

Registered number: 07800664 (England and Wales)

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**

**(A company limited by guarantee)**

**Annual report and financial statements**

**for the year ended 31 August 2016**



**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

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**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
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**Reference and administrative details of the Academy, its trustees and advisers  
for the year ended 31 August 2016**

<b>Members</b>	Christopher Darlington Molly Ward Revd. Martin Beaumont Jeremy Bentley
<b>Trustees</b>	Rachel Streatfeild, Accounting Officer/Headteacher <sup>1</sup> Victoria Back Joanna Clare <sup>2</sup> Helen Jane Cooper Victoria Henderson (resigned 10 May 2016) Gerard Hester Sally Pearson <sup>2</sup> Ian Coleman Rupert Fleming <sup>1</sup> Louise Clarke <sup>1,2</sup> Christopher Darlington <sup>1</sup> Molly Ward Jeremy Bentley <sup>1</sup> Revd. Martin Beaumont

<sup>1</sup> Member of the Finance Committee

<sup>2</sup> Staff Governor

<b>Company registered number</b>	07800664
<b>Company name</b>	Chiddingstone Church of England School
<b>Principal and registered office</b>	Chiddingstone Edenbridge Kent TN8 7AH
<b>Company secretary</b>	Mrs Jackie Taylor
<b>Senior management team</b>	Rachel Streatfeild, Headteacher Sarah Wetz, Deputy Headteacher Lucy Ralph, Deputy Headteacher Louise Clarke, Business and Finance Manager
<b>Independent auditors</b>	Williams Giles Limited Chartered Accountants Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
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**Reference and administrative details of the academy, its trustees and advisers**  
**for the year ended 31 August 2016**

**Advisers (continued)**

**Bankers**

NatWest  
High Street  
Edenbridge  
Kent  
TN8 5AN

**Solicitors**

Brachers LLP  
Somerfield House  
59 London Road  
Maidstone  
Kent  
ME16 8JH

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
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**Trustees' report**  
**for the year ended 31 August 2016**

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates as a primary academy in Chiddingstone, Edenbridge Kent. Its academies have a combined pupil capacity of 210 and had a roll of 210 on the school census on 19 May 2016.

**Structure, governance and management**

**a. 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.

The Governors of Chiddingstone Church of England School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Chiddingstone Church of England School.

Details of the Governors who served during the year are included in the Reference and administrative details on page 1.

**b. 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 he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a member.

**c. Method of recruitment and appointment or election of Trustees**

Arrangements for appointing Governors are set out in Chiddingstone Church of England School's Articles of Association (page 20, point 50 onwards). In addition, the Governing Body applies an agreed Skills Audit to identify areas of expertise needed which informs the recruitment of new Governors. Up to 10 Governors may be appointed by Members in addition to themselves. No more than one quarter of all Governors (including Member Governors) may be Church of England Foundation Governors and no more than one third may be Staff Governors. At least 2 must be Parent Governors nominated and elected by parents of Academy pupils. Members may appoint additionally up to 3 Co Opted Governors.

Currently there are 13 Governors. In accordance with the Articles of Association, less than one third of governors are employees of the trust. (4 out of 13)

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**d. Policies and procedures adopted for the induction and training of Trustees**

On appointment, Governors sign a Code of Practice for Governors which includes a general statement of commitment, confidentiality and suspension/removal statements. They will also meet with the Chair/Headteacher to discuss their roles and responsibilities.

Appropriate documentation is provided including the agreed Governor Terms of Reference. Governors are asked to familiarise themselves with school policies, which are available on the website, or those applicable to any sub-committees of which they are members e.g. Finance Committee and Standards Committee.

Newly appointed Governors are given the opportunity to attend induction training sessions via Kent County Council Leadership and Governance CPD.

Throughout the year, Governors attend training applicable to their role including: safeguarding, child protection, safer recruitment, Special Educational Needs and assessment.

Governors are also required to complete statutory training when appropriate. This year, all Governors completed Prevent Training- Channel General Awareness module.

**e. Pay policy for key management personnel**

The Governing Body confirms the membership of Chiddingstone Church of England School's Leadership Team. The salary scales are determined by the Pay Committee for the Leadership Team, including the Headteacher, taking into due account the respective level of responsibilities, recruitment and retention issues, internal differentials throughout Chiddingstone Church of England School and affordability. Only teaching staff can be paid on the Leadership Scale.

The Pay Committee reviews the salary scales for members of the Leadership Team as appropriate within the requirements of the Teachers' Pay and Conditions Document.

Pay reviews for Leadership posts are undertaken by the Pay Committee on an annual basis and no later than 31st December. Where pay progression is awarded this takes effect from 1st September and may be backdated where the pay determination has not been made by this date.

Annual pay progression within the salary scale for a Leadership post is not automatic.

The Pay Committee may request information from the performance appraisal review process as well as evidence of performance in other relevant areas to inform its decision.

The Headteacher may advise the Pay Committee regarding the pay progression for other members of the Leadership Team, but will do so in accordance with the regulations and statutory guidance.

The Pay Committee is entitled to seek the advice of other relevant professionals regarding the pay progression of the Headteacher.

Those on the Leadership Scale play a critical role in the life of Chiddingstone Church of England School. They inspire confidence in those around them and work with others to create a shared strategic vision which motivates pupils and staff. They take the lead in enhancing standards of teaching and learning and value enthusiasm and innovation in others. They have the confidence and ability to make management and organisational decisions and ensure equity, access and entitlement to learning.

To achieve progression, individuals on the Leadership Scale are required to have demonstrated sound evidence of sustained high quality of performance in the areas above.

To be fair and transparent, judgements must be properly rooted in evidence and there must have been a successful review of overall performance. A successful performance appraisal review, as prescribed by the appraisal regulations, will involve a performance appraisal management process of:

- assessment against the relevant standards
- performance objectives
- classroom observation (where relevant)
- other evidence

To ensure that there has been high quality performance, the performance appraisal will need to demonstrate that the employee has grown professionally by developing their leadership and (where relevant) their teaching practice is assessed at a consistently outstanding level.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**f. Organisational structure**

The Governing Body is responsible for the overall running of the school, including the appointment of the Headteacher and other teaching staff. The Governing Body meets six times per year and agrees and ratifies all school policies and the annual budget, through the Finance Committee. The Headteacher is the Accounting Officer of the Trust and the Governing Body delegates to the Headteacher responsibility for the day to day running of the school.

**g. Connected organisations, including related party relationships**

Nursery

One member of the school's teaching staff, who is a Staff Governor, voluntarily attends Nursery Management Committee meetings to ensure healthy liaison between the Nursey and the school.

PTA

This voluntary organisation raises funds for the school but retains control over the use of the funds they donate. It produces its own Charity Commission accounts and the school does not exercise any management control over it: accordingly, the financial reserves controlled by the PTA have not been consolidated into the Academy's Balance Sheet in these accounts but donations have been accounted for on a cash received basis. The Governors would like to record their thanks to parents and contributors to PTA fundraising events for the donation of £17,416 made to the school in the accounting period.

