

Company Registration 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 2017**

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

**Contents**

	Page
<b>Reference and administrative details of the Academy, its trustees and advisers</b>	1 - 2
<b>Trustees' report</b>	3 - 14
<b>Governance statement</b>	15 - 17
<b>Statement of Trustees' responsibilities</b>	18
<b>Statement on regularity, propriety and compliance</b>	19
<b>Independent auditors' report on the financial statements</b>	20 - 22
<b>Independent reporting accountant's assurance report on regularity</b>	23 - 24
<b>Statement of financial activities incorporating income and expenditure account</b>	25
<b>Balance sheet</b>	26
<b>Statement of cash flows</b>	27
<b>Notes to the financial statements</b>	28 - 49

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

**Reference and administrative details of the Academy, its trustees and advisers**  
**for the year ended 31 August 2017**

<b>Members</b>	Christopher Darlington Molly Ward Revd. Martin Beaumont Jeremy Bentley
<b>Trustees</b>	Claire Ward (appointed 16 March 2017) Rachel Streatfeild, Accounting Officer/Headteacher <sup>1</sup> Victoria Back Joanna Clare <sup>2</sup> Helen Jane Cooper Gerard Hester Sally Pearson (resigned 10 January 2017) <sup>2</sup> Ian Coleman Rupert Fleming <sup>1</sup> Louise Clarke <sup>1,2</sup> Christopher Darlington (Chairman) <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>	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
<b>Bankers</b>	NatWest 12 Station Road Oxted Surrey RH8 0PR

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

**Reference and administrative details of the academy, its trustees and advisers  
for the year ended 31 August 2017**

**Advisers (continued)**

**Solicitors**

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

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

**Trustees' report**  
**for the year ended 31 August 2017**

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2016 to 31 August 2017. 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. The Academy has a combined pupil capacity of 210 and had a roll of 209 on the school census on 18 May 2017.

**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. 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.

**d. 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)

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**e. 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.

**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. 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.

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

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.

**h. 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 Nursery 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 £7,243.19 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.

**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.

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**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 2016 – 2017 were 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.
- To improve the attainment and progress of Spelling across the school (with a particular focus on Lower Ability pupils).
- Improve the quality of writing across the school focusing on transferring SPAG skills (with a particular focus on higher ability writers).
- Increased focus on Reading Comprehension in KS2 to improve rate of progress across Key Stage 2.
- 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 pupils with High Needs Funding).
- Develop effective systems using Pupil Asset for measuring, tracking and reporting progress.

Please see below for evaluation of the effectiveness and impact of these objectives 2016-2017.

**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.

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**Achievements and performance**

**a. Review of activities**

**Evaluation of the School Improvement Plan 2016-2017. A robust system of School Improvement Plan Evaluation took place at the end of the academic year, involving SIP Priority Leads and Governors.**

**What went well?**

- Singapore maths has been successfully implemented throughout all year groups. Years 1-6 through 'Maths No Problem' curriculum and EYFS through Singapore maths guidelines.
- Sponsorship of 'Maths No Problem' has secured funding for 2017-2018.
- Maths mastery specialist money available for workbooks from Sept 2017.
- All classrooms well- resourced with manipulatives.
- Data shows good attainment except year 4. (85% EXS)
- End of KS2 attainment and progress well above National Average (93% met expected standard, 55% exceeding the expected standard – National Average 75% and 23% respectively). Progress measure +3.14 (Sig +).

**Further Steps.**

- Training completed of bar model teaching by Maths Leader needs disseminating to all staff – INSET Training and staff meetings.
- Maths Leader will embark on Mastery Leadership Course with NCTEM in September.
- Year 5 – continued intensive work to meet end of 80% target.
- Evaluate validity of standardised tests currently being used.

**2. To improve the attainment and progress of Spelling across the school (with a particular focus on Lower Ability pupils).**

**What went well?**

- Spelling Test attainment and progress has improved across the school. Almost all classes have made >80% attainment. (Year 6 – 79.3% Year 5 – 90%, Year 4 – 80%, Year 3 – 83%. Year 2 – 86.6%)
- KS1 Phonics results show 93.3% of children met the expected level.
- End of Key Stage English Spelling, Punctuation and Grammar attainment was well above the national average with 97% meeting the expected standard and 48% at the higher standard.
- Spellings are monitored and assessed termly using Kent lists, teachers alerted to the gaps they need to teach
- All classes follow a consistent approach i.e. using words from the Programme of Study.
- Spelling now has a higher focus. Teachers are aware of how important it is to teach spellings discretely and how this feeds into the children's overall writing attainment.
- Interventions (i.e. Cued spelling, TTRS, Nessy) used for Low Ability pupils regularly from Term 3-6. Data shows progress is being made by this group.
- Children are aware of different spelling strategies and use these in class. (See Spelling audit questionnaire of children's responses).

