

**REPORT OF THE GOVERNORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2015
FOR**

LYMM HIGH SCHOOL AND ITS SUBSIDIARY

McLintocks Limited
Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2015

	Page
Reference and Administrative Details	1 to 2
Report of the Governors	3 to 8
Governance Statement	9 to 11
Statement on Regularity, Propriety and Compliance	12
Statement of Governors Responsibilities	13
Report of the Independent Auditors	14 to 15
Independent Accountant's Report on Regularity	16
Statement of Financial Activities	17
Balance Sheet	18
Cash Flow Statement	19
Notes to the Cash Flow Statement	20
Notes to the Financial Statements	21 to 36

LYMM HIGH SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2015

MEMBERS

R Knowles
K Walshe
S E Woodyatt

GOVERNORS

R I Ball
N Boston (resigned 26.03.15)
E M Burgess
S Connolly (resigned 31.07.15)
S P Cummins
L Davies (resigned 31.08.15)
P Fitzpatrick – Interim Headteacher (resigned 31.03.15)
S French
M A Gare
J Graham
E A Green
T Kapur (resigned 31.12.14)
R Knowles
G R Larkin
Dr C J McLean
D Nicholson
R Nowell (resigned 31.10.14)
T Walker (resigned 18.06.15)
K Walshe
G Williams – Headteacher (appointed 01.04.15)
S E Woodyatt
N Woodyatt

COMPANY SECRETARY

P F McGerty

SENIOR LEADERSHIP TEAM

R Ball
N Dixon
H Edwards
R Johnson
J O'Grady – Deputy Headteacher
H Ryles-Dean
R Wardle
G Williams – Headteacher

LYMM HIGH SCHOOL

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015**

REGISTERED OFFICE	Oughtrington Lane Lymm Cheshire WA13 0RB
REGISTERED COMPANY NUMBER	08171068 (England and Wales)
AUDITORS	McLintocks Limited Statutory Auditor 46 Hamilton Square Birkenhead Merseyside CH41 5AR
SOLICITORS	Browne Jacobson LLP Victoria Square House Birmingham B2 4BU
BANKERS	Lloyds TSB Horsemarket Street Warrington WA1 1TP

REPORT OF THE GOVERNORS
for the Year Ended 31 August 2015

The Governors who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2015. The Governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Lymm High School is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Governors of Lymm High School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Lymm High School.

Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' Indemnities

Professional indemnity insurance is in place to protect Governors, and officers from claims arising from negligent acts, errors or omissions occurring on Academy business.

Principal activities

The principal objective is to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the Academy, offering a broad and balanced curriculum and serving the community. In setting the objectives and planning its activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Method of Recruitment and Appointment or Election of Governors

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

- Up to 1 Governor who is appointed by the Members
- Up to 7 Parent Governors
- Up to 3 Staff Governors
- Up to 5 Foundation Governors
- Up to 4 Community Governors
- Up to 3 Co-opted Governors
- The Principal who is treated for all purposes as being ex officio Governor

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Policies and Procedures Adopted for the Induction and Training of Governors

The Academy has an established Governor Recruitment, Induction and Training process, and one Governor takes lead responsibility for Governor training and development. The training and induction provided for new Governors will depend upon their existing experience but would always include a tour of the Academy and an opportunity to meet staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally very few new Governors appointed in a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational structure

The Governors are responsible for setting general policy, approving an annual plan and budget, monitoring the Academy by the use of financial management information, making strategic decisions about the direction of the Academy and capital expenditure, making senior appointments, and approving the Annual Report and Financial Statements.

The Headteacher is the Accounting Officer.

The Senior Leadership Team consists of the Headteacher, Deputy Headteacher, four Assistant Headteachers, an Associate Assistant Headteacher and an Associate Senior Leadership Team member. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the senior leadership team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the management team always contain a Governor. Some spending control is devolved to members of the management team with limits above which a senior manager must countersign.

Connected Organisations including Related Party Relationships

Lymm High School Leisure Centre (a Limited by Guarantee Company) manages the leisure facilities owned by the Academy. There is a shared use agreement between the leisure centre and the Academy. The Academy has an active parent teacher association which actively supports the Academy. There are no related parties which either control or significantly influence the decisions and operations of the Academy. There are no sponsors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured that they have adequate insurance cover.