Enrichment Fund

The Enrichment Fund exists to cover the cost of education trips and visits which enrich the curriculum. Parents voluntarily contribute £25.00 per child per annum to the fund in addition to payments for specific off site trips and visits. The school has now consolidated the Enrichment Fund accounts into these accounts and is managed alongside it.

**h. Trustees' indemnities**

Governors benefit from indemnity insurance purchased by Chiddingstone Church of England School to cover the liability which, by virtue of any rule of law, would otherwise attach to the school's Governors in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the school. The cover under this insurance will not extend to any claim arising from any act or omission which Governors knew to be a breach of trust or breach of duty or which was committed by them in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Governors in their capacity within Chiddingstone Church of England School.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**Objectives and Activities**

**a. Objects and aims**

The Academy Trust's purpose is the delivery of a broad and balanced education of its pupils, within a Church of England Christian character, to include daily acts of worship.

Our record of creative teaching and high academic attainment is well established. We have a continued commitment to ensuring these high standards are maintained - but we believe that education is about much more than this. It is about developing young people, allowing them to grow and flourish – to achieve their own potential and beyond. At school, we aim to do this in a close-knit, community setting where 'partnership' between parents, pupils, staff, church and our local community members is at the very heart of its success; everyone shares a 'can do' attitude and are willing to 'dare to be different'.

**Our pupils** are supported and developed to reach their full potential through an engaging, exciting, rich and rewarding curriculum. A curriculum that meets the needs of all pupils, offers appropriate challenge and develops their individual skills whilst supporting them to achieve the highest standards, both in and out of school. This is done in a safe and secure environment, where our Christian values shape our daily lives and experiences, enabling our children to support and care for each other.

**Our parents** are supported and encouraged to be as fully involved in school life as is possible and work with teachers to support their children's progress. This working partnership is at the very heart of our school. It is highly valued, actively promoted and fostered through regular contact, good communication and an honest, transparent approach.

**Our staff** are supported, developed and challenged to ensure they have the skills, experience, training and commitment to enable every pupil to reach their full potential through the effective planning of an engaging, exciting, rich and rewarding curriculum. Teachers deliver meaningful learning experiences where children make progress, are encouraged to be resilient learners, independent thinkers and develop a love of learning.

**Our Governors** are supported and developed so that they can play a full and active part in the life of our school and share our values. They have a clear understanding of our school, know its strengths and are able to identify our areas for development through a process of monitoring and self- evaluation with the Headteacher. They are valued as effective critical friends who show real interest in providing the best teaching and learning opportunities for our children.

**b. Objectives, strategies and activities**

Whole school objectives for the academic year 2015 – 2016 were as follows:

- Implement new Assessment systems in school.
- Promote the teaching of Mastery in Mathematics
- Continued focus on Spelling, Punctuation and Grammar to raise attainment and progress in Writing across the school.
- Implement a Lesson Study Model to ensure the effectiveness and quality of teaching and learning.
- Improve the Presentation of Pupil Work across the school.
- Improve the quality, frequency and assessment of Science Teaching and Learning across the school.
- Improve the delivery and quality of PHSE in KS2 and E-Safety training for staff, pupils and parents.
- Promote the Library as a learning resource, improving systems and use to support reading and spelling.

Please see below for evaluation of the effectiveness and impact of these objectives 2015-2016.



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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**c. Public benefit**

The Governing Body has complied with their duty to have due regard to the guidance on public benefit by the Charity Commission.

**Achievements and performance**

**a. Review of activities**

Evaluation of the School Improvement Plan 2015-2016. A robust system of School Improvement Plan Evaluation took place at the end of the academic year, involving SIP Priority Leads and Governors.

**SIP Priority 1: Implement new Assessment systems in school.**

**What went well?**

- New Baseline Assessment in Reception Class (no longer statutory).
- Whole school migration to new National Curriculum standards 'Emerging', 'Expected', 'Exceeding'.
- New standardised tests 'PIRA' and 'PUMA' in Maths and English 3 x per year – standardised score and ability to track progress.
- New on-line assessment system called Pupil Asset to track pupils' attainment and progress.
- 1st new National Curriculum End of Key Stage 1 and Key Stage 2 SATs assessments administered
- New style CATs tests in Year 5.
- Partnership with other Sevenoaks Schools to ensure assessments are comparative.

**What do we still need to do?**

- Annual Programme of Staff Meetings – Pupil Asset Update 3 x per year.
- Embed Science, RE, PE and Spanish assessment in Pupil Asset.
- Use scaled scores not standardised scores to track progress measures.
- Explore using Pupil Asset progress points system to track in year Teacher assessed progress.
- Using Pupil Asset to generate reports.

**SIP Priority 2: Promote the teaching of Mastery in Mathematics**

**What went well?**

- New Singapore Maths scheme 'Maths No Problem' purchased and introduced so teachers' planning time now minimised.
- All teachers positive about new scheme/textbooks/workbooks.
- 3 x Learnings walk suggests all teachers now beginning to feel confident with Maths No Problem
- Good evidence from observations and planning of teaching for mastery
- Working with Local Authority to pilot the introduction of Singapore Maths model and visits from other schools to see us in action.
- Teaching Staff Training (internal and external)
- Numeracy Coordinator is now a Senior Leader in Education (maths)
- Part of Y2 national research project in teaching 'mathematical reasoning'.
- Parental brief and exposure to Maths No Problem task (Open Evening) – very positive feedback

**What do we still need to do?**

- Teaching assistants need training in mastery and in Maths No Problem
- Further manipulatives need purchasing so all class rooms resourced – Cuisinaire, 1cm cubed interlocking, more Unifix
- Extra Maths No Problem books need purchasing for those children working on curriculum outside own year group from Sept
- Close monitoring of implementation - particular focus on High and Low ability and accessibility.
- Parent evening in 2016-2017 to follow up Open evening and look at Parent resources.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**SIP Priority 3: Continued focus on Spelling, Punctuation and Grammar to raise attainment and progress in Writing across the school.**

**What went well?**

- End of Key Stage Writing: Year 6 – 94% expected; Year 2 – 84% expected.
- Writing in Year 1 and 5 - End of year assessments show: 86.6% of Year 1 met expected or above standard, 80% of Year 5 met expected or above standard. Previously they had been lower than the rest of the school.
- SPaG levels in Year 1, 3 and 5 – previously lower than rest of school. Year 1 now 86.6 % expected or above; Year 3 now 66.6% expected or above; Year 5 now 66.6 % expected or above.
- Spelling only: Year 1 - 73.3% expected or above; Year 3 60% expected or above, Year 5 80 % expected or above.
- Maintain SPaG levels at end of KS1 and KS2 - Year 2: New KS1 spelling and grammar tests scrapped for 2016 after a leak of the test paper online sparked a government inquiry. Teacher Assessed levels 84%. Year 6: KS2 SATs scores showed 90 % of pupils achieved expected level or above. National average is 72 %.
- Uniform spelling scheme introduced across school from Sept 2016 – 'No Nonsense Spelling', which is based on spelling from new programme of study. All classes now teaching spelling regularly and effectively. Assessment taken from Kent Literacy website, devised from New P.O.S.
- Success of differentiated phonics teaching in EYFS and KS1 - 100% of Year 1 pupils passed phonics screening in June 2016.

