the bottom, positioned over a dotted line.

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As governors, we acknowledge we have overall responsibility for ensuring that Holyport 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 Master, 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 Holyport 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 3 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Emma Barnes	2	2
Walter Boyle, Head Master and Accounting Officer	3	3
Stuart Clarke	3	3
Susannah Daniel	1	3
Mark Davies	2	2
Simon Dudley, Chairman	3	3
Sue Dudley	3	3
Gerard Evans	3	3
Serena Hedley-Dent	3	3
Simon Henderson	3	3
William Moore	2	2
Bruce Powell	3	3
Nicholas Roberts	3	3
Robert Stephenson	3	3

The Governors' Finance Committee is a sub-Committee of the Governing Board. Its purpose is to provide guidance and assistance to the Governing Board on all matters related to finance, resources, premises and Health & Safety of the Academy. This includes preparing and approving annual budgets, monitoring financial performance against that budget, reviewing delegated authorities, ensuring all transactions are conducted in accordance with good practice as directed by the EFA, to ensure best value is achieved in all financial transactions and to receive and (where relevant) respond to period audit reports on the Academy and of public funds. This committee also acts as the Academy's Audit Committee.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Walter Boyle	3	3
Stuart Clarke	3	3
Mark Davies	3	3
Simon Dudley	3	3
Serena Hedley-Dent	3	3
Bruce Powell	3	3
William Moore	2	2

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Governance reviews

During the year the academy has carried out a review of its governance arrangements and procedures and conducted skills audits.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Head Master 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 appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Further complementing the staffing to develop an outstanding team of leaders, teachers and support staff to ensure the delivery of the Academy's educational goals for its pupils;
- Beginning the development of other funding streams, including donations, lettings and grants;
- Maintaining staffing expenditure in line with comparable state boarding school ratios.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Holyport College for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The 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 Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

THE RISK AND CONTROL FRAMEWORK

The Academy'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 Governors;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed James Cowper Kreston, the external auditor, in the role of internal assurance reviewer to perform additional checks.

HOLYPORT COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On an annual basis, the reviewer reports to the Board of Governors on the operation of the systems of control and on the discharge of the Board of Governors', including all Committees', financial responsibilities. During the internal assurance visit in May 2016, no areas of low assurance were identified and the majority of areas tested returned a high level of assurance.

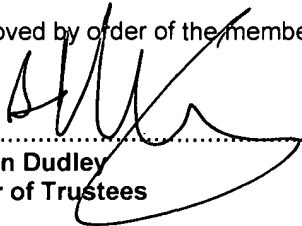
REVIEW OF EFFECTIVENESS

As Accounting Officer, the Head Master 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 reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on **12-12-16** and signed on their behalf, by:


.....
Simon Dudley
Chair of Trustees


.....
Walter Boyle
Accounting Officer

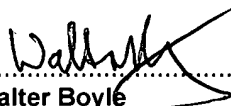
HOLYPORT COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Holyport College I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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


.....
Walter Boyle
Accounting Officer

12.12.16

HOLYPORT COLLEGE
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as Trustees of Holyport College and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic report, the Governors' report and the financial statements 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 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

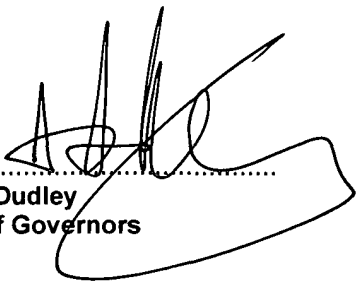
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Governors on **12-12-16** and signed on its behalf by:



.....
Simon Dudley
Chair of Governors

HOLYPORT COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLYPORT COLLEGE**

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

This report is made solely to the 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

UNQUALIFIED OPINION

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Governors' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

HOLYPORT COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLYPORT 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Darren O'Connor BSc (Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Date:

13/12/16

HOLYPORT COLLEGE
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 3 November 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holyport College during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Holyport College and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Holyport 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 Holyport College and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF HOLYPORT COLLEGE'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Holyport College's funding agreement with the Secretary of State for Education dated 19 June 2013, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls, policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the governors to assess the internal controls throughout the year.