**Further Steps.**

- Spellings are not transferring to writing.
- Regular learning walks/ book scrutiny needed to ensure spellings continue to be taught regularly and differentiated i.e. prevent complacency.
- Interventions need to be put into place by end of Term 1 (first set of assessments) next year so that low ability children have opportunities to progress sooner.
- Setting up 'buddy spellers.' A similar idea to buddy readers but for those that find spelling difficult. E.g. year 5/6 spelling buddies to support those in lower year groups.

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**3. Improve the quality of writing across the school focusing on transferring SPAG skills. (Particular focus on higher ability writers)**

**What went well?**

- Profile of writing raised, with many children seeing their work published in various forms. Number of pupils whose short stories were selected to be published in the Young Writers' short story book- 11 pupils in KS2 and 9 in KS1.
- A regular Literacy Act of Worship has allowed for good writing to be shared and celebrated by the whole school.
- All teachers from Year 2 upwards are marking to encourage self-correction.
- Year 5/6 using draft and final copy approach which has prepared them for SATs requirements.
- Two KS2 pupils were whittled down to the final 5000 of the BBC 500 word competition. 123,000 children nationwide had entered.
- Locally we had three winners in the Chiddingstone Castle Literary Festival 500 word competition. Their work will appear in Scoop magazine.
- End of KS2 attainment and progress in line with or better than national averages. 86 % meeting the expected standard and 31% achieving at greater depth – National average 76% and 18% respectively. Progress -0.22.
- End of KS1 attainment and progress in line with or above national averages. 94% meeting the expected standard and 18% working at greater depth – national averages 68% and 16% respectively.

**Further Steps.**

- Pupils need to transfer the improved spelling and grammar knowledge into their writing to achieve 85% expected standard in all classes.
- Transfer Draft and Final Copy Book method used in Y5 and 6 to Y 3 and 4.
- Intensive work with Year 5 needs to be SIP focus for 2017-2018.

**4. Increased focus on Reading Comprehension in KS2 to improve rate of progress across the Key Stage 2.**

**What went well?**

- All classes now delivering a weekly reading comprehension class.
- All teachers now reading regularly to class
- Book clubs for all of KS2
- All year groups except Year 4 have achieved the target of 80% meeting the expected standard.
- End of KS2 attainment and progress is well above national averages. 90% achieving the expected standard and 52% achieving the higher standard – national averages are 71% and 25% respectively. Progress measure is +1.74
- End of KS1 attainment and progress is in line with or above national averages. 91% achieving the expected standards and 21% achieving at greater depth – national averages are 76% and 25% respectively.

**Further steps.**

- Year 4 (2016-2017) still has a number of children working below expected standard – two reading sessions per week needed in Year 5.
- Very poor turn out for Year 5/6 Book Club from Year 5. Speak to parents at curriculum meeting about the importance of attendance.
- Teachers need to have a class book per term linked to the Cornerstones Curriculum topic.

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**5. Implementation of revised Science topics across the school with a focus on the accurate and regular assessment of science.**

**What went well?**

- Science leadership update course attended
- Monitoring of science took place in terms 1, 2 and 4. Feedback given to teachers in staff meetings.
- Evidence from monitoring activities demonstrates good coverage of the science curriculum, science skills being regularly taught, children recording science investigations to a high standard and teachers assessing and recording results on Pupil Asset.
- 'Love to Investigate' Cornerstones Curriculum resource regularly being used by the teachers to plan science investigations.
- Teachers have experimented with a variety of assessment methods – creating board games, information leaflets, drama activities, assessed investigations.
- KS1 Science being recorded in large class topic book for moderation purposes.
- KS2 Science now being recorded in dedicated science books which will go with the child through Year 3-6

**Further Steps.**

- Re-assess benefit of purchasing science assessment tool from Kent.
- Whole school Science Day to be organised.
- Use Pupil Asset tracking system to 'clump' KPIs to topics to record valid and consistent end of year Teacher Assessment.

**6. Implementation of 'Mindfulness' curriculum and focus on staff and pupil well-being.**

**What went well?**

- Raising awareness of mindfulness and wellbeing with staff.
- Survey identified a happy staff team and areas for focus – improved communication.
- Appropriate training completed and disseminated to wider staff body and Governors.
- Teaching Assistants feeling valued and well supported.
- Focus on pupil reflection using Christian values – evidenced in outstanding SIAMS report July 2017.

**Further Steps**

- Draft and ratify School Wellbeing Policy.
- Explore further the direct teaching of a mindfulness programme across the school which is consistent.
- Work with local schools – financial collaboration to increase play therapy and counselling in schools.

**7. Improve planning, communication, support, training and monitoring for TAs (with particular focus on TAs supporting SEN pupils with High Needs Funding).**

**What went well?**

- Provision Mapping set up and 'owned' by Class Teachers.
- Interventions now streamlined for effectiveness. Evidence of effectiveness in some areas now tracked through data.
- Class Teachers now update all Personal Plans for 3 x yearly reviews. Increased awareness and 'ownership' of High Needs Funding pupils by Class Teachers now evident.
- All recommendations from the Placement Evaluation Officer's visit is now complete or in progress. Excellent feedback from Placement Evaluation Officer visit and evidenced in reports.
- Staff skills audit complete and actioned. Visible benefits evident and staff skills are now matched more effectively to needs of the pupil.
- Streamlined record of High Needs Funding pupil activities to be introduced 2017-2018

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**Further Steps**

- Further tracking of interventions required, using data.
- Use of Pupil Asset for Provision mapping to be explored.
- Further use of SEND groups on Pupil Asset, to enable analysis of data. Next steps can be drawn for analysis of data.
- Induction meetings for staff, at the start of each academic year, to support transition of High Needs Funding pupils.
- Inclusion Leader to complete NAT SEND qualification.