**What do we still need to do?**

- Writing focus across school, incorporating new SPaG skills.
- Writing journals – final pieces of work.
- Power of Reading Scheme.
- New uniform marking scheme across KS2.
- Keep spelling a priority.
- Higher Ability writing focus.

**SIP Priority 4: Implement a Lesson Study Model to ensure the effectiveness and quality of teaching and learning.**

**What went well?**

- Year R – 5 all completed a lesson study
- Enthusiasm from teachers and TAs. A collaborative approach. Class teachers took ownership of the gaps they need to target in their class.
- Positive experience with everyone identifying patterns and issues from observations.
- Good feedback from pupils in their interviews. Children showed that they had a secure understanding from the lesson and they were able to articulate their responses well.
- The lesson study was able to address the gaps in the children's learning and provided next steps. It informed planning and gave teachers further vision in closing gaps within their year group.

**What do we still need to do?**

- Ensure lesson study starts after the assessments in October and February. Ensure lesson study observations and meetings are booked in and given priority e.g. staff meetings etc.
- Provide teachers with a cut off time when lesson study observations to be done.
- More direction needed for class teachers in creating a lesson study focus.
- It would be useful to do a lesson study that is cross year group e.g. Year 1 and 2, especially in light of the change around of staff in classes for 2016-17.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**SIP Priority 5: Improve the Presentation of Pupil Work across the school.**

**What went well?**

- Presentation audit across school.
- Agreement on consistent presentation in pupil books.
- Agreement on consistent teacher marking in books.
- Agreement on handwriting cursive style – direct teaching in Y1-4

**What do we still need to do?**

- Presentation and handwriting Policy to be ratified by Governors in September.
- Audit early in new term to check implementation.
- Work on new Teacher Marking Policy – tie in with supporting Writing and presentation policy.

**SIP Priority 6: Improve the quality, frequency and assessment of Science Teaching and Learning across the school.**

**What went well?**

- Inset staff training has taken place and teachers now delivering high quality science lessons with a focus on essential skills.
- Monitoring of long and medium term planning completed and all year groups teaching two science topics in the creative curriculum over the year.
- 'Love to Investigate' resource has been introduced and incorporated into science planning ensuring the relevant science skills are being taught consistently and progression is appropriate across all year groups.
- Planning for 2016/17 has been agreed to ensure complete coverage of the science curriculum.
- Science resources audit complete.
- Science books ordered for KS2 children – these will go with them through the whole of KS2 to provide assessment evidence.
- Topic assessment clumps have been created on Pupil Asset for next year, which relate to the science long term planning.

**What do we still need to do?**

- Teachers to jointly plan science lessons, where appropriate and possible, following the lesson study model, as part of their professional development.
- Organise science day/week to ensure complete coverage of the science curriculum.
- Old Rising Stars science assessment materials being used to assess science. Teachers will adapt these until national science assessment procedures have been confirmed. New assessment material will then be researched and purchased – dependent on budget restraints.
- Further staff training needed to support teachers to feel confident to plan and teach the science skills.

**SIP Priority 7: Improve the delivery and quality of PHSE in KS2 and E-Safety training for staff, pupils and parents.**

**What went well?**

- PHSE session replaces 1 x Act of Worship per week – regular 30 minute slot.
- Audit carried out of all PHSE provision in KS2.
- Ratification of Sex and Relationships Education Policy.
- E-safety training for staff and E-safety day.

**What we still need to do?**

- Due to key member of staff leaving – action plan was not fully implemented.
- Limited progress on mindfulness – possible opportunity to get involved with a mindfulness and wellbeing project with Sevenoaks partnership with the charity 'Mind'. It is a SIP priority for 2016-17.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**SIP Priority 8: Promote the Library as a learning resource, improving systems and use to support reading and spelling.**

**What went well?**

- Junior Librarian system installed and staff training complete.
- Children have all been issued with photo-card with personalised barcode for access.
- New books obtained through donations and Scholastic credit. These have been entered onto the system and coded.
- Regulated system of returning books is in place to ensure that items remain organised on the shelves.
- Roof repaired and heaters installed, creating a warm and comfortable space.
- News and current affairs interest engendered in upper KS2 by purchase and publicity of Junior Week

**What do we still need to do?**

- Library remains underused by adults and children alike.
- Boys still borrow fewer books than girls.
- There are insufficient books to interest older and more avid readers.
- Storage for periodicals to be created.
- Staff to be issued with borrower codes.

**Key Financial Performance Indicators**

**Ofsted Inspection Outcomes**

The school's last inspection took place in March 2015. It was judged as 'Outstanding' in all areas.

**Results 2015-2016**

(NA: National Average, LA: Local Authority Average)

**Early Years Foundation Stage:**

EYFS outcomes continue to be above NA and LA

- ▶ 89.7% Good Level of Development (NA 69.3%)
- ▶ 93.1% Exceeding or Expected Literacy Goals
- ▶ 96.6% Exceeding or Expected Maths Goals

**Year 1 Phonics Screening Test:**

Results are well above National Averages and have continued to improve. No pupil in Year 2 was entered to re-sit the test.

- ▶ 100% met the required standard. (NA 80.6%, LA 81.6%)

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

<b>Key Stage 1 Results:</b>	<b>SCHOOL%</b>	<b>NA%</b>	<b>LA%</b>
▶ Reading:			
Expected +	86.70	74.00	78.20
Greater depth	30.00	23.60	24.60
▶ Writing:			
Expected +	83.30	65.50	71.30
Greater depth	30.00	13.30	15.10
▶ Maths:			
Expected +	86.70	72.60	77.50
Greater depth	26.70	17.80	18.50

**Key Stage 2 Results:**

<b>Attainment</b>	<b>SCHOOL%</b>	<b>NA%</b>	<b>LA%</b>
▶ Combined R,W,M:			
Expected+	73.30	53.00	58.00
Higher Score	16.60	5.00	6.00
▶ Reading:			
Expected +	86.70	66.00	69.00
Higher Score	40.00	19.00	21.00
▶ Writing:			
Expected +	93.30	74.00	80.00
Greater depth	23.30	15.00	15.00
▶ GPS:			
Expected +	90.00	72.00	72.00
Higher Score	36.70	23.00	22.00
▶ Maths:			
Expected +	83.30	70.00	71.00
Higher Score	26.70	17.00	17.00

<b>Progress</b>	<b>SCHOOL</b>	<b>NA</b>	<b>LA</b>
▶ Reading	2.4	-0.1	0.5
▶ Writing	0.7	-0.1	0.5
▶ Maths	-0.1	-0.1	0.1

Overall, attainment and progress remain higher than both national and local averages across the school.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**Attendance**

	2014		2015	
	School	National average for primary schools	School	National average for primary schools
<b>Absence</b>				
% Persistent absentees- absent for 10% or more sessions	-	-	-	-
% Persistent absentees- absent for 15% or more sessions	2.3	2.6	0.0	2.7
% of sessions missed due to Overall Absence	3.4	3.9	3.3	4.0
<b>Exclusions</b>				
Permanent exclusions as a percentage of the pupil group	0.00	0.02	-	-
% pupils with 1 or more fixed term exclusions	0.00	0.49	-	-
% pupils with more than 1 fixed term exclusion	0.00	0.21	-	-
Fixed term exclusions as a percentage of the pupil group	0.00	1.01	-	-

**Recruitment of Pupils**

The school is oversubscribed with 210 pupils on roll for the period 2015-2016. We operate healthy waiting lists for all year groups.

