

Company Registration No 08100344 (England and Wales)

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE PERIOD ENDED 31 AUGUST 2013

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TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

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TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Governors (who are also trustees)	Julie Adkins	(Parent Governor)	(Appointed 17 June 2013)	
	Clare Blackhurst	(Staff Governor)	(Appointed 1 August 2012)	
	Trudy Boyle	(Community Governor)	(Appointed 1 August 2012)	
	Thomas Crotty	(Community Governor)	(Appointed 11 June 2012)	*#
	Avis France	(Parent Governor)	(Appointed 1 August 2012)	
	Judith Jennings	(Parent Governor)	(Appointed 1 August 2012)	
	Dawn Joyce	(Community Governor)	(Appointed 1 August 2012)	
	Sarah Lee	(Head Teacher)	(Appointed 11 June 2012)	*#
	Michael Lomas	(Parent Governor)	(Appointed 17 June 2013)	
	Richard Needham	(Community Governor)	(Appointed 1 August 2012 and resigned 19 October 2013)	*
	Caryle Sinnott	(Staff Governor)	(Appointed 1 August 2012)	*
	Sally Sissons	(Community Governor)	(Appointed 11 June 2012)	*#
	Philippa Smith	(Parent Governor)	(Appointed 1 August 2012)	
	Jane Stephens	(Parent Governor)	(Appointed 1 August 2012)	*
	Nigel Taylor	(Parent Governor)	(Appointed 1 August 2012)	*#
	John Waddington	(Chair of Trustees)	(Appointed 11 June 2012)	#
	Stephen Williams	(Community Governor)	(Appointed 1 August 2012)	
	Ronald Woodcock	(Community Governor)	(Appointed 1 August 2012)	
	Harry Ziman	(Community Governor)	(Appointed 11 June 2012)	#
	Jo McDonald	(Parent Governor)	(Appointed 11 June 2012 and resigned 15 December 2012)	#
	Benedick Cox	(Staff Governor)	(Appointed 14 September 2012 and resigned 20 September 2013)	
	Richard Gillard	(Staff Governor)	(Appointed 15 October 2013)	

* members of the finance and general purposes committee

members of the audit committee

Senior management team

- Deputy Head Teacher	Liam Martin
- Deputy Head Teacher	Lyndsay Watterson
- Assistant Head Teacher	Paul Gildea
- Assistant Head Teacher	Jason Lowe
- Assistant Head Teacher	Christopher Nuttall
- Strategic Business Manager	Jonathan Hayes

Company secretary Jonathan Hayes

Company registration number 08100344 (England and Wales)

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address	Eaton Road Tarporley Cheshire CW6 0BL United Kingdom
Independent auditor	Hall Livesey Brown 68 High Street Tarporley Cheshire CW6 0AT
Bankers	Lloyds TSB Foregate Street Chester

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2013

The governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 11 June 2012 to 31 August 2013

On 1 August 2012 Tarporley High School and Sixth Form College converted to Academy status under the Academies Act 2010 and all the operating assets and liabilities were transferred to the company

Structure, governance and management

Constitution

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

Six governors act as members of the Academy Trust for the Charitable activities of Tarporley High School and Sixth Form College Trust Limited and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Tarporley High School and Sixth Form College. All Governors are Trustees, and all Trustees are Governors.

Details of the members who served during the period are included in the reference and administration details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice, the school purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The limit of this indemnity is £2,000,000.

Principal activities

The principal activity is to advance education for the public benefit by establishing, maintaining, carrying on, managing and developing a secondary school offering a broad and balanced curriculum for students of different abilities between the ages of 11-18.

Method of recruitment and appointment or election of governors

On 1 August 2012 the members appointed all those Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

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

- Up to 9 Community Governors who are appointed by the members
- 6 Parent Governors elected by parents of registered students at the school
- Up to 3 Staff Governors who are appointed by peer election
- The Head Teacher who is treated as an ex officio governor

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

When appointing new governors, the members of the Academy Trust will give consideration to the skills and experience mix of the existing governors in order to ensure that the Board has the necessary skills to contribute fully to the school's development.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

Policies and procedures adopted for the induction and training of governors

There is a comprehensive CPD and induction programme made available to Trustees by the Company Secretary and the Clerk to the Governing Body. The trustees have also appointed a named governor with responsibility for training. Trustee development needs are identified on an individual basis and tailored to meet these needs and the needs of the Academy Trust.

Organisational structure

The stated vision of the Governing Body is

Challenging and Inspiring Governance

"Driving a culture of excellence and achievement, to deliver outstanding outcomes for the whole school community"

The Governing Body meets three times per year. It establishes an overall framework for the governance of the school, determining the terms of reference, and members of the committees and other groups. The Governing body receives reports from committees, which it reviews and ratifies, it also monitors the activities of committees at its meetings.