The key controls used by the trust include:

- Formal agendas for all Governor and Governing Body including sub-committee meetings,
- Detailed and documented terms of reference for all Committees,
- Comprehensive strategic planning, budgeting and management accounting,
- Established organisational structure and clear lines of accountability and reporting,
- Formal written policies,
- Clear authorisation and approval levels,
- Vetting procedures as required by legislation,
- Reporting systems

OBJECTIVES AND ACTIVITIES

Strategies and Activities

In 2012, the governing body, staff, parents and students worked together to create the Lymm High School charter, which sets out the enduring aims and principles which guide the school now and in the future. The Charter states that "Lymm High School exists to enable its students to enjoy learning, achieve their full potential and be successful. Through outstanding teaching and learning provision, we help them to become independent lifelong learners, confident and capable individuals, and socially responsible citizens and members of the community". It also outlines the school's commitment to comprehensive education, the importance of our relationship with nine partner primary schools, the value we place on our staff, the requirement for robust governance arrangements together with diligent stewardship of public funding and other resources.

The Academy's main strategy is to develop and maintain a culture of excellence that provides opportunities for all students in our school. Lymm High School is an organisation that provides opportunities for staff and students alike but always embraces the local community so as to ensure that the academy is at the centre. We aim for our communities to be proud of their local school.

As we continue to grow we are determined to remain an organisation of 'first choice'. We believe that it is important that children are able to attend a 'Good' or 'Outstanding' local school. The Academy's approach to this strategy includes:

- Tuition and learning opportunities for all students to attain appropriate academic qualifications
- Training and development opportunities for all staff
- A programme of after school activities for all students
- A career advisory service to help students obtain employment or move on to higher education
- A wide range of enrichment opportunities
- High quality professional learning opportunities for all school employees
- A process of continual monitoring and review of teaching and learning together with rigorous data analysis of individual pupil achievement.

Public benefit

The school's purpose is to advance, for public benefit, education as described in principal activities above. The governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

REPORT OF THE GOVERNORS
for the Year Ended 31 August 2015

STRATEGIC REPORT

Achievement and performance

The public examination results at GCSE and Advanced Level continued to reflect the level of achievement expected from the pupils, they are as follows:

Percentage of pupils gaining 5+ A*-C GCSE grades including English and Mathematics 74%

Percentage making expected progress in English = 75%

Percentage making expected progress in Maths = 86%

Percentage gaining 'Ebacc' = 56%

A-Level

53% A*-B

79% A*-C

AS Level

86% A*-E

34% A*-C

Going concern

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key financial performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular the management of spending against General Annual Grant (GAG) requires special attention. It is the Academy's management policy that in general terms the income received in any one year is spent for the benefit of those children in the school that year.

Financial review

Most of the Academy income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA in the period ended 31st August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also received grants from the EFA and other organisations. In accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

During the period ended 31st August 2015, total expenditure of £10,475,533 was covered by income of £9,899,232. The deficit of £576,301, mainly comprised non-cash depreciation of £355,214.

The Governors and finance team have developed a strategy to bring the Academy into a cash neutral position for the year ended 31 August 2016.

At 31st August 2015 the net book value of fixed assets amounted to £27,053,766 and movements in fixed assets are shown in note 11 to the financial statements. The additions relate to two large projects in the year to fund life safety equipment and a new boiler system. Both projects were funded by EFA funding. The academy continues to have positive net current assets of £128,869 and overall net assets of £26,229,635.

Principal risks and uncertainties

The principal risks to the Academy are documented and managed using a risk management policy and a risk register which is regularly reviewed.

STRATEGIC REPORT

Principal risks and uncertainties

The main risks are seen as the impact of financial cuts by the government, loss of reputation through failing standards at the academy, falling student numbers and/or failure to safeguard students. Key controls in place to mitigate these risks are:

- An organisational structure with clearly defined roles, responsibilities and authorisation levels,
- Documented terms of reference for the committees and sub-committees of the Academy,
- Financial planning, budgeting and regular management reporting highlighting key areas of financial risk,
- Formal written and published policies for employees,
- Vetting procedures as required by legislation for the protection of the vulnerable, and

Financial and risk management objectives and policies

The main financial risks are mitigated through the employment of sound financial management and internal control processes. Balanced budgets are set for the Academy and limited budgets are further delegated to departments and faculties. Actual performance against agreed budgets is closely monitored by the finance and audit committee and via regular (termly) meetings of the finance committee.