**Financial review**

**a. 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 it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**b. Principal risks and uncertainties**

Governors have identified the following short to medium term risks as having the potential to materially affect the Academy Trust's finances:

- reduction in pupil numbers; and/or changes to government funding formulae( e.g. Pupil Premium)
- reduction in ancillary revenue (e.g. PTA funding and covenanting);
- unexpected major repairs & maintenance costs (e.g. statutory regulations);
- reduced parental commitment to school trips and enrichment fund;
- fire & theft;
- key personnel and staff absence;
- energy cost increases;
- claim for deficient personnel practices;
- fraud
- annual increases in government funding not keeping pace with wage inflation and other costs
- possible changes to Special Educational Needs High Needs Funding criteria affecting income for Learning Support Assistant salaries.

These risks are regularly considered as part of the school's overall controls framework (which is reported below)

**c. Reserves policy**

The Governing Body, under recommendation from the Finance Committee, is mindful of the need to build up a level of reserves in order to mitigate any potential costs arising due to risks incurred during the course of the year. Whilst the Trust Funding Agreement does not allow the accumulation of funds greater than 12% of core income in any year, the Governing Body has determined that a pre depreciation operating surplus should be budgeted for annually.

As at 31 August 2016, the School had cash reserves available to deploy of £91k. The School also enjoys the support of the Chiddingstone PTA which also carries a level of reserves to support the School on selected projects and initiatives.

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**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**d. Review of the Year**

For the twelve month period to 31 August 2016 the school received regular grant funding from government totalling £799k of which £740k could be considered recurring income, known as the General Annual Grant or 'GAG'. Most of this GAG income is determined by our pupil numbers in the previous year.

The Governors continue to believe that they have been able to secure better value for money using our academy freedoms. Under our Funding Agreement, all of this government income is required to be spent directly on education and cannot be used to support other activities; as such it is categorised as 'Restricted Income', as are PTA donations. We also receive income from Enrichment Fund donations in support of extra-curricular activities and certain regular covenanted donations, which are considered 'Unrestricted Income' for accounting purposes.

The Governors ensure that such income is used to fund expenditure which enriches the school experience of our pupils and enables us to go well beyond National Curriculum requirements. Without this additional income the school could not do what it does and by its very nature this income is of course uncertain from year to year. Accordingly, the Governors continue to promote a targeted covenanting drive, setting out the school's explicit requirements for covenanted funds. This initiative is regularly followed up via the newsletters for parents, class specific curriculum meetings and other whole school events. We would like to thank all parents and other donors for their generosity and to emphasise how important this source of income continues to be for the future of our school.

Our principal expenditure is staff related, representing approximately 76% of all on going costs (excluding school trips, depreciation and non cash pension adjustments), and which amounted to £744k for the twelve months. Educational supplies, computing and property maintenance comprise the majority of our other expenditure. Capital expenditure during the year was £27k, representing computer equipment and outdoor play area.

The Governors targeted a pre depreciation operating surplus but due to the School investing in a new Maths programme and restructured staff employment contracts, the School ended the year with a small operating deficit.

**e. Material investments policy**

Cash balances are held in accounts with major high street banks. Funds not required for immediate use are held in interest bearing accounts. Although year end cash balances were £108K in all applicable accounts, these resources have not been invested in higher interest term deposits because they will be required to fund specified school enhancement projects. Neither the Academy Trust nor its Governors hold any funds as custodian for third parties.



**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 August 2016**

**Plans for future periods**

**a. Future developments**

The school improvement priorities for the academic year 2016-2017 have been agreed following a robust system of School Self- Evaluation and are as follows:

- To successfully implement Singapore Maths across the school to increase the % of pupils achieving the expected standard at the end of KS1 and KS2.
- Consistency and continuity of Spelling programme across the school (with a particular focus on Lower Ability pupils).
- Improve the quality of writing across the school focusing on transferring SPAG skills. (Particular focus on higher ability writers)
- Increased focus on Reading Comprehension in KS2 to improve rate of progress across the Key Stage.
- Implementation of revised Science topics across the school with a focus on the accurate and regular assessment of science.
- Implementation of 'Mindfulness' curriculum and focus on staff and pupil well-being.
- Improve planning, communication, support, training and monitoring for TAs (with particular focus on TAs supporting SEN 1:1).
- Develop effective systems using Pupil Asset for measuring, tracking and reporting progress.

**Disclosure of information to auditors**

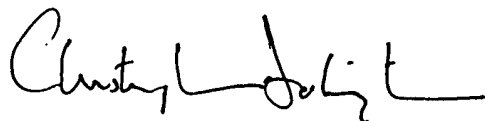
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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.

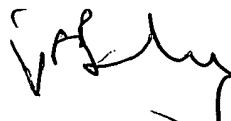
**Auditors**

At the Annual General Meeting of the Trust on 26 November, 2015, the re appointment of Williams Giles was thoroughly debated and Williams Giles' re appointment was unanimously agreed.

This report was approved by order of the Governing Body as the company directors, on 29 November 2016 and signed on its behalf by:



**Christopher Darlington**  
Chairman



**Jeremy Bentley**  
Chairman of Finance Committee

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Governance Statement**

**Scope of Responsibility**

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, 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 Chiddingstone Church of England School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Christopher Darlington	6	6
Molly Ward	6	6
Revd. Martin Beaumont	5	6
Jeremy Bentley	6	6
Rachel Streatfeild	5	6
Victoria Back	6	6
Joanna Clare	6	6
Helen Jane Cooper	6	6
Victoria Henderson	5	6
Gerard Hester	3	6
Sally Pearson	5	6
Ian Coleman	4	6
Rupert Fleming	5	6
Louise Clarke	6	6

During the academic year 2015 2016 there was 1 resignation and no new appointments. Victoria Henderson resigned as a Governor in May 2016.

The academy trust had no difficulty appointing new governors. The skills audit tool was applied. The academy's governance structure remains the same and continues to be effective. (See recent Ofsted report March 2015)

**Governance reviews:**

Governors implement an annual process of School Self - Evaluation which includes the evaluation of the effectiveness of leadership and management against the Ofsted Framework and Grade Descriptors. This is currently evaluated as 'outstanding' and this was validated by Ofsted in our most recent inspection of March 2015. There have been no external evaluations of Governing Body conducted in the period 2015-2016.

In accordance with Section 2.1.3 of the Academies Financial Handbook 2015, the Governing Body have met 6 times in the academic year 2015-16.

**Finance Committee**

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to ensure propriety and sound financial management and systems.

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Governance Statement (continued)**

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Christopher Darlington	6	6
Jeremy Bentley	6	6
Rachel Streatfeild	6	6
Louise Clarke	6	6

**Review of Value for money**

As Accounting Officer, the Headteacher 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 Governing Body 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:

1. Ensuring efficiency of spend through competitive tenders
2. Reviewing the staff costs and skillsets within the school to ensure cost effective teaching and learning
3. Sound management of the capital investment project ensuring the school's position is protected.