There are five committees

Strategic Development Strategic Direction of the Academy (also fulfils the role of the Audit Committee Function, ensuring compliance with reporting and regulatory requirements)

Resources Financial management, estates, health and safety and wider community partnerships

Student Child Protection, safeguarding, safety, student behaviour, student attendance, monitoring of incidents, bullying and racist incidents

Staffing performance management, CPD, staffing levels, appointments, salaries, work-life balance and personnel policies

Teaching and Learning curriculum design and planning, monitoring of academic performance

The following decisions are reserved for Governors

- To consider all changes to the status and constitution of the school and its committee structure
- To appoint the Chair and Vice-Chair
- To appoint the Head Teacher, Company Secretary and Clerk to the Governors
- To approve the Strategic Development Plan and budget

The Governors are responsible for setting general policy, setting the strategic priorities/direction of the academy, adopting a development plan and budget, approving the statutory accounts, monitoring the school by use of budgets and other data, and making major decisions about the direction of the school, capital expenditure, and staff appointments.

The Trustees and Governors have devolved responsibility for the day to day management of the school to the Headteacher, Deputy Headteachers, Strategic Business Manager and Assistant Headteachers (the Senior Leadership Team).

The school has a management structure which consists of the Governors and Senior Leadership Team. The aim of the leadership structure is to empower leaders at all levels within school to engage with the school's aims and priorities and drive forward improvement.

The Senior Leadership Team comprises the Headteacher, two Deputy Headteachers, the Strategic Business Manager and three Assistant Headteachers. The Senior Leadership Team operates at an executive level, implementing the policies and procedures agreed by the Governors, and reporting back to them on progress against targets and objectives. The Headteacher, Strategic Business Manager and Resources Committee are responsible for the authorisation of spending within agreed budgets. Departmental spending control is devolved to budget holders.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

The Headteacher is responsible for the appointment of staff. Where appropriate a Governor will be included on the appointment panel.

The Headteacher is the accounting officer.

Risk management

The Governing Body undertakes a financial risk assessment annually, and maintains a business continuity plan to address different levels of potential disruption to the normal business operations of the Academy. The areas covered by this risk assessment are as follows:

- 1 Governance
- 2 Financial Planning and Budgetary Control
- 3 Payroll
- 4 Purchasing Arrangements
- 5 Payment of Invoices
- 6 Petty Cash Imprest
- 7 Inventory/School Assets
- 8 Income
- 9 Data Security
- 10 Insurance

The Governors have implemented a number of systems to assess and minimise these risks as part of its processes for internal controls. Where significant financial risk still remains they have ensured that adequate insurance cover is in place.

The Academy's role for years 7 to 11 is stable, and analysis of student numbers from our partner primary schools indicate that the risks of revenue funding from a falling roll are slight. The Governors have identified that variations in 6th Form recruitment are more difficult to predict, and projections for recruitment and retention are discussed regularly by the Governing Body and Senior Leadership Team.

The effects of announced reductions to post 16 funding, the changes to the formula for funding schools as the government moves towards a national funding formula, the changes to special educational needs funding, and the increases in employment and premises costs due to pay awards and inflation mean that revenue funding streams will be constrained for the foreseeable future.

The Governing Body monitors the financial performance of the Academy formally every term, reviewing performance against budgets and overall expenditure via reports to the Resources Committee and the Full Governing Body. Governors also receive regular cashflow forecasts and ensure sufficient funds are available to meet the academy's ongoing financial commitments. Liquidity was maintained throughout the period.

At the 31 August 2013, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The most significant potential liability for the academy is the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in the notes to the Financial Statements. Having assessed the risk, Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

Connected organisations and related party relationships

The Academy has strong collaborative links with its partner primary schools, which have formed the Sandstone Partnership, to further the development of educational and CPD opportunities for all members stakeholder groups

Tarporley High School and Sixth Form College is a strategic partner in the Cheshire Leadership and Teaching Alliance, working as part of the partnership to develop the next generation of teachers, school leaders and school improvement partnerships

The Academy is also working with Chester University as part of their School Direct programme, recruiting and educating candidates to become qualified teachers in partnership with the University

The Academy is also a member of REAP collaboration with three other secondary schools, Bishop Heber, Christleton, and Neston. This partnership has a strong focus on CPD and sharing best practice across the participant schools to drive forward improvement

The Academy also has a parent teacher association which actively supports the work of the school

There are no related parties with either control or significant influence on the decisions or operations of the school. There are no sponsors.

Objectives and activities

Objects and aims

The Academy's vision is "Aspire, Learn, Achieve". It is the aim of the Academy to provide the very best learning and personal development opportunities for every young person that we serve. Our teaching and support staff are highly qualified, very skilled, and together share the strongest dedication to ensuring that all our students are safe, wholeheartedly enjoying their learning, and achieve their full potential.

We are keen to offer our students the opportunities to develop as confident, responsible and considerate individuals who excel and make a lasting contribution within and beyond their school life.

Our partnership with parents and carers is very important to us, and we work closely with them throughout a student's life to nurture their aspirations, their learning and their achievement.

Objectives, strategies and activities

The Governing Body has agreed the following six areas as strategic priorities for the academy:

Raising Achievement for all - All individuals and all groups (including Pupil Premium (Ever 6, CLA, Service Child), Gifted and Talented, KS2 level 4 students, SEN, Gender) fulfil or exceed their potential.