Bank and cash reconciliations are carried out routinely and signed by the chief finance officer. All orders and cheques are signed off by the finance team with appropriate segregation of duties in place. Fixed asset registers are in place and there are processes in place for the acquisition, adaptation and disposal of assets. Payroll is outsourced and checked by more than one individual each month. The appropriateness and integrity of internal controls is assessed and reported to the Governors by the Responsible Officer and external auditors.

The security of data is managed by the Academy through a contract with an external IT provider.

Remaining risks are mitigated to a large extent via comprehensive insurance policies.

Plans for future periods

The overall performance in this reporting period was good and as a consequence will directly reinforce the School's medium to long-term strategy. The School's main annual objectives for the next year are:

- To improve examination results, in particular outcomes for disadvantaged pupils
- To improve the quality of teaching and assessment
- To continue to develop the extra-curricular offer
- To continue to develop school facilities
- To build adequate financial reserves to fund building and other investment needs
- Increase pupil numbers in Years 7 and 12

There will be an even sharper focus on achievement, with improvements made to systems of monitoring and accountability and an increase in the capacity available for interventions to support those students making insufficient progress. Responsibilities of the senior leadership team have been re-organised in order to facilitate this.

The curriculum will be reviewed and developed to ensure that it continues to meet the needs of all learners. New policies for assessment and homework will be introduced, alongside significant training for staff to help ensure that teaching is personalised and challenging for all students. Professional development will be available for all staff, regardless of the stage of career that they are at.

Excellent standards of behaviour will continue to be maintained, ensuring that all students can work in an atmosphere conducive to learning.

REPORT OF THE GOVERNORS
for the Year Ended 31 August 2015

AUDITORS

In so far as the Governors are aware:

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

The auditors, McLintocks Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the Governors, incorporating a strategic report, approved by order of the board of Governors, as the company directors, on and signed on the board's behalf by:



.....
K Walshe - Academic

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

Scope of Responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Lymm High 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 Board of Governors has delegated the day-to-day responsibility to the Executive Principal, 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 Lymm High School and the Secretary of State for Education. The Executive Principal is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of Governors has formally met 6 times during the period ending 31st August 2015. Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
R I Ball	6	6
N Boston (resigned 26.03.15)	3	6
E M Burgess	6	6
S Connolly (resigned 31.07.15)	5	6
S P Cummins	4	6
L Davies (resigned 31.08.15)	5	6
P Fitzpatrick – Interim Headteacher (resigned 31.03.15)	2	2
S French	2	6
M A Gare	3	6
J Graham	4	6
E A Green	6	6
T Kapur (resigned 31.12.14)	3	3
R Knowles	6	6
G R Larkin	6	6
Dr C J McLean	4	6
D Nicholson	5	6
R Nowell (resigned 31.10.14)	1	2
T Walker (resigned 18.06.15)	3	6
K Walshe	6	6
G Williams – Headteacher (appointed 01.04.15)	1	1
N Woodyatt	5	6
S E Woodyatt	5	6

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The finance and audit committee is a sub-committee of the main board of Governors. Its purpose is to report to the full board of Governors on a timely basis the finances of the trust. Attendance at meetings in the year ended 31st August 2015 was as follows

Governor	Meetings attended	Out of a possible
N Boston (resigned 26.03.15)	4	6
S Connolly (resigned 31.07.15)	5	6
L Davies (resigned 31.08.15)	4	6
P Fitzpatrick – Interim Headteacher (resigned 31.03.15)	2	2
S French	6	6
M A Gare	6	6
T Kapur (resigned 31.12 14)	2	6
R Knowles	6	6
Dr C J McLean	6	6
R Nowell (resigned 31.10.14)	1	1
K Walshe	6	6
G Williams – Headteacher (appointed 01.04.15)	2	2
S E Woodyatt	5	6

Review of Value for Money

As Accounting Officer the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be approved, including the use of benchmarking data where available. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- Continually monitoring of expenditure
- Continual review of Budgets
- Successfully bidding for funding to upgrade the roof of the academy, work to be undertaken 15/16.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

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 Board of Governors;
- regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Governors considered the need for a specific internal audit function and initially decided not to appoint an internal auditor. However the Governors have appointed Beevers & Struthers, Chartered Accountants, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a quarterly basis the RO performs these checks and reports to the Board of Governors on the operation of systems of control and on the discharge of the Board of Governors' financial responsibilities. The work of the RO has been in accordance with the requirements of the Financial Regulations and there were no items of significance reported. The RO has been in post at Lymm High School for the year ended 31 August 2015 and has not reported any material weakness in the school's financial operations.