There has been much focus during the year on maintaining value for money when using the School's resources. We continue to obtain at least three competitive quotes when commissioning major capital projects to ensure best pricing. Staff contracts have been amended to pay specifically for the hours worked in school and also, new support staff contracts restructured so that additional teaching resources are aligned to the specific needs they are supporting.

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

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Governance Statement (continued)**

**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 Governing Body;
- regular reviews by the Finance 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Rupert Fleming as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- a review of the budgeting process

On a quarterly basis, the Responsible Officer reports to the Governing Body, through the Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**Review of Effectiveness**

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

- the work of the Responsible Officer;
- the work of the external auditors;
- 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 and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 29 November 2016 and signed on their behalf by:



**Christopher Darlington**  
**Chair of Trustees**



**Rachel Streatfeild**  
**Accounting Officer**

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Statement of Trustees' responsibilities**  
**for the year ended 31 August 2016**

The Trustees (who act as Governors of Chiddingstone Church of England School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 Trustees 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 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 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 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 grants received from the EFA/DfE 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 29 November 2016 and signed on its behalf by:



**Christopher Darlington**  
**Chairman**

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Chiddingstone Church of England School 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.

A handwritten signature in black ink, appearing to read 'R Streatfeild', is positioned above the printed name and title.

**Rachel Streatfeild**  
**Accounting Officer**

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Independent auditors' report on the financial statements to the members of Chiddingstone Church of England School**

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

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

**Respective responsibilities of Trustees and auditors**

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

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

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

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

**Opinion on other matter prescribed by the Companies Act 2006**

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

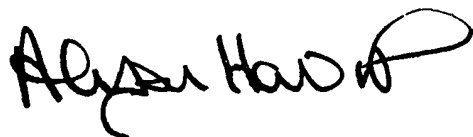
**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
(A company limited by guarantee)

**Independent auditors' report on the financial statements to the members of Chiddingstone Church of England School**

**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
- the financial statements 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Alyson Howard FCCA DChA CF (Senior statutory auditor)

for and on behalf of

**Williams Giles Limited**

Chartered Accountants  
Registered Auditors

12 Conqueror Court  
Sittingbourne  
Kent

ME10 5BH

Date: 16 December 2016



**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Independent reporting auditors' assurance report on regularity to Chiddingstone Church of England School and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 19 November 2012 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 Chiddingstone Church of England School 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 Chiddingstone Church of England School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Chiddingstone Church of England School 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 Chiddingstone Church of England School and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Chiddingstone Church of England School's accounting officer and the reporting auditors**

The accounting officer is responsible, under the requirements of Chiddingstone Church of England School's funding agreement with the Secretary of State for Education dated 1 December 2011, 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.

The work undertaken to draw to our conclusion includes:

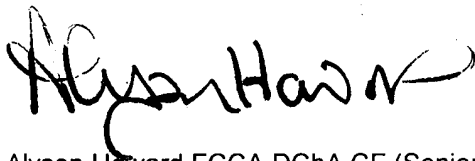
- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Independent reporting auditors' assurance report on regularity to Chiddingstone Church of England School 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 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.



Alyson Howard FCCA DChA CF (Senior statutory auditor)

for and on behalf of

**Williams Giles Limited**

Chartered Accountants  
Registered Auditors

12 Conqueror Court  
Sittingbourne  
Kent  
ME10 5BH

Date: 16 December 2016

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
(A company limited by guarantee)

**Statement of Financial Activities  
for the year ended 31 August 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset fund 2016 £	Total funds 2016 £	As restated Total funds 2015 £
<b>Income from:</b>						
Donations and capital grants	3	12,120	33,771	6,340	52,231	41,019
Charitable activities	6	-	853,058	-	853,058	813,074
Other trading activities	4	75,513	32,887	-	108,400	115,438
Investments	5	50	-	-	50	469
<b>Total income</b>		<b>87,683</b>	<b>919,716</b>	<b>6,340</b>	<b>1,013,739</b>	<b>970,000</b>
<b>Expenditure on:</b>						
Raising funds:						
Voluntary income	7	3,584	-	-	3,584	1,485
Charitable activities		58,725	975,419	78,810	1,112,954	1,002,493
<b>Total expenditure</b>	10	<b>62,309</b>	<b>975,419</b>	<b>78,810</b>	<b>1,116,538</b>	<b>1,003,978</b>
<b>Net income / (expenditure) before transfers</b>		<b>25,374</b>	<b>(55,703)</b>	<b>(72,470)</b>	<b>(102,799)</b>	<b>(33,978)</b>
Transfers between Funds	21	(45,440)	23,852	21,588	-	-
<b>Net expenditure before other recognised gains and losses</b>		<b>(20,066)</b>	<b>(31,851)</b>	<b>(50,882)</b>	<b>(102,799)</b>	<b>(33,978)</b>
Actuarial gains/(losses) on defined benefit pension schemes	26	-	(134,000)	-	(134,000)	5,000
<b>Net movement in funds</b>		<b>(20,066)</b>	<b>(165,851)</b>	<b>(50,882)</b>	<b>(236,799)</b>	<b>(28,978)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		111,306	(123,149)	1,702,825	1,690,982	1,719,960
<b>Total funds carried forward</b>		<b>91,240</b>	<b>(289,000)</b>	<b>1,651,943</b>	<b>1,454,183</b>	<b>1,690,982</b>

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**

**(A company limited by guarantee)**

**Registered number: 07800664**

**Balance Sheet  
as at 31 August 2016**

	<b>Note</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	17	<b>1,658,834</b>	1,710,865
<b>Current assets</b>			
Debtors	18	<b>40,362</b>	34,012
Cash at bank and in hand		<b>112,331</b>	148,088
		<b>152,693</b>	182,100
<b>Creditors: amounts falling due within one year</b>	19	<b>(62,601)</b>	(60,092)
<b>Net current assets</b>		<b>90,092</b>	122,008
<b>Total assets less current liabilities</b>		<b>1,748,926</b>	1,832,873
<b>Creditors: amounts falling due after more than one year</b>	20	<b>(5,743)</b>	(6,891)
<b>Net assets excluding pension scheme liabilities</b>		<b>1,743,183</b>	1,825,982
Defined benefit pension scheme liability	26	<b>(289,000)</b>	(135,000)
<b>Net assets including pension scheme liabilities</b>		<b>1,454,183</b>	1,690,982
<b>Funds of the academy</b>			
Restricted income funds:			
Restricted income funds	21	-	11,851
Restricted fixed asset fund	21	<b>1,651,943</b>	1,702,825
Restricted income funds excluding pension liability		<b>1,651,943</b>	1,714,676
Pension reserve		<b>(289,000)</b>	(135,000)
Total restricted income funds		<b>1,362,943</b>	1,579,676
Unrestricted income funds	21	<b>91,240</b>	111,306
<b>Total funds</b>		<b>1,454,183</b>	1,690,982

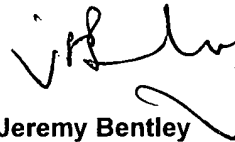
**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Balance Sheet (continued)**  
**as at 31 August 2016**

The financial statements were approved by the Trustees, and authorised for issue, on 29 November 2016 and are signed on their behalf, by:



**Christopher Darlington**  
**Chairman**



**Jeremy Bentley**  
**Chairman of Finance Committee**

The notes on pages 29 to 48 form part of these financial statements.