**8. Develop effective systems using Pupil Asset for measuring, tracking and reporting progress.**

**What went well?**

- Pupil Asset now tracks both attainment and progress effectively.
- Pupil Asset now separates Teacher Assessed formative assessment and standardised summative assessment which mirrors Assessment and Reporting Arrangements at Key Stage 1 and Key Stage 2.
- Analysis of scaled scores based on Key Stage 1 outcomes for Years 3 to 6 has been established and is proving effective in tracking progress and target setting for end of Key Stage 2 attainment.
- Reports are set up in Pupil Asset. End of Year reports were generated using this system successfully.
- All teachers' confidence in using Pupil Asset has increased.

**Further Steps.**

- Other subjects – RE and Science progress tracking needs refining.
- Review of Pupil Asset – cost effectiveness and meeting school requirement.
- Continue work with challenge group schools within the Sevenoaks Schools Partnership (5 other schools) to joint moderate and share good assessment practice – more coordination to ensure parity for moderation.

**b. 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.

**c. Review of activities**

**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.

The school's last SIAMS (Church Schools' inspection) took place in July 2017. It was judged as 'Outstanding' in all areas. (Reports available on School website)

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**Academic Results**

As in previous years, attainment and progress in all year groups and all subjects are above or at least in line with national averages.

**Key Stage 2 Attainment and Progress Data 2017**

	Progress	Achieving the Expected Standard		Achieving a Higher Standard	
	School	National	School %	National %	School % National %
Combined RWM	N/A	N/A	79	61	28 9
Reading	1.74	N/A	90	71	52 25
Writing	-0.22	N/A	86	76	31 18
Maths	3.14	N/A	93	75	55 23
ESPG	N/A	N/A	97	77	48 31

**Key Stage 2 Attainment and Progress Data 2017**

	Achieving the Expected Standard		Achieving a Higher Standard	
	School	National	School %	National %
Reading	90	71	52	25
Writing	86	76	31	18
Maths	93	75	55	23

**Year 1 Phonics Screening Test 2017**

	School %	Local Authority %	National %
30 pupils	93%	82%	81%

**Early Years Foundation Stage 2017**

	School %	Local Authority%	National %
30 pupils			
Good Level of Development	80%	75%	69%

**Attendance of Pupils**

For the period 2016-2017 whole school attendance was 96%. There were no fixed term exclusions.

**Recruitment of Pupils**

The school is oversubscribed with 209 pupils on roll for the period 2016-2017. We operate healthy waiting lists for all year groups.

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

**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**Financial review**

**a. Review of the Year**

For the twelve month period to 31 August 2017 the school received regular grant funding from government totalling £736k known as the General Annual Grant or 'GAG'. Most of this GAG income is determined by our pupil numbers in the previous year.

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.

The Governors continue to believe that they have been able to secure better value for money using our academy freedoms. 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 £745k for the twelve months. Educational supplies, computing and property maintenance comprise the majority of our other expenditure. Capital expenditure during the year was £18k, representing computer equipment and outdoor play area.

**b. 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 2017, the School had free reserves available to deploy £125,067. 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.

**c. 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 £134K 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 2017**

**d. 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 changes to Special Educational Needs High Needs Funding allocation from Kent County Council by 30% affecting income for supporting pupils with EHCPs and Learning Support Assistant salaries.

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

**Plans for future periods**

**a. Future developments**

The school improvement priorities for the academic year 2017-2018 have been agreed following a robust system of School Self- Evaluation and are as follows:

- Year 5: Attainment and progress – intensive support and provision mapping. 80% target achieving expected standard by the end of Key Stage 2.
- Writing: embedding SPAG in writing – end of year target of 85% for all year groups (except Year 5) achieving the expected standard.
- Attendance and Punctuality: target of 96%+ and reduction in % of parents taking holidays during term time.
- Special Educational Needs: Implementation and development of speech and language and nurture group interventions to support increasing number of pupils with specific learning needs.
- Healthy Eating/Active School – promotion of whole school exercise and healthy diets and effective use of increased government PE grant to support this.
- SIAMS areas for development: following recent inspection – further involve pupils in the planning and monitoring of collective worship and introduce the new 'Understanding Christianity' syllabus.