Review of Effectiveness

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

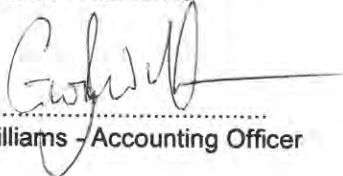
- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of Internal control by the finance committee and a plan to address minor weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Governors on and signed on its behalf by:



K Walshe - Academic



G Williams - Accounting Officer

LYMM HIGH SCHOOL

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
for the Year Ended 31 August 2015**

As Accounting Officer of Lymm High School I have considered my responsibility to notify the charitable company board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



.....
G Williams - Accounting Officer

Date: 18/12/2015

STATEMENT OF GOVERNORS RESPONSIBILITIES
for the Year Ended 31 August 2015

The Governors (who act as Governors of Lymm High School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that year. In preparing these financial statements, the Governors are required to:

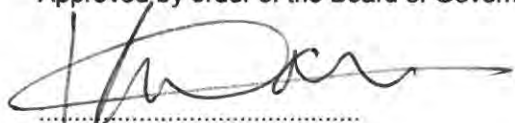
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

Approved by order of the Board of Governors on and signed on its behalf by:



.....
K Walshe - Academic

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LYMM HIGH SCHOOL AND ITS SUBSIDIARY

We have audited the financial statements of Lymm High School and its subsidiary for the year ended 31 August 2015 on pages seventeen to twenty nine. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 to 2014 issued by the Education Funding Agency (EFA).

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

Respective responsibilities of Governors and auditors

As explained more fully in the Statement of Governors Responsibilities, the Governors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
LYMM HIGH SCHOOL AND ITS SUBSIDIARY**

Matters on which we are required to report by exception

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

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

H Furlong FCCA (Senior Statutory Auditor)
for and on behalf of McLintocks Limited
Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

Date:

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LYMM HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY

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

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

Respective responsibilities of Lymm High School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Lymm High School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Conclusion

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

McLintocks Limited
46 Hamilton Square
Birkenhead
Merseyside
CH41 5AR

Date:

LYMM HIGH SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
for the Year Ended 31 August 2015

	Notes	Unrestricted fund £	Restricted funds £	Fixed Assets £	Total 2015 funds £	Total 2014 funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Activities for generating funds 2		1,051,952	134,422	-	1,186,374	1,303,948
Incoming resources from charitable activities						
Academy's educational operations 3		-	8,686,210	-	8,686,210	10,209,409
Other incoming resources		681	25,967	-	26,648	21,771
Total incoming resources		1,052,633	8,846,599	-	9,899,232	11,535,128
RESOURCES EXPENDED						
Charitable activities						
Academy's educational operations 6		1,108,237	8,971,423	355,214	10,434,874	11,020,188
Governance costs 7			40,660	-	40,660	51,862
Total resources expended 4		1,108,237	9,012,083	355,214	10,475,534	11,072,050
NET INCOMING RESOURCES						
		(55,604)	(165,484)	(355,214)	(576,302)	463,078
Other recognised gains/losses						
Actuarial gains/losses on defined benefit schemes		-	141,000	-	141,000	(223,000)
Net movement in funds		(55,604)	(24,484)	(355,214)	(435,302)	240,078
RECONCILIATION OF FUNDS						
Total funds brought forward		(109,164)	(449,908)	27,224,010	26,664,938	26,424,860
TOTAL FUNDS CARRIED FORWARD		(164,768)	(474,392)	26,868,796	26,229,636	26,664,938