Re-imagining the Curriculum - A Curriculum where teachers are empowered to use their subject expertise to develop excellent programmes of study so that the needs and aspirations of our students are realised.

Improving Learning - A shared understanding of great learning which provides freedom to innovate and take risks, empowering teachers to lead and shape learning for all. Expectations of effective learning are stretched for all.

Developing Staff - A dynamic and aspirational culture in which staff are empowered to lead and shape the education of young people.

Unlocking Student Potential - All students in school are empowered to take ownership of the development of their skills and their own learning through enhanced opportunities.

Growing the School - To grow our profile and to maximise the resources available to the school so that we provide the best possible learning experiences for our students.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

Public benefit

The Academy has complied with its duty to have due regard to the guidance on public benefit as per Appendices GL49 of the Charities SORP

"Public benefit entities are reporting entities whose primary objective is to provide goods or services for the general public or social benefit and where any equity has been provided with a view to supporting that primary objective rather than with a view to providing financial return to shareholders"

This is continually monitored by the governing body through its delegated committees

Achievements and performance

Achievements in the Period

Once again our students received excellent results in their public examinations. These results are summarised below

GCSE

Attainment remains significantly above the national average

Record A*-A grades

The gender gap in the 2012 results has closed in the majority of measures

Attainment and progress in English has improved significantly from the concerns in 2012

A*-C has increased from 77% to 83%

3 levels of progress has increased from 67% to 79%

4+ levels of progress has increased from 34% to 45%

High rates of progress between KS2 (National Curriculum Tests taken in Y6) and KS4 in English and Maths

Pupil Premium gap continues to narrow

Special Educational Needs (SEN) - The attainment of students with SEN was significantly above the national average in 2012 and this has increased in 2013

A Level

High levels of attainment compared to national averages

Attainment high relative to Local Authority Schools and Colleges

Highest Average Grades in Cheshire West

Highest A*-A in Cheshire West

Second Highest A*-B in Cheshire West

Progress against targets was excellent for A*/A and A*-B. FFT A-C challenge much improved

Completion rates, Achievement Rates and retention rates are good relative to national averages

Our students continue to perform significantly above local and national average achievement rates

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

Key performance indicators

The main financial performance indicator for the Academy is the level of reserves held at 31 August 2013. It is the Academy's management policy that in general terms the income received in any one year is spent for the benefit of those children in school that year, with provision also made for a contingency for "un-foreseen" events.

The financial year 2012-13 is an unusual year for the Academy, as it is its first year of operation, following conversion from a maintained school on 1 August 2012 (incorporation date 11 June 2012), and it has therefore been an atypical year. Financial performance has also been skewed by the transfer of balances from the Cheshire West and Chester Council at conversion, and the amalgamation of the former non-public funds into the academy's accounts.

Despite this monthly management monitoring of budgets has been within projected spending levels, and a positive cashflow has been maintained throughout the period.

The formula for funding academies is primarily based upon student numbers and this is also a key performance indicator. The budget for 2012-13 was based upon a roll of 1032 including Sixth Form students in January 2012. This comprised 859 students in Years 7 to 11, actual numbers of students for the period were 860, a virtual stand still position. Sixth Form numbers are more susceptible to variation, due to the choice element and these numbers are kept under regular review.

Going concern

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

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

Financial review

The largest proportion of the Academy's income is obtained from the DfE, via the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted for defined purposes. The grants received from the DfE during the period 1 August 2012 to 31 August 2013 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

For the financial period which ended 31 August 2013, the total expenditure of the Academy did not exceed the recurrent grant funding from the DfE, together with incoming resources.

The net book value of fixed assets and movements in tangible fixed assets are shown in the notes to the financial statements for the financial period to 31 August 2013. These assets were used exclusively for providing education and the associated support services to the students of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. The land and buildings were professionally valued at that time. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The balance of the predecessor school's budget share was transferred to the Academy three months after conversion and is shown as unrestricted funds.

As required, upon conversion the Academy has taken responsibility for the deficit in the Local Government Pension Scheme (LGPS) in respect of its Support Staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in the financial statements.

The key financial review undertaken during the period related to the Academy's Handbook of Internal Procedures which sets out the framework for financial management, including the financial responsibilities of the Trustees, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending.

Governors have appointed Hall Livesey Brown to undertake internal checks on financial controls. No matters of significance were identified.

Principal risks and uncertainties

The principal risks and uncertainties facing the academy trust relate to the national changes to the formula for funding schools which will be introduced from 2013-14. The main element of risk being that relating to funding for students with special educational needs, which is expected to have a significant negative effect on funding.

Student recruitment is another area of risk, as the funding formula is based upon student numbers in different key stages on roll. Recruitment analysis of our partner primary schools indicates a stability in students' numbers, allied to significant housing developments within the school's catchment area, minimising the risk of falling rolls in Years 7 to 11. Sixth Form recruitment, due to there being a more fluid "market" in operation (in terms of the offers made by schools with sixth forms and sixth form colleges), means that post 16 recruitment is an area of risk which is closely monitored by the academy.