Specific work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Board of Governors and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams.

HOLYPORT COLLEGE
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLYPORT COLLEGE AND THE EDUCATION FUNDING AGENCY (continued)

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



James Cowper Kreston

Chartered Accountants and Statutory Auditor

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Date: 13/12/16

HOLYPORT COLLEGE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

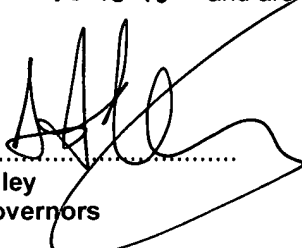
	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	-	18,297	545,158	563,455	424,940
Charitable activities	5	-	2,975,172	-	2,975,172	1,495,570
Other trading activities	3	1,209	-	-	1,209	2,580
Investments	4	627	-	-	627	659
TOTAL INCOME		1,836	2,993,469	545,158	3,540,463	1,923,749
EXPENDITURE ON:						
Charitable activities		-	3,083,470	361,331	3,444,801	2,094,234
TOTAL EXPENDITURE	7	-	3,083,470	361,331	3,444,801	2,094,234
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	15	1,836	(90,001)	183,827	95,662	(170,485)
		-	(151,920)	151,920	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		1,836	(241,921)	335,747	95,662	(170,485)
Actuarial losses on defined benefit pension schemes	19	-	(172,000)	-	(172,000)	(1,000)
NET MOVEMENT IN FUNDS		1,836	(413,921)	335,747	(76,338)	(171,485)
RECONCILIATION OF FUNDS:						
Total funds brought forward		8,343	(34,956)	17,940,097	17,913,484	18,084,969
TOTAL FUNDS CARRIED FORWARD		10,179	(448,877)	18,275,844	17,837,146	17,913,484

HOLYPORT COLLEGE
(A company limited by guarantee)
REGISTERED NUMBER: 07930340

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		18,275,844		17,940,097
CURRENT ASSETS					
Debtors	13	642,400		247,178	
Cash at bank and in hand		346,583		421,507	
		<u>988,983</u>		<u>668,685</u>	
CREDITORS: amounts falling due within one year	14	<u>(1,162,681)</u>		<u>(653,298)</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(173,698)</u>		<u>15,387</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,102,146</u>		<u>17,955,484</u>
Defined benefit pension scheme liability	19		<u>(265,000)</u>		<u>(42,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>17,837,146</u></u>		<u><u>17,913,484</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	15	(183,877)		7,044	
Restricted fixed asset funds	15	<u>18,275,844</u>		<u>17,940,097</u>	
Restricted income funds excluding pension liability		<u>18,091,967</u>		<u>17,947,141</u>	
Pension reserve	19	<u>(265,000)</u>		<u>(42,000)</u>	
Total restricted income funds			<u>17,826,967</u>		<u>17,905,141</u>
Unrestricted income funds	15		<u>10,179</u>		<u>8,343</u>
TOTAL FUNDS			<u><u>17,837,146</u></u>		<u><u>17,913,484</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 12-12-16 and are signed on their behalf, by:


Simon Dudley
Chair of Governors

The notes on pages 25 to 43 form part of these financial statements.

HOLYPORT COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	17	<u>101,369</u>	<u>446,466</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		627	659
Purchase of tangible fixed assets		(697,078)	(1,791,913)
Capital grants and contributions from EFA and Local Authority		<u>520,158</u>	<u>163,190</u>
Net cash used in investing activities		<u>(176,293)</u>	<u>(1,628,064)</u>
Change in cash and cash equivalents in the year		(74,924)	(1,181,598)
Cash and cash equivalents brought forward		<u>421,507</u>	<u>1,603,105</u>
Cash and cash equivalents carried forward		<u><u>346,583</u></u>	<u><u>421,507</u></u>

HOLYPORT COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Holyport College constitutes a public benefit entity as defined by FRS 102.