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

LYMM HIGH SCHOOL

CONSOLIDATED BALANCE SHEET
At 31 August 2015

		Unrestricted fund £	Restricted funds £	Fixed Assets £	2015 Total funds £	2014 Total funds £
	Notes					
FIXED ASSETS						
Tangible assets	12	-	-	27,053,766	27,053,766	26,625,262
CURRENT ASSETS						
Stocks	13	52,534	-	-	52,534	84,236
Debtors	14	21,127	56,523	-	77,650	734,198
Cash at bank and in hand		(208,781)	677,511	(143,915)	324,815	475,669
		(135,120)	734,034	(143,915)	454,999	1,294,103
CREDITORS						
Amounts falling due within one year	15	(29,647)	(255,424)	(41,058)	(326,129)	(200,427)
NET CURRENT ASSETS/(LIABILITIES)		<u>(164,767)</u>	<u>478,610</u>	<u>(184,973)</u>	<u>128,870</u>	<u>1,093,676</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(164,767)	478,610	26,868,793	27,182,636	27,718,938
PENSION LIABILITY	19	-	(953,000)	-	(953,000)	(1,054,000)
NET ASSETS/(LIABILITIES)		<u>(164,767)</u>	<u>(474,390)</u>	<u>26,868,793</u>	<u>26,229,636</u>	<u>26,664,938</u>
FUNDS	18					
Unrestricted funds:						
General fund					(164,767)	(109,163)
Restricted funds:						
Fixed Assets					26,868,793	27,224,010
General funds					478,610	604,091
Pension reserve					(953,000)	(1,054,000)
					<u>26,394,403</u>	<u>26,774,101</u>
TOTAL FUNDS					<u>26,229,636</u>	<u>26,664,938</u>

The financial statements were approved by the Board of Governors on and were signed on its behalf by:


K. Walshe –Academic

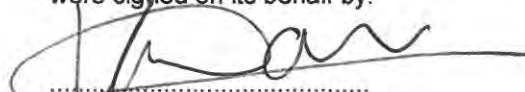
The notes form part of these financial statements

LYMM HIGH SCHOOL

BALANCE SHEET
At 31 August 2015

		Unrestricted fund £	Restricted funds £	Fixed Assets £	2015 Total funds £	2014 Total funds £
	Notes					
FIXED ASSETS						
Tangible assets	12	-	-	27,053,766	27,053,766	26,625,262
CURRENT ASSETS						
Stocks	13	52,534	-	-	52,534	84,236
Debtors	14	144,238	56,523	-	200,761	734,198
Cash at bank and in hand		(348,728)	677,511	(143,915)	184,868	475,669
		(151,956)	734,034	(143,915)	438,163	1,294,103
CREDITORS						
Amounts falling due within one year	15	(12,812)	(255,424)	(41,058)	(309,294)	(200,428)
NET CURRENT ASSETS/(LIABILITIES)		<u>(164,768)</u>	<u>478,610</u>	<u>(184,973)</u>	<u>128,869</u>	<u>1,093,675</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(164,768)	478,610	26,868,793	27,182,635	27,718,937
PENSION LIABILITY	19	-	(953,000)	-	(953,000)	(1,054,000)
NET ASSETS/(LIABILITIES)		<u>(164,768)</u>	<u>(474,390)</u>	<u>26,868,793</u>	<u>26,229,635</u>	<u>26,664,937</u>
FUNDS	18					
Unrestricted funds:						
General fund					(164,768)	(109,164)
Restricted funds:						
Fixed Assets					26,868,793	27,224,010
General funds					478,610	604,091
Pension reserve					(953,000)	(1,054,000)
					<u>26,394,403</u>	<u>26,774,101</u>
TOTAL FUNDS					<u>26,229,635</u>	<u>26,664,937</u>

The financial statements were approved by the Board of Governors on and were signed on its behalf by:


K Walshe -Academic

The notes form part of these financial statements

LYMM HIGH SCHOOL

CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 August 2015

		2015 £	2014 £
Net cash inflow/(outflow) from operating activities	Notes 1	632,864	434,527
Capital expenditure and financial investment	2	(783,718)	(145,271)
Increase/(decrease) in cash in the period		<u>(150,854)</u>	<u>289,256</u>
Reconciliation of net cash flow to movement in net debt	3		
(Decrease)/increase in cash in the period		<u>(150,854)</u>	<u>289,256</u>
Change in net debt resulting from cash flows		<u>(150,854)</u>	<u>289,256</u>
Movement in net debt in the period		<u>(150,854)</u>	<u>289,256</u>
Net debt at 1 September		<u>475,669</u>	<u>186,413</u>
Net debt at 31 August		<u>324,815</u>	<u>475,669</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 August 2015

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net (outgoing)\incoming resources	(576,302)	463,078
Depreciation charges	355,214	335,664
Capital grants from DfE/EFA	-	-
FRS17 pension cost	40,000	196,000
Decrease in stocks	31,706	7,017
Decrease/(increase) in debtors	656,543	(583,023)
Increase in creditors	125,703	15,791
Net cash inflow/(outflow) from operating activities	<u>632,864</u>	<u>434,527</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(783,718)	(145,271)
Net cash outflow for capital expenditure and financial investment	<u>(783,718)</u>	<u>(145,271)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.14 £	Cash flow £	At 31.8.15 £
Net cash:			
Cash at bank and in hand	475,669	(150,854)	324,815
Total	<u>475,669</u>	<u>(150,854)</u>	<u>324,815</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Going concern

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

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

Grants receivable

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

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

Other income

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

Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Academy are recognised at their open market value in the year in which they are receivable as incoming resources, where the benefit to the Academy 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.