Financial and risk management objectives and policies

The financial instruments that the academy deals with are largely bank balances and trade creditors with limited trade and other debtors and therefore its financial risk is minimal.

However the academy does have to carry the deficit on the local government defined pension scheme on its balance sheet which at 31 August 2013 stood at £377,000. The deficit is being addressed by the Pension Fund Administrators and is likely to result in increased costs to the academy over time by way of increased employer contributions.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

Reserves policy

The academy currently holds £619,740 of unrestricted reserves. The trustees have decided that elements of the unrestricted reserves will be utilised to support over the coming period.

Liquidity

The Academy's Capital Programme including its ongoing bid for ACMF funding

Allow the academy to manage the effects of known and unknown funding fluctuations

The trustees have not as yet determined an appropriate level of reserves

Investment policy and powers

The academy's investment policy is consistent with its charitable status. Investments must always be made in accordance with written procedures adopted by the governing body and must always ensure the maximum integrity of such investments.

It is the policy of the academy, going forward, to have cash invested in liquid investments that bear minimal risk by investing a maximum of £85,000 with any one bank and ensuring that each deposit is covered separately by the Financial Services Compensation Scheme.

Plans for the future

The Governors have agreed a new vision statement for the academy - ASPIRE LEARN ACHIEVE

ASPIRE

Encourage our young people to realise their hidden potential and to fulfil their aspirations by helping them to strive for their best on both a personal and academic level.

LEARN

Strive to nurture and develop successful learners for the future, equipped with the skills that will enable them to prosper and achieve in the 21st Century.

ACHIEVE

All members of our school community are encouraged to grow as individuals and achieve success on both an academic and personal level.

This vision is translated into the academy's 3 year School Development Plan, with its six priorities:

- Raising Achievement for all
- Re-imagining the Curriculum
- Improving Learning
- Developing Staff
- Unlocking Student Potential
- Growing the School

The academy has an emergent five year estate development plan, which encompasses ongoing refurbishment of our existing facilities and bids for capital funding to the EFA to improve our facilities and increase the capacity of the school to meet demands within our locality.

Funds held as custodian trustee

The Academy and its Governors do not act as the Custodian of any other Charity.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013


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

A resolution proposing that Hall Livesey Brown be reappointed as auditor of the charitable company will be put to the members

Approved by order of the board of trustees on 19 December 2013 and signed on its behalf by



John Waddington
Chair of Trustees

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2013

Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that Tarporley High School And Sixth Form 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 trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Tarporley High School And Sixth Form College and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 times during the Period. Attendance during the Period at meetings of the board of trustees was as follows:

Governors	Meetings attended	Out of possible
Julie Adkins	1	1
Clare Blackhurst	3	3
Trudy Boyle	3	3
Thomas Crotty	3	3
Avis France	3	3
Judith Jennings	1	3
Dawn Joyce	3	3
Sarah Lee	3	3
Michael Lomas	1	1
Richard Needham	3	3
Caryle Sinnott	3	3
Sally Sissons	1	3
Philippa Smith	0	3
Jane Stephens	3	3
Nigel Taylor	3	3
John Waddington	1	3
Stephen Williams	3	3
Ronald Woodcock	0	3
Harry Ziman	3	3
Jo McDonald	1	1
Benedick Cox	3	3

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

The Resources committee is a sub-committee of the main board of trustees. Its purpose is to monitor the financial administration of the school to ensure efficient and effective use of funds in accordance with current regulations by discussion, review and challenge at its meetings.

Attendance at meetings in the Period was as follows

Governors	Meetings attended	Out of possible
Thomas Crotty	1	3
Sarah Lee	3	3
Richard Needham	2	3
Caryle Sinnott	3	3
Sally Sissons	3	3
Jane Stephens	2	3
Nigel Taylor	3	3

The Governors of the Academy decided that The Strategic Development Committee of the board of trustees would also act as the audit committee. Its purpose is to ensure that the financial responsibilities of the governing body are being properly discharged, resources are managed in an efficient, economical and effective manner, and sound systems of internal control are being maintained.

Attendance at meetings in the Period was as follows

Governors	Meetings attended	Out of possible
Thomas Crotty	1	3
Sarah Lee	3	3
Sally Sissons	3	3
Nigel Taylor	1	2
John Waddington	3	3
Harry Ziman	3	3
Jo McDonald	1	1

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tarporley High School And Sixth Form College for the period 1 August 2012 to 31 August 2013 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 August 2012 to 31 August 2013 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees,

- 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 trustees has considered the need for a specific internal audit function and has decided

not to appoint an internal auditor. However the governors have appointed Hall Livesey Brown, the external auditor, to perform additional checks

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees

This is achieved by carrying out tailored audit tests on the systems of internal controls, reporting to the governors the results of the tests, and attending Resources Committee, Strategic Development Committee or Full Governing Body Meetings as required

Review of effectiveness

As accounting officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the Period in question the review has been informed by