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

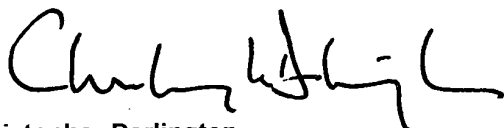
**Trustees' report (continued)**  
**for the year ended 31 August 2017**

**Disclosure of information to auditors**

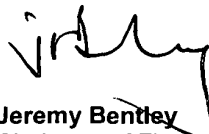
In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report was approved by order of the Governing Body, as the company directors, on 28 November 2017 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	5	6
Revd. Martin Beaumont	4	6
Jeremy Bentley	4	6
Rachel Streatfield	6	6
Victoria Back	5	6
Joanna Clare	4	6
Helen Jane Cooper	4	6
Gerard Hester	1	6
Sally Pearson (resigned January 2017)	2	2
Ian Coleman	4	6
Rupert Fleming	4	6
Louise Clarke	5	6
Claire Ward (joined March 2017)	2	3

During the academic year 2016 2017 there was 1 resignation and 1 new appointment. Sally Pearson resigned as a Governor in January 2017 and Claire Ward, joined the committee in March 2017

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 2016-2017.

In accordance with Section 2.1.3 of the Academies Financial Handbook 2015, the Governing Body have met 6 times in the academic year 2016-17.

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

**Governance Statement (continued)**

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to ensure propriety and sound financial management and systems.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Christopher Darlington	5	6
Jeremy Bentley	4	6
Rachel Streatfeild	6	6
Louise Clarke	6	6
Rupert Fleming	5	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 2016 to 31 August 2017 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 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**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, a Trustee, 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. In particular the checks carried out in the current period included:

- 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 RO reports to the Governing Body through the finance and general purposes committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

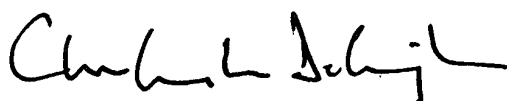
**Review of Effectiveness**

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:

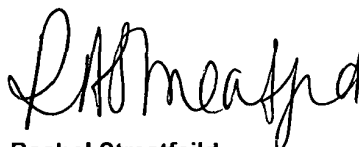
- the work of the Responsible Officer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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 28 November 2017 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 2017**

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 and Skills 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 2016 to 2017;
- 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 ESFA/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 28 November 2017 and signed on its behalf by:



**Christopher Darlington**  
Chairman

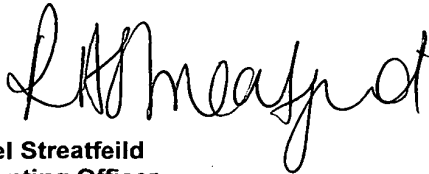
**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**  
**(A company limited by guarantee)**

**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 and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy 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 2016.

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

A handwritten signature in black ink, appearing to read 'R Streatfeild', written in a cursive style.

**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**

**Opinion**

We have audited the financial statements of Chiddingstone Church of England School for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and the related notes, including a summary of significant accounting policies. 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', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

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

**Basis of opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

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

**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**

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

We have nothing to report in this regard.

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

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

- the information given in the Trustees' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

**Responsibilities of trustees**

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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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


**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**

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's report.



Alyson Howard FCCA DChA CF (Senior statutory auditor)

for and on behalf of

**Williams Giles Limited**

Chartered Accountants  
Statutory Auditors

12 Conqueror Court  
Sittingbourne  
Kent

ME10 5BH

Date: 30 November 2017

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

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

In accordance with the terms of our engagement letter dated 21 March 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chiddingstone Church of England School during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Chiddingstone Church of England School and the ESFA 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 ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Chiddingstone Church of England School and the ESFA, 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 accountant**

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 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

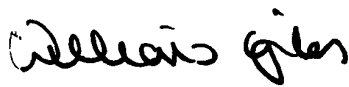
- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity 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 accountants' assurance report on regularity to Chiddingstone Church of England School and the Education and Skills 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

**Williams Giles Limited**

Chartered Accountants  
Statutory Auditors

12 Conqueror Court  
Sittingbourne  
Kent  
ME10 5BH

Date: 30 November 2017

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

**Statement of Financial Activities  
for the year ended 31 August 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset fund 2017 £	Total funds 2017 £	As restated Total funds 2016 £
<b>Income from:</b>						
Donations and capital grants	2	16,154	15,302	6,363	37,819	52,231
Charitable activities	5	-	905,261	-	905,261	853,058
Other trading activities	3	73,566	37,754	-	111,320	108,400
Investments	4	13	-	-	13	50
<b>Total income</b>		<b>89,733</b>	<b>958,317</b>	<b>6,363</b>	<b>1,054,413</b>	<b>1,013,739</b>
<b>Expenditure on:</b>						
Raising funds:						
Voluntary income	6	2,162	-	-	2,162	3,584
Charitable activities		58,241	1,001,690	60,391	1,120,322	1,112,954
<b>Total expenditure</b>	9	<b>60,403</b>	<b>1,001,690</b>	<b>60,391</b>	<b>1,122,484</b>	<b>1,116,538</b>
<b>Net income / (expenditure) before transfers</b>		<b>29,330</b>	<b>(43,373)</b>	<b>(54,028)</b>	<b>(68,071)</b>	<b>(102,799)</b>
Transfers between Funds	20	-	(130)	130	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>29,330</b>	<b>(43,503)</b>	<b>(53,898)</b>	<b>(68,071)</b>	<b>(102,799)</b>
Actuarial gains/(losses) on defined benefit pension schemes	25	-	77,000	-	77,000	(134,000)
<b>Net movement in funds</b>		<b>29,330</b>	<b>33,497</b>	<b>(53,898)</b>	<b>8,929</b>	<b>(236,799)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		91,240	(289,000)	1,651,943	1,454,183	1,690,982
<b>Total funds carried forward</b>		<b>120,570</b>	<b>(255,503)</b>	<b>1,598,045</b>	<b>1,463,112</b>	<b>1,454,183</b>