Resources expended

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

1. ACCOUNTING POLICIES - continued

Charitable activities

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

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

Group accounts

These financial statements consolidate the results of the charity, and its wholly-owned subsidiary Lymm High School Leisure Centre, a company limited by guarantee, on a line by line basis.

A separate statement of financial activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by paragraph 397 of the SORP and of the Companies Act 2006.

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

Buildings	2% p.a. straight line
Building improvements	10% p.a. straight line
Fixtures, fittings and equipment	20% p.a. reducing balance
Equipment	33.33% p.a. straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Leased assets

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Rentals under operating leases are charged on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Governors.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. ACTIVITIES FOR GENERATING FUNDS

	2015	2014
	£	£
Shop income	147,067	171,859
Hire of facilities	87,195	85,477
Catering income	488,850	374,696
Leisure Facilities	331,830	328,439
Other income	131,432	343,477
	<u>1,186,374</u>	<u>1,303,948</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	8,686,210	8,686,210	9,354,372
DfE/EFA capital grant				
Capital grants	-	-	-	853,889
Other government grant				
Special educational projects	-	-	-	1,148
	<u>-</u>	<u>8,686,210</u>	<u>8,686,210</u>	<u>10,209,409</u>

4. RESOURCES EXPENDED

	Staff costs £	Non-pay expenditure Premises £	Other costs £	2015 Total £	2014 Total £
Charitable activities					
Academies educational operations					
Direct costs	6,141,690	-	485,556	6,627,246	7,211,955
Allocated support costs	<u>1,430,074</u>	<u>499,815</u>	<u>1,877,739</u>	<u>3,807,628</u>	<u>3,808,233</u>
	7,571,764	499,815	2,363,295	10,434,874	11,020,188
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>40,660</u>	<u>40,660</u>	<u>51,862</u>
	<u>7,571,764</u>	<u>499,815</u>	<u>2,403,955</u>	<u>10,334,534</u>	<u>11,072,050</u>

5 RESOURCES EXPENDED

Net resources are stated after charging/(crediting):

	2015 £	2014 £
Auditors' remuneration	10,000	10,000
Auditors' remuneration for non-audit work	12,843	20,171
Operating leases – plant and machinery	130,273	109,114
Depreciation - owned assets	<u>355,214</u>	<u>335,664</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Direct costs				
Teaching and educational support staff	-	6,145,690	6,145,690	6,453,585
Educational supplies	2,589	281,818	284,407	467,485
Examination fees	-	176,101	176,101	161,423
Staff development	3,811	14,782	18,593	19,500
Educational consultancy	-	2,457	2,457	10,577
Other direct costs	-	-	-	412
	6,400	6,620,846	6,627,246	7,112,982
Allocated support costs				
Support staff costs	543,862	886,212	1,430,074	1,360,161
Depreciation	-	355,217	355,217	335,664
Technology costs	31,502	299,735	331,237	402,613
Recruitment and support	-	36,368	36,368	13,838
Maintenance of premises and equipment	7,834	93,504	101,338	212,523
Cleaning	11,865	244,446	256,311	254,618
Rent and rates	10,499	125,307	135,806	138,586
Energy costs	28,866	214,044	242,910	257,700
Insurance	5,052	53,832	58,884	71,505
Security and transport	4,920	67,228	72,148	78,044
Catering Costs	296,102	23,881	319,983	281,533
Other support costs	161,335	306,017	467,352	401,448
	1,101,837	2,705,791	3,807,628	3,808,233
	1,108,237	9,326,636	10,434,874	10,921,215

7. GOVERNANCE COSTS

	2015 £	2014 £
Auditors' remuneration	10,000	10,000
Auditors' remuneration for non-audit work	12,843	20,171
Legal and professional fees	17,817	21,691
	<u>40,660</u>	<u>51,862</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

8. GOVERNORS' REMUNERATION AND BENEFITS

The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors. The value of Governors' remuneration was as follows:

G Williams - Head Teacher:	£40,000- £45,000 (appointed April 2015)
R Ball -	£35,000- £35,000
L Iphofen -	£40,000 - £45,000
S Cummins -	£55,000 - £60,000

Governors' expenses

There were no Governors' expenses paid for the year ended 31 August 2015 nor for the year ended 31 August 2014.