- the work of Hall Livesey Brown, the external auditor,

- the financial management and governance self-assessment process,

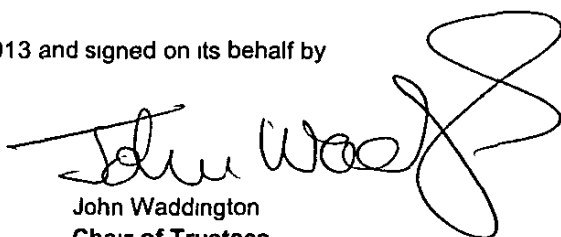
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the board of trustees on 19 December 2013 and signed on its behalf by



Sarah Lee
Accounting Officer



John Waddington
Chair of Trustees

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE PERIOD ENDED 31 AUGUST 2013

As accounting officer of Tarporley High School and Sixth Form 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 Education Funding Agency terms and conditions of funding, under the funding agreement in place between the academy trust and Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust's board of 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.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

Approved on 19 December 2013 and signed by



Sarah Lee
Accounting Officer

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these accounts, the trustees are required to

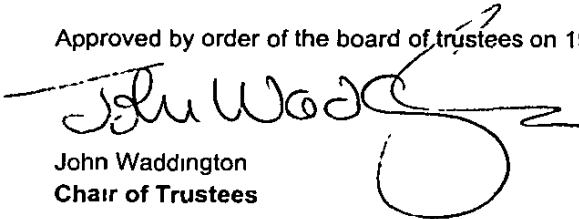
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

Approved by order of the board of trustees on 19 December 2013 and signed on its behalf by


John Waddington
Chair of Trustees

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

We have audited the accounts of Tarporley High School and Sixth Form College for the Period ended 31 August 2013 set out on pages 21 to 41. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the EFA.

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

Respective responsibilities of governors and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the governors, who are also the directors of Tarporley High School and Sixth Form College for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts

give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the Period then ended,

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006, and

have been prepared in accordance with the Academies Accounts Direction 2013 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

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

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

Matters on which we are required to report by exception

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

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or

the accounts are not in agreement with the accounting records and returns, or

certain disclosures of trustees' remuneration specified by law are not made, or

we have not received all the information and explanations we require for our audit



Simon Jeffrey BA FCA (Senior Statutory Auditor)
for and on behalf of Hall Livesey Brown

Chartered Accountants

Statutory Auditor

68 High Street

Tarporley

Cheshire

CW6 0AT

Dated

19 DECEMBER 2013

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 02 December 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tarporley High School and Sixth Form College during the period 1 August 2012 to 31 August 2013 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 Tarporley High School and Sixth Form College and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Tarporley High School and Sixth Form College and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Tarporley High School and Sixth Form College and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of Tarporley High School and Sixth Form College's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Tarporley High School and Sixth Form College's funding agreement with the Secretary of State for Education dated 1 August 2012 and the Academies Financial Handbook, extant from 1 September 2012, 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 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2012 to 31 August 2013 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 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter

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

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

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

The work undertaken to draw to our conclusion includes

- A review of the internal control handbook ensuring that the necessary controls are implemented and are working as stated and that FMGS findings have been considered and reviewed

- Confirming that guidance set by the EFA has been adhered to

- Ensuring expenditure does not contravene the funding agreement

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Simon Jeffrey BA FCA (Senior Statutory Auditor)
for and on behalf of Hall Livesey Brown

Dated 19 DECEMBER 2013

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 AUGUST 2013

		Unrestricted funds £	Restricted funds £	Fixed Asset fund £	Total 2013 £
<u>Incoming resources</u>	Notes				
<i>Resources from generated funds</i>					
- Voluntary income	2	5,275	7,334	-	12,609
- Inherited on conversion	25	513,372	(375,000)	8,614,129	8,752,501
- Activities for generating funds	3	100,210	47,261	-	147,471
- Investment income	4	883	-	-	883
<i>Resources from charitable activities</i>					
- Funding for educational operations	5	-	5,444,800	-	5,444,800
Total incoming resources		619,740	5,124,395	8,614,129	14,358,264
<u>Resources expended</u>					
<i>Costs of generating funds</i>					
<i>Charitable activities</i>					
- Educational operations	7	-	4,993,051	235,568	5,228,619
Governance costs	8	-	86,413	-	86,413
Total resources expended	6	-	5,079,464	235,568	5,315,032
Net incoming/(outgoing) resources before transfers		619,740	44,931	8,378,561	9,043,232
Gross transfers between funds		-	(79,437)	79,437	-
Net income/(expenditure) for the Period		619,740	(34,506)	8,457,998	9,043,232
<u>Other recognised gains and losses</u>					
Actuarial gains/(losses) on defined benefit pension scheme	18	-	47,000	-	47,000
Net movement in funds		619,740	12,494	8,457,998	9,090,232
Fund balances at 1 August 2012		-	-	-	-
Fund balances at 31 August 2013		619,740	12,494	8,457,998	9,090,232