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**Statement of cash flows**  
**for the year ended 31 August 2016**

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	23	<u>(14,220)</u>	<u>37,409</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		50	469
Purchase of tangible fixed assets		(26,779)	(39,477)
Capital grants from DfE/EFA		6,340	19,588
Adjustment to retention no longer due		-	10,772
<b>Net cash used in investing activities</b>		<u>(20,389)</u>	<u>(8,648)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		(1,148)	(1,149)
<b>Net cash used in financing activities</b>		<u>(1,148)</u>	<u>(1,149)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(35,757)</b>	27,612
Cash and cash equivalents brought forward		<u>148,088</u>	<u>120,476</u>
<b>Cash and cash equivalents carried forward</b>	24	<u><u>112,331</u></u>	<u><u>148,088</u></u>

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(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.

Chiddingstone Church of England School constitutes a public benefit entity as defined by FRS 102.

**First time adoption of FRS 102**

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'

Reconciliations to previous UK GAAP for the comparative figures are included in note 30.

**1.2 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 Trustees.

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.

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**Notes to the financial statements**  
**for the year ended 31 August 2016**

**1. Accounting policies (continued)**

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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.

**1.4 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.

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

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

All resources expended are inclusive of irrecoverable VAT.



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**1. Accounting policies (continued)**

**1.5 Going concern**

The Trustees 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 Trustees 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.

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

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.

The buildings on Church land are situated on land, not owned by the Academy Trust, and are occupied on a rolling supplemental agreement with the Rochester Diocese. The underlying land is subject to a variety of specific trusts and vests in a number of different parties represented by the Rochester Diocese. Whilst the Academy Trust does not own the buildings, the Trustees do not regard the termination of the agreement to occupy as likely and therefore have reflected the fact that the Academy derives economic value from the buildings, which it is obliged to maintain and improve, by including them in the accounts. This is at the valuation based on the Drivers Jonas Deloitte desktop valuation completed for the EFA, as if occupied under long leasehold. The basis of the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). No value for land has been included. This treatment reflects the substance of the transaction, not the strict legal form of the transaction and places no restriction on either the, Academy or the Diocese or the trusts which own the land.

The valuation for other leasehold property is taken from the Drivers Jonas Deloitte desktop valuation completed for the EFA. The basis of the value is Fair Value, as defined by the International Financial Reporting Standards (IFRS). No value for land had been included.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

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 on Church land	-	2% Straight Line
Motor vehicles	-	20% Reducing Balance
Fixtures and fittings	-	20% Reducing Balance
Computer equipment	-	25% Straight Line

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**Notes to the financial statements**  
**for the year ended 31 August 2016**

**1. Accounting policies (continued)**

**1.7 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.

**1.8 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.

**1.9 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.11 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.

**1.12 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 26, 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.

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**Notes to the financial statements**  
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**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 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.

**1.14 Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy 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 Academy's policies.

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**1.15 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.

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 26, 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 August 2016 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.

Critical areas of judgement:

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 17 for the carrying amount of the property, plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

**2. General Annual Grant (GAG)**

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2016 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2016.

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**Notes to the financial statements  
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**3. Income from donations and capital grants**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset fund 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	-	19,274	-	19,274	-
Donations - PTA	-	14,497	-	14,497	23,416
Donations - Covenanted	12,120	-	-	12,120	11,297
Capital donations	-	-	6,340	6,340	6,306
	<u>12,120</u>	<u>33,771</u>	<u>6,340</u>	<u>52,231</u>	<u>41,019</u>
Total Voluntary income	<u>12,120</u>	<u>33,771</u>	<u>6,340</u>	<u>52,231</u>	<u>41,019</u>

In 2015, of the total income from donations and capital grants, £11,325 was to unrestricted funds, £23,388 was to restricted funds and 2015 - £6,306 to restricted fixed asset funds.

**4. Other trading activities**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Uniform sales	1,212	-	1,212	1,120
School trips contributions	56,173	-	56,173	47,048
Catering	-	22,180	22,180	24,656
Other income	18,128	10,707	28,835	42,614
	<u>75,513</u>	<u>32,887</u>	<u>108,400</u>	<u>115,438</u>

In 2015, of the total income from other trading activities, £61,123 was to unrestricted funds and £54,315 was to restricted funds.

**5. Investment income**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	50	-	50	469
	<u>50</u>	<u>-</u>	<u>50</u>	<u>469</u>

In 2015, of the total investment income, £ 469 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**

**6. Funding for Academy's educational operations**

	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>			
General Annual Grant (GAG)	740,616	740,616	732,219
Other DfE/EFA grants	41,283	41,283	46,259
Pupil premium	14,570	14,570	13,282
	<u>796,469</u>	<u>796,469</u>	<u>791,760</u>
<b>Other government grants</b>			
Other government grants	5,004	5,004	118
SEN Funding	51,585	51,585	21,196
	<u>56,589</u>	<u>56,589</u>	<u>21,314</u>
	<u><u>853,058</u></u>	<u><u>853,058</u></u>	<u><u>813,074</u></u>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £813,074 was to restricted funds.

**7. Costs of raising funds**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Uniform	3,584	-	3,584	1,485
	<u>3,584</u>	<u>-</u>	<u>3,584</u>	<u>1,485</u>

In 2015, of the total voluntary income, £1,485 was to unrestricted funds and £ NIL was to restricted funds.

**8. Direct costs**

	Educational operations £	Total 2016 £	Total 2015 £
Educational supplies	44,944	44,944	38,382
School trips	58,725	58,725	48,946
Staff development	16,624	16,624	4,967
Educational consultancy	20,232	20,232	19,938
Wages and salaries	507,048	507,048	452,289
National insurance	26,358	26,358	23,138
Pension cost	75,172	75,172	78,168
	<u>749,103</u>	<u>749,103</u>	<u>665,828</u>

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**Notes to the financial statements  
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**8. Direct costs (continued)**

In 2015, the academy incurred the following Direct costs:  
£665,828 in respect of Educational operations

**9. Support costs**

	Educational operations £	Total 2016 £	As restated Total 2015 £
LGPS costs (note 17 & 28)	5,000	5,000	5,000
Recruitment and support	493	493	905
Maintenance of premises and equipment	15,592	15,592	14,709
Cleaning	4,082	4,082	4,565
Rent & rates	13,312	13,312	13,051
Light & heat	8,922	8,922	7,406
Insurance	17,506	17,506	20,053
Security & transport	2,938	2,938	131
Catering	24,458	24,458	24,015
Bank charges	1,100	1,100	841
Computer costs	7,487	7,487	10,431
Printing, postage and stationery	11,540	11,540	8,666
Other support costs	28,543	28,543	22,994
(Profit)/Loss on disposal of fixed assets	-	-	(54)
Governance costs	8,650	8,650	8,932
Wages and salaries	100,891	100,891	103,703
National insurance	5,340	5,340	5,508
Other pension costs (note 28)	29,187	29,187	7,934
Depreciation	78,810	78,810	77,875
	<u>363,851</u>	<u>363,851</u>	<u>336,665</u>

During the year ended 31 August 2016, the academy incurred the following Governance costs:  
£8,650 (2015 - £8,932) included within the table above in respect of Educational operations.