9. STAFF COSTS

	2015 £	2014 £
Wages and salaries	5,865,218	5,918,284
Social security costs	389,763	384,994
Other pension costs	<u>890,464</u>	<u>1,029,692</u>
	7,145,445	7,332,970
Supply teacher costs	430,319	447,318
Compensation payments	<u>-</u>	<u>33,458</u>
	<u><u>7,575,764</u></u>	<u><u>7,813,746</u></u>

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

	2015	2014
Teachers	117	120
Management	6	5
Administration and support	<u>108</u>	<u>111</u>
	<u><u>231</u></u>	<u><u>236</u></u>

The number of employees whose emoluments fell within the following bands was:

	2015	2014
£70,001 - £80,000	3	1
£80,001 - £90,000	-	3
130,000 - £140,000	<u>2</u>	<u>-</u>
	<u><u>5</u></u>	<u><u>4</u></u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these employees amounted to £41,780.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

10. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of the insurance for the period ended 31 August 2015 was £4,592 (2014 £4,485).

11. LYMM HIGH SCHOOL LEISURE CENTRE

A summary of the results of the subsidiary is shown below

	2015 £	2014 £
Turnover	478,320	423,146
Management charges	(438,908)	(382,272)
Donation to Lymm High School	<u>(39,412)</u>	<u>(40,874)</u>
	<u>-</u>	<u>-</u>

Aggregate assets and liabilities

	2015 £	2014 £
Cash at bank	139,947	-
Prepayments and accrued income	6,388	-
Amounts due to subsidiary company	(129,499)	1
Accruals	<u>(16,836)</u>	<u>-</u>
	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

12. TANGIBLE FIXED ASSETS
Group and Company

	Long leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 September 2014	27,071,329	203,212	27,274,541
Additions	<u>767,094</u>	<u>16,624</u>	<u>783,718</u>
At 31 August 2015	<u>27,838,423</u>	<u>219,836</u>	<u>28,058,259</u>
DEPRECIATION			
At 1 September 2014	578,016	71,263	649,279
Charge for year	<u>292,213</u>	<u>63,001</u>	<u>355,214</u>
At 31 August 2015	<u>870,229</u>	<u>134,264</u>	<u>1,004,493</u>
NET BOOK VALUE			
At 31 August 2015	<u>26,968,194</u>	<u>85,572</u>	<u>27,053,766</u>
At 31 August 2014	<u>26,493,313</u>	<u>131,949</u>	<u>26,625,262</u>

13. STOCKS
Group and company

	2015 £	2014 £
Stocks	<u>52,534</u>	<u>84,236</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Group

	2015	2014
	£	£
Trade debtors	13,393	5,148
VAT	5,504	85,339
Prepayments and accrued income	<u>58,753</u>	<u>643,711</u>
	<u>77,650</u>	<u>734,198</u>

Company

	2015	2014
	£	£
Trade debtors	13,393	5,148
VAT	5,504	85,339
Amounts due to subsidiary company	129,499	-
Prepayments and accrued income	<u>52,365</u>	<u>643,711</u>
	<u>200,761</u>	<u>734,198</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Group

	2015	2014
	£	£
Trade creditors	314,129	190,428
Accruals and deferred income	<u>12,000</u>	<u>10,000</u>
	<u>326,129</u>	<u>200,428</u>

Company

	2015	2014
	£	£
Trade creditors	297,294	190,428
Accruals and deferred income	<u>12,000</u>	<u>10,000</u>
	<u>309,294</u>	<u>200,428</u>

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2015	2014
	£	£
Expiring:		
Within one year	109,114	-
Between one and five years	<u>21,449</u>	<u>109,115</u>
	<u>130,564</u>	<u>109,115</u>