1.2 Company status

The academy is a company limited by guarantee. The members of the company are the individuals named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

1.3 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 the Department for Education 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 and include grants from the Department for Education.

1.4 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

HOLYPORT COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.5 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.

Charitable activities and Governance costs 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.

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

1.7 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised, with bulk purchases capitalised where they are part of the initial set-up costs of the College.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Buildings	- 2% Straight line
Motor vehicles	- 20% Straight line
Fixtures and fittings	- 10% Straight line
Computer equipment	- 25% Straight line

HOLYPORT COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.9 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 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.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

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 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.

1.12 Pensions

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 and the assets are held separately from those of the academy.

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 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 19, 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.

HOLYPORT COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Local Government Pension Scheme

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 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

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(A company limited by guarantee)

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	-	18,297	25,000	43,297	261,750
Capital grants and LA contributions	-	-	520,158	520,158	163,190
	<u>-</u>	<u>18,297</u>	<u>545,158</u>	<u>563,455</u>	<u>424,940</u>

In 2015, of the total income from donations and capital grants, £nil was to unrestricted funds and £424,940 was to restricted funds

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings income	1,209	-	1,209	2,580
	<u>1,209</u>	<u>-</u>	<u>1,209</u>	<u>2,580</u>

In 2015, of the total income from other trading activities, £2,580 was to unrestricted funds and £nil was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	627	-	627	659
	<u>627</u>	<u>-</u>	<u>627</u>	<u>659</u>

In 2015, of the total investment income, £659 was to unrestricted funds and £nil was to restricted funds.

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

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
Educational operations (see below)	-	1,523,181	1,523,181	805,865
Local authority	-	18,176	18,176	13,244
Boarding fee income	-	1,228,534	1,228,534	626,396
Other income from educational activities	-	205,281	205,281	50,065
	<u>-</u>	<u>2,975,172</u>	<u>2,975,172</u>	<u>1,495,570</u>

In 2015, of the total income from charitable activities, £nil was to unrestricted funds and £1,495,570 was to restricted funds.

Other income from educational activities includes payment towards school trips outside the curriculum, school meals and transport.

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds 2015 £</i>
DfE/EFA grants				
General Annual Grant (GAG)	-	1,323,522	1,323,522	695,235
Other DfE/EFA grants	-	199,659	199,659	110,630
	<u>-</u>	<u>1,523,181</u>	<u>1,523,181</u>	<u>805,865</u>

In 2015, of the total income from charitable activities, £nil was to unrestricted funds and £805,865 was to restricted funds.

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

6. CHARITABLE ACTIVITIES

	Total funds 2016 £	<i>Total funds 2015 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	886,410	481,904
National insurance	82,727	41,708
Pension cost	159,664	99,617
Technology costs	49,013	69,213
Educational supplies	137,710	81,944
Examination fees	1,175	-
Staff development	10,051	6,267
Equipment	47,711	42,597
Other direct costs	107,610	7,397
	<hr/> 1,482,071	<hr/> 830,647
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	147,905	79,370
National insurance	10,181	5,107
Pension cost	28,018	45,287
Recruitment and support	9,499	12,821
Maintenance of premises	36,307	1,394
Cleaning	18,575	19,748
Rates and water	48,927	9,744
Energy costs	54,776	32,113
Insurance	26,367	13,370
Security	3,262	1,388
Transport	30,645	17,637
Catering	58,960	43,143
Bank and interest charges	437	-
Travel and subsistence	2,701	854
Governance costs	13,150	19,023
Depreciation	254,442	244,688
Other support costs	36,042	67,955
	<hr/> 780,194	<hr/> 613,642
	<hr/> 2,262,265	<hr/> 1,444,289
BOARDING COSTS		
Direct costs	494,172	264,652
Support costs	688,364	385,293
	<hr/> 1,182,536	<hr/> 649,945
	<hr/> 3,444,801	<hr/> 2,094,234

HOLYPORT COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

Within technology costs and educational supplies there is an amount of £51,583 (2015: £73,628) for ICT and other equipment which has been expensed during the year as the amounts were individually below the capitalisation policy or were not considered as capital in nature.