**CHIDDINGSTONE CHURCH OF ENGLAND SCHOOL**

(A company limited by guarantee)

Registered number: 07800664

**Balance Sheet  
as at 31 August 2017**

	Note	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	16		1,603,788		1,658,834
<b>Current assets</b>					
Debtors	17	47,732		40,362	
Cash at bank and in hand		134,442		112,331	
		<u>182,174</u>		<u>152,693</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(58,255)</u>		<u>(62,601)</u>	
<b>Net current assets</b>			<u>123,919</u>		<u>90,092</u>
<b>Total assets less current liabilities</b>			<u>1,727,707</u>		<u>1,748,926</u>
<b>Creditors: amounts falling due after more than one year</b>	19		<u>(4,595)</u>		<u>(5,743)</u>
<b>Net assets excluding pension scheme liabilities</b>			<u>1,723,112</u>		<u>1,743,183</u>
Defined benefit pension scheme liability	25		<u>(260,000)</u>		<u>(289,000)</u>
<b>Net assets including pension scheme liabilities</b>			<u><u>1,463,112</u></u>		<u><u>1,454,183</u></u>
<b>Funds of the academy</b>					
Restricted income funds:					
Restricted income funds	20	4,497		-	
Restricted fixed asset fund	20	1,598,045		1,651,943	
Restricted income funds excluding pension liability		<u>1,602,542</u>		<u>1,651,943</u>	
Pension reserve		<u>(260,000)</u>		<u>(289,000)</u>	
Total restricted income funds			<u>1,342,542</u>		<u>1,362,943</u>
Unrestricted income funds	20		<u>120,570</u>		<u>91,240</u>
<b>Total funds</b>			<u><u>1,463,112</u></u>		<u><u>1,454,183</u></u>

The financial statements on pages 25 to 49 were approved by the Trustees, and authorised for issue, on 28 November 2017 and are signed on their behalf, by:



Christopher Darlington  
Chairman



Jeremy Bentley  
Chairman of Finance Committee

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

**Statement of cash flows**  
**for the year ended 31 August 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	22	<u>22,228</u>	<u>(14,220)</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		13	50
Purchase of tangible fixed assets		(5,345)	(26,779)
Capital grants from DfE/ESFA		6,363	6,340
<b>Net cash provided by/(used in) investing activities</b>		<u>1,031</u>	<u>(20,389)</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		(1,148)	(1,148)
<b>Net cash used in financing activities</b>		<u>(1,148)</u>	<u>(1,148)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>22,111</b>	<b>(35,757)</b>
Cash and cash equivalents brought forward		<u>112,331</u>	<u>148,088</u>
<b>Cash and cash equivalents carried forward</b>	23	<u><u>134,442</u></u>	<u><u>112,331</u></u>

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**1. Accounting policies**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

**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.

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**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 receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable 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.

Expenditure on raising funds includes all expenditure incurred by the academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**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 and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific 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.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:



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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**1. Accounting policies (continued)**

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

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.

**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 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.

**1.10 Pensions**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 25, 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.

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**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.

**1.11 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 Liabilities and provisions**

Liabilities and provisions 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.

**1.13 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.

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**1. Accounting policies (continued)**

**1.14 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.

**1.15 Critical accounting estimates and areas of judgment**

Estimates and judgments 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 25, 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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 16 for the carrying amount of the property, plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**2. Income from donations and capital grants**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset fund 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	2,219	90	-	2,309	19,274
Donations - PTA	-	15,212	-	15,212	14,497
Donations - Regular	13,935	-	-	13,935	12,120
Capital donations	-	-	6,363	6,363	6,340
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Voluntary income	16,154	15,302	6,363	37,819	52,231
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2016	12,120	33,771	6,340	52,231	
	<hr/>	<hr/>	<hr/>	<hr/>	

**3. Other trading activities**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Uniform sales	1,034	-	1,034	1,212
School trips contributions	58,199	-	58,199	56,173
Catering	-	22,293	22,293	22,180
Other income	14,333	15,461	29,794	28,835
	<hr/>	<hr/>	<hr/>	<hr/>
	73,566	37,754	111,320	108,400
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2016	75,513	32,887	108,400	
	<hr/>	<hr/>	<hr/>	

**4. Investment income**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	13	-	13	50
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2016	50	-	50	
	<hr/>	<hr/>	<hr/>	