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

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

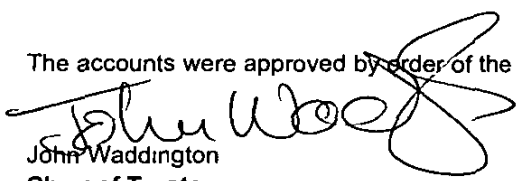
TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2013

	Notes	2013 £	£
Fixed assets			
Tangible assets	11		8,457,998
Current assets			
Stocks	12	17,633	
Debtors	13	171,835	
Cash at bank and in hand		1,025,239	
		1,214,707	
Creditors amounts falling due within one year	14	(205,473)	
Net current assets			1,009,234
Total assets less current liabilities			9,467,232
Defined benefit pension liability	18	(377,000)	
Net assets			9,090,232
Funds of the academy trust			
Restricted income funds	16		
- Fixed asset funds			8,457,998
- General funds			389,494
- Pension reserve			(377,000)
Total restricted funds			8,470,492
Unrestricted funds	16		619,740
Total funds			9,090,232

The accounts were approved by order of the board of trustees and authorised for issue on 19 December 2013


John Waddington
Chair of Trustees

Company Number 08100344

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2013

	Notes	31 August 2013 £
Net cash inflow/(outflow) from operating activities	19	590,421
Cash funds transferred on conversion		513,372
Returns on investments and servicing of finance		
Investment income		883
Net cash inflow/(outflow) from returns on investments and servicing of finance		883
		1,104,676
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets		(79,437)
Net cash flow from capital activities		(79,437)
Increase/(decrease) in cash	20	1,025,239

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2013

1 Accounting policies

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Incoming resources

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

Grants receivable

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

General Annual Grant is recognised in full in the Period for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

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

Donations

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

Other income

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

1 Accounting policies

(Continued)

1.4 Resources expended

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

Costs of generating funds

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

Charitable activities

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

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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

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

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

Freehold land is not depreciated.

Freehold buildings	2% Straight line
Computer equipment	25% Straight line
Fixtures, fittings & equipment	15-20% Straight line
Motor vehicles	25% Straight line

1.6 Leasing and hire purchase commitments

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

1.7 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

1 Accounting policies

(Continued)

1.8 Taxation

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

1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 18, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each period.

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

1.10 Fund accounting

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

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

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

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2013 £
Private sponsorship	-	7,334	7,334
Other donations	5,275	-	5,275
	<u>5,275</u>	<u>7,334</u>	<u>12,609</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2013 £
Hire of facilities	6,581	-	6,581
Catering income	15,985	-	15,985
School fundraising events	1,760	-	1,760
Transport contributions	-	47,261	47,261
Other income	75,884	-	75,884
	<u>100,210</u>	<u>47,261</u>	<u>147,471</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2013 £
Short term deposits	883	-	883

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2013 £
DfE / EFA revenue grants			
General annual grant (GAG)	-	5,164,908	5,164,908
Other DfE / EFA grants	-	73,610	73,610
	<u>-</u>	<u>5,238,518</u>	<u>5,238,518</u>
Other government grants			
Local authority grants	-	206,282	206,282
	<u>-</u>	<u>206,282</u>	<u>206,282</u>
Total funding	<u>-</u>	<u>5,444,800</u>	<u>5,444,800</u>

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

6 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2013 £
Academy's educational operations				
- Direct costs	3,397,855	-	284,191	3,682,046
- Allocated support costs	678,232	419,784	448,557	1,546,573
	<u>4,076,087</u>	<u>419,784</u>	<u>732,748</u>	<u>5,228,619</u>
Other expenditure				
Governance costs	-	-	86,413	86,413
	<u>-</u>	<u>-</u>	<u>86,413</u>	<u>86,413</u>
Total expenditure	<u>4,076,087</u>	<u>419,784</u>	<u>819,161</u>	<u>5,315,032</u>

Incoming/outgoing resources for the year include.

	2013 £
Operating leases	10,203
Fees payable to auditor	
- Audit	12,000
- Other services	3,570
	<u>15,773</u>

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

7 Charitable activities - the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2013 £
Direct costs			
Teaching and educational support staff costs	-	3,397,855	3,397,855
Technology costs	-	97,600	97,600
Educational supplies and services	-	59,919	59,919
Examination fees	-	97,497	97,497
Staff development	-	19,705	19,705
Other direct costs	-	9,470	9,470
	-	3,682,046	3,682,046
Allocated support costs			
Support staff costs	-	678,232	678,232
Depreciation	-	235,568	235,568
Technology costs	-	9,648	9,648
Recruitment and support	-	19,285	19,285
Maintenance of premises and equipment	-	184,216	184,216
Cleaning	-	83,926	83,926
Energy costs	-	100,134	100,134
Rent and rates	-	37,480	37,480
Insurance	-	68,783	68,783
Security and transport	-	49,075	49,075
Catering	-	18,742	18,742
Interest and finance costs	-	11,000	11,000
Other support costs	-	50,484	50,484
	-	1,546,573	1,546,573
Total costs	-	5,228,619	5,228,619