In 2015, the academy incurred the following Support costs:  
£336,665 in respect of Educational operations

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**Notes to the financial statements  
for the year ended 31 August 2016**

**10. Expenditure**

	<b>Staff costs 2016 £</b>	<b>Premises 2016 £</b>	<b>Other costs 2016 £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Expenditure on raising voluntary income	-	-	3,584	3,584	1,485
Educational operations:					
Direct costs	608,578	-	140,525	749,103	665,828
Support costs	135,418	43,353	185,080	363,851	336,665
	<u>743,996</u>	<u>43,353</u>	<u>329,189</u>	<u>1,116,538</u>	<u>1,003,978</u>

In 2016, of the total expenditure, £62,309 (2015 - £50,431) was to unrestricted funds and £975,419 (2015 - £875,726) was to restricted funds and £78,810 (2015 - £77,821) was to restricted fixed asset funds.

**11. Net incoming resources/(resources expended)**

This is stated after charging:

	<b>2016 £</b>	<b>2015 £</b>
Depreciation of tangible fixed assets:		
- owned by the charity	78,810	77,875
Audit remuneration	<u>8,650</u>	<u>8,932</u>

**12. Auditors' remuneration**

	<b>2016 £</b>	<b>2015 £</b>
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	6,150	6,650
Fees payable to the academy's auditor and its associates in respect of:		
All other non-audit services not included above	<u>1,825</u>	<u>1,602</u>
	<b>2016 £</b>	<b>2015 £</b>
Fees payable to the academy's auditor and its associates in connection with the academy's pension scheme(s) in respect of:		
The auditing of accounts of the scheme(s)	<u>675</u>	<u>675</u>



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**13. Staff costs**

Staff costs were as follows:

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
Wages and salaries	<b>607,939</b>	555,992
Social security costs	<b>31,698</b>	28,646
Operating costs of defined benefit pension schemes	<b>104,359</b>	86,102
	<hr/> <b>743,996</b> <hr/>	<hr/> 670,740 <hr/>

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

	<b>2016</b>	2015
	<b>No.</b>	<b>No.</b>
Teachers	<b>16</b>	16
Support and Admin	<b>28</b>	27
Management	<b>1</b>	1
	<hr/> <b>45</b> <hr/>	<hr/> 44 <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £189,116 (2015 - £179,635).

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**Notes to the financial statements  
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**14. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees 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 Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2016 £	2015 £
Rachel Streatfeild	Remuneration	30,000-35,000	45,000-50,000
	Pension contributions paid	0-5,000	5,000-10,000
Sally Pearson	Remuneration	10,000-15,000	20,000-25,000
	Pension contributions paid	0-5,000	0-5,000
Joanna Clare	Remuneration	20,000-25,000	10,000-15,000
	Pension contributions paid	0-5,000	0-5,000
Louise Clarke	Remuneration	20,000-25,000	15,000-20,000
	Pension contributions paid	0-5,000	0-5,000

During the year ended 31 August 2016, expenses totalling £68 (2015 - £NIL) were reimbursed to 1 Trustee (2015 - NIL).

**15. Trustees' 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was included in the total insurance costs.

**16. Other finance income**

	2016 £	As restated 2015 £
Interest income on pension scheme assets	8,000	7,000
Interest on pension scheme liabilities	(13,000)	(12,000)
	<u>(5,000)</u>	<u>(5,000)</u>

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**Notes to the financial statements  
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**17. Tangible fixed assets**

	<b>Buildings on church land £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 September 2015	1,650,399	5,500	129,783	88,753	1,874,435
Additions	-	-	24,488	2,291	26,779
At 31 August 2016	<u>1,650,399</u>	<u>5,500</u>	<u>154,271</u>	<u>91,044</u>	<u>1,901,214</u>
<b>Depreciation</b>					
At 1 September 2015	59,670	3,106	41,462	59,332	163,570
Charge for the year	33,008	479	22,562	22,761	78,810
At 31 August 2016	<u>92,678</u>	<u>3,585</u>	<u>64,024</u>	<u>82,093</u>	<u>242,380</u>
<b>Net book value</b>					
At 31 August 2016	<u>1,557,721</u>	<u>1,915</u>	<u>90,247</u>	<u>8,951</u>	<u>1,658,834</u>
At 31 August 2015	<u>1,590,729</u>	<u>2,394</u>	<u>88,321</u>	<u>29,421</u>	<u>1,710,865</u>

**18. Debtors**

	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	718	-
VAT debtor	6,606	6,120
Other debtors	21,320	18,498
Prepayments and accrued income	11,718	9,394
	<u>40,362</u>	<u>34,012</u>

**19. Creditors: Amounts falling due within one year**

	<b>2016 £</b>	<b>2015 £</b>
Loans	1,149	1,149
Trade creditors	6,006	11,684
Other creditors	21,425	18,623
Accruals and deferred income	34,021	28,636
	<u>62,601</u>	<u>60,092</u>

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**Notes to the financial statements  
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**19. Creditors: Amounts falling due within one year (continued)**

	2016 £	2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	20,995	19,517
Resources deferred during the year	18,100	20,995
Amounts released from previous years	(20,995)	(19,517)
	<u>18,100</u>	<u>20,995</u>
Deferred income at 31 August 2016	<u>18,100</u>	<u>20,995</u>

At the balance sheet date the academy trust was holding funds received for Universal Infant Free School Meals in respect of the next financial year.

**20. Creditors:  
Amounts falling due after more than one year**

	2016 £	2015 £
Loans	<u>5,743</u>	<u>6,891</u>

Included within the above are amounts falling due as follows:

	2016 £	2015 £
<b>Between one and two years</b>		
Other loans	<u>1,149</u>	<u>1,149</u>
<b>Between two and five years</b>		
Other loans	<u>3,446</u>	<u>3,446</u>
<b>Over five years</b>		
Other loans	<u>1,148</u>	<u>2,296</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable by instalments	<u>1,148</u>	<u>2,296</u>

The above loan is a pre approved Salix Loan, with half yearly repayments of £574 until 01/03/2022. This loan is interest free.