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

**Notes to the financial statements  
for the year ended 31 August 2017**

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

	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	735,997	735,997	740,616
Pupil premium	14,225	14,225	14,570
Other DfE/ESFA grants	42,954	42,954	41,283
	<u>793,176</u>	<u>793,176</u>	<u>796,469</u>
<b>Other government grants</b>			
SEN Funding	110,327	110,327	51,585
Other government grants	1,758	1,758	5,004
	<u>112,085</u>	<u>112,085</u>	<u>56,589</u>
	<u>905,261</u>	<u>905,261</u>	<u>853,058</u>
<i>Total 2016</i>	<u>853,058</u>	<u>853,058</u>	

**6. Costs of raising funds**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Uniform	2,162	-	2,162	3,584
<i>Total 2016</i>	<u>3,584</u>	<u>-</u>	<u>3,584</u>	

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**7. Direct costs**

	Educational operations £	Total 2017 £	Total 2016 £
Educational supplies	25,518	25,518	44,944
School trips	58,241	58,241	58,725
Staff development	8,141	8,141	16,624
Educational consultancy	19,174	19,174	20,232
Wages and salaries	452,424	452,424	507,048
National insurance	35,491	35,491	26,358
Pension cost	160,499	160,499	75,172
	<u>759,488</u>	<u>759,488</u>	<u>749,103</u>
<i>At 31 August 2016</i>	<u>749,103</u>	<u>749,103</u>	

**8. Support costs**

	Educational operations £	Total 2017 £	As restated Total 2016 £
LGPS costs (note 17 & 28)	6,000	6,000	5,000
Recruitment and support	-	-	493
Maintenance of premises and equipment	20,192	20,192	15,592
Cleaning	3,728	3,728	4,082
Rent & rates	13,288	13,288	13,312
Light & heat	7,558	7,558	8,922
Insurance	17,881	17,881	17,506
Security & transport	833	833	2,938
Catering	26,574	26,574	24,458
Bank charges	1,491	1,491	1,100
Computer costs	5,286	5,286	7,487
Printing, postage and stationery	11,648	11,648	11,540
Other support costs	22,977	22,977	28,543
Governance costs	8,650	8,650	8,650
Wages and salaries	92,666	92,666	100,891
National insurance	5,768	5,768	5,340
Other pension costs (note 28)	55,903	55,903	29,187
Depreciation	60,391	60,391	78,810
	<u>360,834</u>	<u>360,834</u>	<u>363,851</u>
<i>At 31 August 2016</i>	<u>363,851</u>	<u>363,851</u>	

During the year ended 31 August 2017, the academy incurred the following Governance costs:  
£8,650 (2016 - £8,650) included within the table above in respect of Educational operations.

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**9. Expenditure**

	<b>Staff costs 2017 £</b>	<b>Premises 2017 £</b>	<b>Other costs 2017 £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Expenditure on raising voluntary income	-	-	2,162	2,162	3,584
Educational operations:					
Direct costs	648,414	-	111,074	759,488	749,103
Support costs	154,337	71,249	135,248	360,834	363,851
	<u>802,751</u>	<u>71,249</u>	<u>248,484</u>	<u>1,122,484</u>	<u>1,116,538</u>
<i>Total 2016</i>	<u>743,996</u>	<u>43,353</u>	<u>329,189</u>	<u>1,116,538</u>	

**10. Net income/(expenditure)**

This is stated after charging:

	<b>2017 £</b>	<b>2016 £</b>
Depreciation of tangible fixed assets:		
- owned by the charity	60,391	78,810
Audit remuneration	<u>7,975</u>	<u>7,975</u>

**11. Auditors' remuneration**

	<b>2017 £</b>	<b>2016 £</b>
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	6,150	6,150
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>1,825</u>
	<u>2017 £</u>	<u>2016 £</u>
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>

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**12. Staff costs**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	545,090	607,939
Social security costs	41,259	31,698
Operating costs of defined benefit pension schemes	216,402	104,359
	<u>802,751</u>	<u>743,996</u>

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

	2017 No.	2016 No.
Teachers	15	16
Support and Admin	29	28
Management	1	1
	<u>45</u>	<u>45</u>

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 £184,597 (2016 - £189,116).

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**13. 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:

		2017 £	2016 £
Rachel Streatfeild	Remuneration	30,000-35,000	30,000-35,000
	Pension contributions paid	5,000-10,000	0-5,000
Sally Pearson	Remuneration		10,000-15,000
	Pension contributions paid		0-5,000
Joanna Clare	Remuneration	20,000-25,000	20,000-25,000
	Pension contributions paid	0-5,000	0-5,000
Louise Clarke	Remuneration	30,000-35,000	20,000-25,000
	Pension contributions paid	5,000-10,000	0-5,000

**14. 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 £25,000,000 on any one claim and the cost for the year ended 31 August 2017 was included in the total insurance costs.