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2013 £
Legal and professional fees	-	74,244	74,244
Auditor's remuneration	-		
- Audit of financial statements	-	12,000	12,000
Support staff costs	-	169	169
	-	86,413	86,413

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

9 Staff costs

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

	2013 Number
Teachers	70
Administration and support	44
	<u>114</u>

Costs included within the accounts:

	2013 £
Wages and salaries	3,278,561
Social security costs	246,027
Other pension costs	529,091
	<u>4,053,679</u>
Supply teacher costs	30,774
	<u>4,084,453</u>

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

	2013 Number
£65,000 - £70,000	2
£95,000 - £100,000	1
	<u>3</u>

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

		2013
Teachers' Pension Scheme	Numbers	3
	£	35,136
Local Government Pension Scheme	Numbers	-
	£	-

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

10 Trustees' remuneration and expenses

The headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as governors. No payments were made to other governors during the period.

The value of trustees' remuneration was as follows:

S Lee (headteacher)	£100,000 - £105,000
B Cox (staff)	£50,000 - £55,000
C Blackhurst (staff)	£45,000 - £50,000
C Sinnott (staff)	£20,000 - £25,000

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2013 is included within the total insurance cost.

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 11 June 2012	-	-	-	-	-
Additions	61,581	14,628	3,228	-	79,437
Transfers	8,300,000	165,835	115,409	32,885	8,614,129
At 31 August 2013	8,361,581	180,463	118,637	32,885	8,693,566
Depreciation					
At 11 June 2012	-	-	-	-	-
Charge for the Period	162,500	44,914	19,248	8,906	235,568
At 31 August 2013	162,500	44,914	19,248	8,906	235,568
Net book value					
At 31 August 2013	8,199,081	135,549	99,389	23,979	8,457,998

The land and buildings transferred on conversion were independently professionally valued by Mason Owen Chartered Surveyors and have been included in the financial statements at their depreciated replacement valuation as at 1 August 2012.

Included within freehold land and buildings is land valued at £800,000.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

12	Stocks	2013
		£
	School uniform	17,633
		<u>17,633</u>
13	Debtors	2013
		£
	Trade debtors	7,288
	VAT recoverable	78,875
	Prepayments and accrued income	85,672
		<u>171,835</u>
		<u>171,835</u>
14	Creditors, amounts falling due within one year	2013
		£
	Trade creditors	25,783
	Taxes and social security costs	67,699
	Other creditors	61,790
	Accruals	23,025
	Deferred income	27,176
		<u>205,473</u>
		<u>205,473</u>
15	Deferred income	2013
		£
	Deferred income is included within	
	Creditors due within one year	27,176
		<u>27,176</u>
		<u>27,176</u>
	Total deferred income at 11 June 2012	-
	Amounts credited to the statement of financial activities	-
	Amounts deferred in the Period	27,176
		<u>27,176</u>
	Total deferred income at 31 August 2013	27,176
		<u>27,176</u>
		<u>27,176</u>

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

16 Funds

	Balance at 11 June 2012 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2013 £
Restricted general funds					
General Annual Grant	-	5,164,908	(5,055,464)	(79,437)	30,007
Other DfE / EFA grants	-	73,610	-	-	73,610
Other government grants	-	206,282	-	-	206,282
Other restricted funds	-	79,595	-	-	79,595
Funds excluding pensions	-	5,524,395	(5,055,464)	(79,437)	389,494
Pension reserve	-	(400,000)	(24,000)	47,000	(377,000)
	-	5,124,395	(5,079,464)	(32,437)	12,494
Restricted fixed asset funds					
Depreciation charge	-	-	(235,568)	-	(235,568)
Inherited fixed asset fund	-	8,614,129	-	-	8,614,129
Capital expenditure from GAG or other funds	-	-	-	79,437	79,437
	-	8,614,129	(235,568)	79,437	8,457,998
Total restricted funds	-	13,738,524	(5,315,032)	47,000	8,470,492
Unrestricted funds					
General funds	-	619,740	-	-	619,740
Total funds	-	14,358,264	(5,315,032)	47,000	9,090,232

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£	£	£	£
Fund balances at 31 August 2013 are represented by:				
Tangible fixed assets	-	-	8,457,998	8,457,998
Current assets	619,740	594,967	-	1,214,707
Creditors amounts falling due within one year	-	(205,473)	-	(205,473)
Defined benefit pension liability	-	(377,000)	-	(377,000)
	<u>619,740</u>	<u>12,494</u>	<u>8,457,998</u>	<u>9,090,232</u>

18 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire Pension Fund Both are defined-benefit schemes The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010

Contributions amounting to £60,806 were payable to the schemes at 31 August 2013 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

The Teachers' Pension Scheme budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament 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 under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions increases) From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

18 Pensions and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate ('SCR') was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include a pension based on career average earnings, an accrual rate of 1/57th, and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40/80/100 percent basis.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

18 Pensions and similar obligations

(Continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 14 per cent for employers and 6 per cent for employees. The estimated value of employer contributions for the forthcoming year is £135000.