Depreciation of £106,889 (2015: £104,866) has been included within boarding support costs in the year.

During the year £47,300 (2015: £11,550) of bursaries were awarded by the College, in addition to bursaries awarded to pupils by other charities.

7. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	<i>Total 2015 £</i>
Educational operations					
Direct costs	1,194,974	-	287,097	1,482,071	<i>830,647</i>
Support costs	194,787	103,703	481,704	780,194	<i>592,619</i>
Boarding					
Direct costs	372,255	-	121,917	494,172	<i>264,652</i>
Support costs	133,253	44,033	511,078	688,364	<i>404,316</i>
	<u>1,895,269</u>	<u>147,736</u>	<u>1,401,796</u>	<u>3,444,801</u>	<i><u>2,092,234</u></i>

In 2016, of the total expenditure, £nil (2015: £nil) was to unrestricted funds and £3,480,154 (2015: £2,092,234) was to restricted funds.

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	<i>2015 £</i>
Depreciation of tangible fixed assets:		
- owned by the charity	361,331	<i>349,554</i>
Auditor's remuneration - audit	6,750	<i>5,000</i>
Auditor's remuneration - non audit services	2,000	<i>1,913</i>
	<u>370,081</u>	<i><u>356,467</u></i>

HOLYPORT COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

9. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,480,384	815,321
Social security costs	127,773	65,348
Pension costs	287,112	162,546
	<u>1,895,269</u>	<u>1,043,215</u>

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

	2016	2015
	No.	No.
Teachers and Teaching Assistants	19	10
Management	4	4
Administration, Estates and Support	14	6
Boarding	20	7
	<u>57</u>	<u>27</u>

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

	2016	2015
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £100,001 - £110,000	1	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff members amounted to £28,409 (2015: £23,970).

The key management personnel of the academy comprise the Head Master and his senior leadership team as listed on page 1. The total amount of employee benefits (including employer contributions) received by key management personnel for their services to the academy was £337,169 (2015: £320,855).

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

10. GOVERNORS' REMUNERATION AND EXPENSES

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

		2016 £	2015 £
Walter Boyle (Head Master and Governor)	Remuneration	100,000-105,000	100,000-105,000
	Pension contributions paid	15,000-20,000	10,000-15,000

During the year ended 31 August 2016, expenses totalling £363 (2015 - £nil) were reimbursed to 1 Governor (2015 - 1), which solely relates to costs incurred by the Principal in the performance of his duties as Head Master. All governor expenses relate to out-of-pocket expenses at cost. No other governor expenses were incurred.

11. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2016 was £573 (2015 - £542).

12. TANGIBLE FIXED ASSETS

	Land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2015	17,988,692	10,000	82,250	208,709	18,289,651
Additions	571,210	25,170	91,939	8,759	697,078
At 31 August 2016	18,559,902	35,170	174,189	217,468	18,986,729
Depreciation					
At 1 September 2015	294,030	2,000	1,347	52,177	349,554
Charge for the year	294,030	7,034	8,090	52,177	361,331
At 31 August 2016	588,060	9,034	9,437	104,354	710,885
Net book value					
At 31 August 2016	17,971,842	26,136	164,752	113,114	18,275,844
At 31 August 2015	17,694,662	8,000	80,903	156,532	17,940,097

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

13. DEBTORS

	2016	2015
	£	£
Boarding fees receivable	310,955	5,004
Other debtors including VAT receivable	48,771	156,872
Prepayments and accrued income	282,674	85,302
	<u>642,400</u>	<u>247,178</u>

14. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	136,042	207,176
Other taxation and social security	39,042	122,762
Accruals	318,127	52,226
Other creditors	184,630	143,348
Deferred income	484,840	127,786
	<u>1,162,681</u>	<u>653,298</u>

	2016	2015
	£	£
Deferred income		
Deferred income at 1 September 2015	127,787	211,750
Resources deferred during the year	484,840	127,787
Amounts released from previous years	(127,787)	(211,750)
	<u>484,840</u>	<u>127,787</u>

The deferred income represent boarding fees receivable for the 2016/17 academic year.