**15. Other finance income**

	2017 £	As restated 2016 £
Interest income on pension scheme assets	6,000	8,000
Interest on pension scheme liabilities	(12,000)	(13,000)
	<u>(6,000)</u>	<u>(5,000)</u>

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**16. Tangible fixed assets**

	Buildings on church land £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2016	1,650,399	5,500	154,271	91,044	1,901,214
Additions	-	-	5,345	-	5,345
At 31 August 2017	1,650,399	5,500	159,616	91,044	1,906,559
<b>Depreciation</b>					
At 1 September 2016	92,678	3,585	64,024	82,093	242,380
Charge for the year	33,008	383	18,049	8,951	60,391
At 31 August 2017	125,686	3,968	82,073	91,044	302,771
<b>Net book value</b>					
At 31 August 2017	1,524,713	1,532	77,543	-	1,603,788
At 31 August 2016	1,557,721	1,915	90,247	8,951	1,658,834

**17. Debtors**

	2017 £	2016 £
Trade debtors	4,818	718
VAT debtor	8,889	6,606
Other debtors	21,003	21,320
Prepayments and accrued income	13,022	11,718
	<u>47,732</u>	<u>40,362</u>

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

	2017 £	2016 £
Loans	1,148	1,149
Trade creditors	9,813	6,006
Other creditors	21,500	21,425
Accruals and deferred income	25,794	34,021
	<u>58,255</u>	<u>62,601</u>

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**18. Creditors: Amounts falling due within one year (continued)**

	2017 £	2016 £
<b>Deferred income</b>		
Deferred income at 1 September 2016	18,100	20,995
Resources deferred during the year	22,603	18,100
Amounts released from previous years	(18,100)	(20,995)
	<u>22,603</u>	<u>18,100</u>
Deferred income at 31 August 2017	<u>22,603</u>	<u>18,100</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.

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

	2017 £	2016 £
Loans	<u>4,595</u>	<u>5,743</u>

Included within the above are amounts falling due as follows:

	2017 £	2016 £
<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>-</u>	<u>1,148</u>

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

	2017 £	2016 £
Repayable by instalments	<u>-</u>	<u>1,148</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.

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**20. Statement of funds**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>Unrestricted funds</b>						
Unrestricted funds	91,240	89,733	(60,403)	-	-	120,570
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	735,997	(731,370)	(130)	-	4,497
Other DfE/ESFA grants	-	42,954	(42,954)	-	-	-
Pupil Premium	-	14,225	(14,225)	-	-	-
SEN	-	110,327	(110,327)	-	-	-
Other government grants	-	1,758	(1,758)	-	-	-
Generated funds	-	53,056	(53,056)	-	-	-
Pension reserve	(289,000)	-	(48,000)	-	77,000	(260,000)
	<u>(289,000)</u>	<u>958,317</u>	<u>(1,001,690)</u>	<u>(130)</u>	<u>77,000</u>	<u>(255,503)</u>
<b>Restricted fixed asset fund</b>						
Assets held for depreciation	1,658,834	-	(60,391)	5,345	-	1,603,788
Capital grants	-	6,363	-	(6,363)	-	-
Salix Loan	(6,891)	-	-	1,148	-	(5,743)
	<u>1,651,943</u>	<u>6,363</u>	<u>(60,391)</u>	<u>130</u>	<u>-</u>	<u>1,598,045</u>
Total restricted funds	<u>1,362,943</u>	<u>964,680</u>	<u>(1,062,081)</u>	<u>-</u>	<u>77,000</u>	<u>1,342,542</u>
Total of funds	<u>1,454,183</u>	<u>1,054,413</u>	<u>(1,122,484)</u>	<u>-</u>	<u>77,000</u>	<u>1,463,112</u>

**Statement of funds - prior year**

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2016 £
<b>Unrestricted funds</b>						
Unrestricted funds	111,306	87,683	(62,309)	(45,440)	-	91,240
	<u>111,306</u>	<u>87,683</u>	<u>(62,309)</u>	<u>(45,440)</u>	<u>-</u>	<u>91,240</u>

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

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

**Restricted funds**

General Annual Grant (GAG)	11,851	740,616	(776,319)	23,852	-	-
Other DfE/ESFA grants	-	41,283	(41,283)	-	-	-
Pupil Premium	-	14,570	(14,570)	-	-	-
SEN	-	51,585	(51,585)	-	-	-
Other government grants	-	5,004	(5,004)	-	-	-
Generated funds	-	66,658	(66,658)	-	-	-
Pension reserve	(135,000)	-	(20,000)	-	(134,000)	(289,000)
	<u>(123,149)</u>	<u>919,716</u>	<u>(975,419)</u>	<u>23,852</u>	<u>(134,000)</u>	<u>(289,000)</u>

**Restricted fixed asset fund**

Assets held for depreciation	1,710,865	-	(78,810)	26,779	-	1,658,834
Capital grants	-	6,340	-	(6,340)	-	-
Salix Loan	(8,040)	-	-	1,149	-	(6,891)
	<u>1,702,825</u>	<u>6,340</u>	<u>(78,810)</u>	<u>21,588</u>	<u>-</u>	<u>1,651,943</u>
Total restricted funds	<u>1,579,676</u>	<u>926,056</u>	<u>(1,054,229)</u>	<u>45,440</u>	<u>(134,000)</u>	<u>1,362,943</u>
Total of funds	<u>1,690,982</u>	<u>1,013,739</u>	<u>(1,116,538)</u>	<u>-</u>	<u>(134,000)</u>	<u>1,454,183</u>

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.