	2013 £
Employer's contributions	144,000
Employees' contributions	40,000
Total contributions	<u>184,000</u>

Principal actuarial assumptions

	2013 %
Rate of increase in salaries	5.10
Rate of increase for pensions in payment	2.80
Discount rate for scheme liabilities	4.60
Expected return on assets	<u>5.90</u>

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

	2013 Years
Retiring today	
- Males	23
- Females	26
Retiring in 20 years	
- Males	25
- Females	<u>28</u>

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

18 Pensions and similar obligations

(Continued)

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

	2013 Expected return %	2013 Fair value £
Equities	6.60	908,000
Bonds	3.50	157,000
Property	4.70	73,000
Other assets	3.60	73,000
Total market value of assets		1,211,000
Present value of scheme liabilities - funded		(1,588,000)
Net pension asset / (liability)		(377,000)

The return on the fund in market terms for the period to 31 August 2013 is estimated based on actuarial fund returns as provided by the Administering Authority and index returns where necessary

The actual return on employer assets was £139,000

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

Operating costs and income recognised in the statement of financial activities

	2013 £
Financial expenditure/(income)	
Expected return on pension scheme assets	(51,000)
Interest on pension liabilities	62,000
	11,000
Other expenditure/(income)	
Current service cost	157,000
Past service cost	-
	157,000
Total operating charge/(income)	168,000

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

18 Pensions and similar obligations

(Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2013 £
Actuarial (gains)/losses on assets actual return less expected	(88,000)
Experience (gains)/losses on liabilities	41,000
(Gains)/losses arising from changes in assumptions	-
Total (gains)/losses	<u>(47,000)</u>

Cumulative (gains)/losses to date	<u>(47,000)</u>
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Movements in the present value of defined benefit obligations were as follows:

	2013 £
Obligations acquired on conversion	(1,288,000)
Current service cost	(157,000)
Interest cost	(62,000)
Contributions by employees	(40,000)
Actuarial gains/(losses)	(41,000)
	<u>(1,588,000)</u>

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

	2013 £
Assets acquired on conversion	888,000
Expected return on assets	51,000
Actuarial gains/(losses)	88,000
Contributions by employers	144,000
Contributions by employees	40,000
	<u>1,211,000</u>

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

18 Pensions and similar obligations (Continued)

History of experience gains and losses:

	2013 £
Present value of defined benefit obligations	(1,588,000)
Fair value of share of scheme assets	1,211,000
Surplus / (deficit)	<u>(377,000)</u>
Experience adjustment on scheme liabilities	(41,000)
Experience adjustment on scheme assets	<u>88,000</u>

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

	2013 £
Net income	9,043,232
Capital grants and similar income	-
Net deficit/(surplus) transferred on conversion	(8,752,501)
Net current assets other than cash transferred on conversion	25,000
Investment income	(883)
FRS17 pension costs less contributions payable	13,000
FRS17 pension finance income	11,000
Depreciation of tangible fixed assets	235,568
(Increase)/decrease in stocks	(17,633)
(Increase)/decrease in debtors	(171,835)
Increase/(decrease) in creditors	205,473
Net cash inflow/(outflow) from operating activities	<u>590,421</u>

20 Reconciliation of net cash flow to movement in net funds

	2013 £
Increase/(decrease) in cash	1,025,239
Net funds at 11 June 2012	-
Net funds at 31 August 2013	<u>1,025,239</u>

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

21 Analysis of net funds

	At 11 June 2012	Transferred on conversion	Cash flows	Non-cash changes	At 31 August 2013
	£	£	£	£	£
Cash at bank and in hand	-	513,372	511,867	-	1,025,239

22 Commitments under operating leases

At 31 August 2013 the academy trust had annual commitments under non-cancellable operating leases as follows

	2013 £
Expiry date	
- Within one year	5,041
- Between two and five years	3,241
	<u>8,282</u>

23 Capital commitments

	2013 £
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At 31 August 2013 the company had capital commitments as follows

Expenditure contracted for but not provided in the accounts	<u>27,357</u>
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During the period the school committed to expenditure on major repairs to the mains water and heating pipes with the work to be carried out in the summer holidays of 2013 and 2014. The work undertaken in the summer holidays of 2013 has been included within these financial statements. The amount due to be spent during 2014 has been noted as a capital commitment.

24 Related parties

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

No related party transactions took place in the period of account.

TARPORLEY HIGH SCHOOL AND SIXTH FORM COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2013

25 Conversion to an academy

On 1 August 2012 Tarporley High School and Sixth Form College converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Tarporley High School and Sixth Form College from the Cheshire West and Chester Local Authority for ENIL consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the statement of financial activities as incoming resources inherited on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total 2013 £
Fixed assets transferred	-	-	8,614,129	8,614,129
School private fund	322,513	-	-	322,513
LGPS pension surplus/(deficit)	-	(400,000)	-	(400,000)
Other funds	190,859	25,000	-	215,859
Net assets transferred	<u>513,372</u>	<u>(375,000)</u>	<u>8,614,129</u>	<u>8,752,501</u>

Net assets transferred include the following: £

Cash	<u>513,372</u>
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26 Members' liability

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