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

15. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	8,343	1,836	-	-	-	10,179
Restricted funds						
General Annual Grant (GAG)	5,355	1,323,522	(1,408,521)	(129,471)	-	(209,115)
DfE/EFA current grants	-	199,659	(199,659)	-	-	-
Local authority	-	18,176	(18,176)	-	-	-
Boarding fee income	(23,549)	1,228,534	(1,182,536)	(22,449)	-	-
Eton College donation	-	11,287	(11,287)	-	-	-
Good music award	25,238	-	-	-	-	25,238
Other donations	-	7,010	(7,010)	-	-	-
Other income	-	205,281	(205,281)	-	-	-
Pension reserve	(42,000)	-	(51,000)	-	(172,000)	(265,000)
	<u>(34,956)</u>	<u>2,993,469</u>	<u>(3,083,470)</u>	<u>(151,920)</u>	<u>(172,000)</u>	<u>(448,877)</u>
Restricted fixed asset funds						
Donations	140,300	25,000	(9,734)	-	-	155,566
Capital grants	14,546,797	520,158	(351,597)	151,920	-	14,867,278
Land	3,253,000	-	-	-	-	3,253,000
	<u>17,940,097</u>	<u>545,158</u>	<u>(361,331)</u>	<u>151,920</u>	<u>-</u>	<u>18,275,844</u>
Total restricted funds	<u>17,905,141</u>	<u>3,538,627</u>	<u>(3,444,801)</u>	<u>-</u>	<u>(172,000)</u>	<u>17,826,967</u>
Total of funds	<u>17,913,484</u>	<u>3,540,463</u>	<u>(3,444,801)</u>	<u>-</u>	<u>(172,000)</u>	<u>17,837,146</u>

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

Restricted funds

DfE/EFA current grants represent start-up grants to be used towards the costs of opening the academy.

Local authority funds represent other types of funding at a local level, such as SEN Top Up funding.

Eton College donations are donations from Eton College to purchase specific items for the academy.

Other income includes monies received for other particular operations in running the academy, such as trips and meals.

The Good Family Music Award is held in trust for the purpose of developing music bursaries.

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

15. STATEMENT OF FUNDS (continued)

The Local Government Pension Scheme deficit fund has been created to separately identify the pension deficit and through which all the pension scheme movements are recognised. The pension liability has not crystallised and the trustees do not need to designate any of their existing funds to meet future pension commitments. Parliament, at the request of the Secretary of State for Education, has guaranteed 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 asset funds

Capital grants included amounts received for the use of constructing the academy from the EFA and other sources.

Donations represent the market value of a donated vehicle and donations for the Astro-turf pitch.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	18,275,844	18,275,844	17,940,097
Current assets	10,179	978,804	-	988,983	668,685
Creditors due within one year	-	(1,162,681)	-	(1,162,681)	(653,298)
Pension liabilities	-	(265,000)	-	(265,000)	(42,000)
	<u>10,179</u>	<u>(448,877)</u>	<u>18,275,844</u>	<u>17,837,146</u>	<u>17,913,484</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	95,662	(170,485)
Adjustment for:		
Depreciation charges	361,331	349,554
Losses on investments	(627)	(659)
(Increase)/decrease in debtors	(395,222)	52,179
Increase in creditors	509,383	338,067
Capital grants from DfE and other capital income	(520,158)	(163,190)
Defined benefit pension scheme finance cost	51,000	41,000
Net cash provided by operating activities	<u>101,369</u>	<u>446,466</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	346,583	421,507
	<u>346,583</u>	<u>421,507</u>

19. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by The Royal County of Berkshire Pension Fund. Both are Multi-employer defined benefit pension schemes.