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**20. 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 2017. discloses whether the limit was exceeded.

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset fund 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	1,603,788	1,603,788
Current assets	141,573	40,601	-	182,174
Creditors due within one year	(21,003)	(36,104)	(1,148)	(58,255)
Creditors due in more than one year	-	-	(4,595)	(4,595)
Provisions for liabilities and charges	-	(260,000)	-	(260,000)
	<u>120,570</u>	<u>(255,503)</u>	<u>1,598,045</u>	<u>1,463,112</u>

**Analysis of net assets between funds - prior year**

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

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

	2017 £	As restated 2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(68,071)	(102,799)
<b>Adjustment for:</b>		
Depreciation charges	60,391	78,810
Dividends, interest and rents from investments	(13)	(50)
Decrease/(increase) in debtors	13,633	(6,350)
(Decrease)/increase in creditors	(25,349)	2,509
Capital grants from DfE and other capital income	(6,363)	(6,340)
Defined benefit pension scheme finance cost	48,000	20,000
<b>Net cash provided by/(used in) operating activities</b>	<u>22,228</u>	<u>(14,220)</u>

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**23. Analysis of cash and cash equivalents**

	2017 £	2016 £
Cash in hand	134,442	112,331
Total	<u>134,442</u>	<u>112,331</u>

**24. 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.

**25. 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.

Contributions amounting to £10,581 were payable to the schemes at 31 August 2017 (2016 - 10,818) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**25. Pension commitments (continued)**

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

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

The employer's pension costs paid to TPS in the period amounted to £58,370 (2016 - £51,274).

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 2017 was £44,000 (2016 - £44,000), of which employer's contributions totalled £34,000 (2016 - £34,000) and employees' contributions totalled £10,000 (2016 - £10,000). 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:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Expected return on scheme assets at 31 August	16.00 %	14.00 %
Rate of increase in salaries	4.20 %	4.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.30 %
Inflation assumption (CPI)	2.70 %	2.30 %
Commutation of pensions to lump sums	50.00 %	50.00 %
RPI increases	3.60 %	3.20 %

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

**Notes to the financial statements  
for the year ended 31 August 2017**

**25. Pension commitments (continued)**

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

	2017	2016
Retiring today		
Males	23.0*	22.9
Females	25.1	25.3
Retiring in 20 years		
Males	25.2	25.2
Females	27.4	27.7

Sensitivity analysis	At 31 August 2017 £	At 31 August 2016 £
Discount rate +0.1%	574,000	539,000
Discount rate -0.1%	600,000	562,000
Mortality assumption - 1 year increase	607,000	565,000
Mortality assumption - 1 year decrease	568,000	535,000
CPI rate +0.1%	598,000	560,000
CPI rate -0.1%	576,000	541,000

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	231,000	177,000
Gilts	2,000	2,000
Other bonds	31,000	28,000
Property	40,000	37,000
Cash	10,000	6,000
Absolute return funds	13,000	11,000
<b>Total market value of assets</b>	<b>327,000</b>	<b>261,000</b>

The actual return on scheme assets was £47,000 (2016 - £30,000).

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

**Notes to the financial statements**  
**for the year ended 31 August 2017**

**25. Pension commitments (continued)**

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

	2017 £	2016 £
Current service cost	(76,000)	(49,000)
Interest income	6,000	8,000
Interest cost	(12,000)	(13,000)
<b>Total</b>	<b>(82,000)</b>	<b>(54,000)</b>
Actual return on scheme assets	<b>47,000</b>	<b>30,000</b>

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

	2017 £	As restated 2016 £
Opening defined benefit obligation	550,000	327,000
Current service cost	76,000	49,000
Interest cost	12,000	13,000
Employee contributions	10,000	10,000
Actuarial (gains)/losses	(57,000)	156,000
Benefits paid	(4,000)	(5,000)
<b>Closing defined benefit obligation</b>	<b>587,000</b>	<b>550,000</b>

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

	2017 £	As restated 2016 £
Opening fair value of scheme assets	261,000	192,000
Interest income	6,000	8,000
Actuarial losses	20,000	22,000
Employer contributions	34,000	34,000
Employee contributions	10,000	10,000
Benefits paid	(4,000)	(5,000)
<b>Closing fair value of scheme assets</b>	<b>327,000</b>	<b>261,000</b>



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

**Notes to the financial statements  
for the year ended 31 August 2017**

**26. Operating lease commitments**

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

	2017 £	2016 £
<b>Amounts payable:</b>		
Within 1 year	709	709
Between 1 and 5 years	2,831	3,540
	<hr/>	<hr/>
Total	<b>3,540</b>	<b>4,249</b>
	<hr/> <hr/>	<hr/> <hr/>

**27. 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.

**28. 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.