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**Notes to the financial statements  
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**21. Statement of funds**

	<b>Brought Forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/(out) £</b>	<b>Gains/ (Losses) £</b>	<b>Carried Forward £</b>
<b>Unrestricted funds</b>						
Unrestricted funds	<b>111,306</b>	<b>87,683</b>	<b>(62,309)</b>	<b>(45,440)</b>	-	<b>91,240</b>
<b>Restricted funds</b>						
General Annual Grant (GAG)	<b>11,851</b>	<b>740,616</b>	<b>(776,319)</b>	<b>23,852</b>	-	-
Other DfE/EFA grants	-	<b>41,283</b>	<b>(41,283)</b>	-	-	-
Pupil Premium	-	<b>14,570</b>	<b>(14,570)</b>	-	-	-
SEN	-	<b>51,585</b>	<b>(51,585)</b>	-	-	-
Other government grants	-	<b>5,004</b>	<b>(5,004)</b>	-	-	-
Generated funds	-	<b>66,658</b>	<b>(66,658)</b>	-	-	-
Pension reserve	<b>(135,000)</b>	-	<b>(20,000)</b>	-	<b>(134,000)</b>	<b>(289,000)</b>
	<b>(123,149)</b>	<b>919,716</b>	<b>(975,419)</b>	<b>23,852</b>	<b>(134,000)</b>	<b>(289,000)</b>
<b>Restricted fixed asset fund</b>						
Assets held for depreciation	<b>1,710,865</b>	-	<b>(78,810)</b>	<b>26,779</b>	-	<b>1,658,834</b>
Capital grants	-	<b>6,340</b>	-	<b>(6,340)</b>	-	-
Salix Loan	<b>(8,040)</b>	-	-	<b>1,149</b>	-	<b>(6,891)</b>
	<b>1,702,825</b>	<b>6,340</b>	<b>(78,810)</b>	<b>21,588</b>	-	<b>1,651,943</b>
Total restricted funds	<b>1,579,676</b>	<b>926,056</b>	<b>(1,054,229)</b>	<b>45,440</b>	<b>(134,000)</b>	<b>1,362,943</b>
Total of funds	<b>1,690,982</b>	<b>1,013,739</b>	<b>(1,116,538)</b>	-	<b>(134,000)</b>	<b>1,454,183</b>

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

Unrestricted funds are applied to the general work of the Academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Buildings on Church land are subject to restricted trusts and comprise assets which are recognised in accordance with the accounting policy set out in note 1 on page 31. The land upon which these buildings are situated was originally donated solely for the purpose of providing a site for school buildings. Were school operations ever to cease on this site, the land and obligations would revert to the original trustees for this site.

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**21. Statement of funds (continued)**

Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2016. Note 2 discloses whether the limit was exceeded.

**22. Analysis of net assets between funds**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset fund 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	1,658,834	1,658,834	1,710,865
Current assets	91,240	61,453	-	152,693	182,100
Creditors due within one year	-	(61,453)	(1,148)	(62,601)	(60,092)
Creditors due in more than one year	-	-	(5,743)	(5,743)	(6,891)
Provisions for liabilities and charges	-	(289,000)	-	(289,000)	(135,000)
	<u>91,240</u>	<u>(289,000)</u>	<u>1,651,943</u>	<u>1,454,183</u>	<u>1,690,982</u>

**23. Reconciliation of net movement in funds to net cash flow from operating activities**

	2016 £	As restated 2015 £
Net expenditure for the year (as per Statement of financial activities)	(102,799)	(33,978)
<b>Adjustment for:</b>		
Depreciation charges	78,810	77,875
Dividends, interest and rents from investments	(50)	(469)
Profit on the sale of fixed assets	-	(54)
Increase in debtors	(6,350)	(16,172)
Increase in creditors	2,509	12,795
Capital grants from DfE and other capital income	(6,340)	(19,588)
Defined benefit pension scheme finance cost	20,000	17,000
<b>Net cash (used in)/provided by operating activities</b>	<u>(14,220)</u>	<u>37,409</u>

**24. Analysis of cash and cash equivalents**

	2016 £	2015 £
Cash in hand	112,331	148,088
<b>Total</b>	<u>112,331</u>	<u>148,088</u>

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**25. Contingent liabilities**

During the period of the funding agreement, should any asset for which a capital grant was received be sold or otherwise disposed of, in the event of the Academy not reinvesting the proceeds, it will be required to pay the grant related proportion of the proceeds to the EFA.

Should the funding agreement be terminated for any reason, the Academy shall repay to the EFA the current value of the academy's land and buildings and other assets, to the extent that such assets were funded by sums received from the EFA.

**26. 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 Kent County Council. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2016.

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%.

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**26. Pension commitments (continued)**

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

The employer's pension costs paid to TPS in the period amounted to £51,274 (2015 - £45,718).

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](http://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 £44,000 (2015 - £32,000), of which employer's contributions totalled £34,000 (2015 - £25,000) and employees' contributions totalled £10,000 (2015 - £7,000). The agreed contribution rates for future years are 19.8% for employers and var% 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:

	<b>2016</b>	<b>2015</b>
Discount rate for scheme liabilities	<b>2.20 %</b>	4.00 %
Expected return on scheme assets at 31 August	<b>14.00 %</b>	6.00 %
Rate of increase in salaries	<b>4.10 %</b>	4.40 %
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>	2.60 %
Inflation assumption (CPI)	<b>2.30 %</b>	2.60 %
Commutation of pensions to lump sums	<b>50.00 %</b>	- %
RPI increases	<b>3.20 %</b>	3.50 %

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

	<b>2016</b>	<b>2015</b>
Retiring today		
Males	<b>22.9</b>	22.8
Females	<b>25.3</b>	25.2
Retiring in 20 years		
Males	<b>25.2</b>	25.1
Females	<b>27.7</b>	27.6



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**26. 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	177,000	130,000
Gilts	2,000	2,000
Other bonds	28,000	21,000
Property	37,000	26,000
Cash	6,000	5,000
Target return portfolio	11,000	8,000
	<hr/>	<hr/>
Total market value of assets	<b>261,000</b>	<b>192,000</b>
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £30,000.

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)	(49,000)	(37,000)
Net interest cost	(5,000)	(5,000)
	<hr/>	<hr/>
Total	<b>(54,000)</b>	<b>(42,000)</b>
	<hr/> <hr/>	<hr/> <hr/>
Actual return on scheme assets	<b>30,000</b>	<b>5,000</b>
	<hr/> <hr/>	<hr/> <hr/>

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

	2016 £	As restated 2015 £
Opening defined benefit obligation	327,000	282,000
Current service cost	49,000	37,000
Interest cost	13,000	12,000
Contributions by employees	10,000	7,000
Actuarial losses/(gains)	156,000	(7,000)
Benefits paid	(5,000)	(4,000)
	<hr/>	<hr/>
Closing defined benefit obligation	<b>550,000</b>	<b>327,000</b>
	<hr/> <hr/>	<hr/> <hr/>

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**26. Pension commitments (continued)**

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

	2016 £	As restated 2015 £
Opening fair value of scheme assets	192,000	159,000
Return on plan assets (excluding net interest on the net defined pension liability)	8,000	7,000
Actuarial gains and (losses)	22,000	(2,000)
Contributions by employer	34,000	25,000
Contributions by employees	10,000	7,000
Benefits paid	(5,000)	(4,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	261,000	192,000
	<hr/>	<hr/>

The adoption of FRS 102 has not had an effect on the closing pension deficit in the comparative year. However the analysis between support costs and actuarial gains and losses has changed.

**27. 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 £
<b>Amounts payable:</b>		
Within 1 year	709	709
Between 1 and 5 years	3,540	4,249
	<hr/>	<hr/>
Total	4,249	4,958
	<hr/>	<hr/>

**28. Related party transactions**

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 14.

**29. Members' liability**

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

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**30. 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.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

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.