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

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

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 previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed

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

19. PENSION COMMITMENTS (continued)

and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £146,089 (2015 - £73,566).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £116,000 (2015 - £71,000), of which employer's contributions totalled £84,000 (2015 - £51,000) and employees' contributions totalled £32,000 (2015 - £20,000). The agreed contribution rates for future years are 16.5% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	26.2	26.1
Retiring in 20 years		
Males	25.2	25.1
Females	28.5	28.4

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

19. PENSION COMMITMENTS (continued)

The academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	102,000	31,000
Bonds and other	70,000	26,000
Property	27,000	10,000
Cash	9,000	4,000
	<hr/>	<hr/>
Total market value of assets	208,000	71,000
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £11,000 (2015 - £(1,000)).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(135,000)	(90,000)
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of the defined benefit obligation were as follows:

	2016 £	2015 £
Opening defined benefit obligation	113,000	1,000
Current service cost	135,000	90,000
Interest cost	5,000	2,000
Contributions by employees	32,000	20,000
Actuarial (gains) and losses	183,000	-
Benefits paid	5,000	-
	<hr/>	<hr/>
Closing defined benefit obligation	473,000	113,000
	<hr/> <hr/>	<hr/> <hr/>

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

	2016 £	2015 £
Opening fair value of scheme assets	71,000	-
Interest on assets	5,000	1,000
Actuarial gains and (losses)	11,000	(1,000)
Contributions by employer	84,000	51,000
Contributions by employees	32,000	20,000
Benefits paid	5,000	-
	<hr/>	<hr/>
Closing fair value of scheme assets	208,000	71,000
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

20. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	31,616	9,878
Between 1 and 5 years	38,718	29,634
Total	<u>70,334</u>	<u>39,512</u>

21. RELATED PARTY TRANSACTIONS

Eton College is sole educational sponsor of the academy and details of that sponsorship relationship and support are outlined in the Heads of Terms document available on both College's websites. The sponsorship is designed to be mutually beneficial and initiatives undertaken in 2015/16, in addition to sharing facilities, included Latin teaching, technology enrichment, educational leadership advice, mentoring by Eton pupils of Holyport pupils and ongoing cooperation among pupils through the Investment Society and a combined choir. A number of academy governors are also members of Eton College staff. Donations from Eton College within the financial year are valued at £11,286.50 with further non-financial support valued at £20,000.

The College, like many academies purchases various services from the Local Authority, the Royal Borough of Windsor and Maidenhead (RBWM). The Chair of Governors and a Founding member of the academy is Leader of RBWM, and some members of staff have family members who are members or officers of RBWM, as detailed in the College's Register of Interests.

Two governors of the College are also trustees of the Old Etonian Association, which made a donation during the financial year of £25,000 of restricted funds towards the purchase of a minibus.

22. CONTROLLING PARTY

The ultimate controlling party is that of its governors as detailed on page 1 of the financial statements.

23. CONTINGENT LIABILITIES

There are no contingent liabilities that require disclosure in the financial statements.

24. 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 £nil for the debts and liabilities contracted before he/she ceases to be a member.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

25. FIRST TIME ADOPTION OF FRS 102

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

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure. However, as a result of the conversion to FRS 102, there has been a reallocation between actuarial gains/(losses) on defined benefit pension schemes and interest costs within charitable activities expenditure which has no impact on the net movement funds for the prior year.

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**ACADEMY BOARDING TRADING ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	2016 £	2015 £
Income		
Fee income	1,228,534	626,396
Expenditure - direct costs		
Staff costs	(447,252)	(239,779)
Goods and services	(46,920)	(24,873)
	<u>(494,172)</u>	<u>(264,652)</u>
Expenditure - support costs		
Staff costs	(133,395)	(42,387)
Utilities	(100,495)	(73,250)
Security	(2,317)	(5,788)
Catering	(249,418)	(133,453)
Depreciation	(106,889)	(104,866)
Other support costs	(95,850)	(25,549)
	<u>(688,364)</u>	<u>(385,293)</u>
Total operating costs	<u>(688,364)</u>	<u>(385,293)</u>
Surplus/(Deficit) on boarding	<u><u>45,998</u></u>	<u><u>(23,549)</u></u>