17. 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

18. MOVEMENT IN FUNDS
Group

	At 1.9.14 £	Net movement in funds £	At 31.8.15 £
Unrestricted funds			
General fund	(109,164)	(55,604)	(164,768)
Restricted funds			
Fixed Assets	27,224,010	(355,214)	26,868,796
General funds	604,091	(125,483)	478,608
Pension reserve	(1,054,000)	101,000	(953,000)
	26,774,101	(379,698)	26,394,403
TOTAL FUNDS	<u>26,664,938</u>	<u>(435,302)</u>	<u>26,229,636</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,052,633	(1,108,237)	(55,604)
Restricted funds			
Fixed Assets	-	(355,214)	(355,214)
General funds	8,846,599	(8,972,083)	(125,484)
Pension reserve	-	101,000	101,000
	8,846,599	(9,226,297)	(379,698)
TOTAL FUNDS	<u>9,899,232</u>	<u>(10,334,533)</u>	<u>(435,301)</u>

Company

	At 1.9.14 £	Net movement in funds £	At 31.8.15 £
Unrestricted funds			
General fund	(109,164)	(55,604)	(164,768)
Restricted funds			
Fixed Assets	27,224,010	(355,217)	26,868,793
General funds	604,091	(125,481)	478,610
Pension reserve	(1,054,000)	101,000	(953,000)
	26,774,101	(379,698)	26,394,403
TOTAL FUNDS	<u>26,664,937</u>	<u>(435,302)</u>	<u>26,229,635</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

18. MOVEMENT IN FUNDS
Company

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	720,803	(776,407)	(55,604)
Restricted funds			
Fixed Assets	-	(355,217)	(355,217)
General funds	8,846,599	(8,972,080)	(125,481)
Pension reserve	-	101,000	101,000
	8,846,599	(9,226,297)	(379,698)
TOTAL FUNDS	9,567,402	(10,002,704)	(435,302)

19. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire West and Chester Council. Both are defined-benefit schemes. The LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to join the scheme in the year/period. The obligations in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2015. There were no outstanding or prepaid contributions at either the beginning or the end of the year.

Teachers' pension scheme

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

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

Valuation of the Teachers' Pension Scheme

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

19. PENSION COMMITMENTS - continued

The valuation report was published by the Department for Education of 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date £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 and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed normal rate of return is 5.06%

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

The pension costs paid to TPS in the period in the period amounted to £531,000 (2014 £576,000)

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

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

19. PENSION COMMITMENTS - continued**Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate Governor-administered funds. The total contribution made for the year ended 31 August 2015 was £399,000, of which employer's contributions totalled £319,000 and employees' contributions totalled £80,000.

The agreed contribution rates for future years were:

Members Contributions
% (of pensionable pay)

6.4	Up to £14,999
7.2	£15,000 to £25,999
8.3	£26,000 to £31,999
9.5	£32,000 to £39,999
9.9	£40,000 to £44,999
11.0	£45,000 to £74,999
11.6	£75,000 to £99,999
12.4	Over £100,000

The agreed employer's contribution rate for the period 1 April 2014 to 31 March 2015 was 21.1% and for the period 1 April 2015 to 31 March 2016 21.6%

Principal Actuarial Assumptions

	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	3.6%	3.5%
Rate of increase for pensions in payment	2.7%	2.7%
Discount rate for scheme liabilities	3.8%	3.7%
Inflation assumption (CPI)	3.8%	5.2%

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males	22.3	22.3
Females	24.4	24.4
Retiring in 20 years		
Males	24.1	24.1
Females	26.7	26.7

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

19. PENSION COMMITMENTS - continued**Local government pension scheme**

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

	Expected return at 31 August 2015	Fair value at 31 August 2015	Expected value at 31 August 2014	Fair value at 31 August 2014
		£000		£000
Equities	3.8%	1,312	6.3%	1,312
Government bonds	3.8%	1,117	3.4%	459
Property	3.8%	251	4.5%	119
Cash	3.8%	112	3.3%	262
Total market value of assets		2,792		2,186
Present value of scheme liabilities				
- Funded		(3,745)		(3,240)
		<u>(953)</u>		<u>(1,054)</u>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. The return assumptions are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP. The expected returns shown in this report have been calculated using 5,000 simulations of the HRAM, calibrated using market data. The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM the yield rates applicable at the accounting date on suitable bond indices has been used.

The actual return on scheme assets was £204,000.

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

Amounts recognised in the statement of financial activities

	2015 £000	2014 £000
Current service cost (net of employee contributions)	355	329
Past service cost	-	-
Total operating charges	<u>355</u>	<u>329</u>

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	124	138
Interest on pension liabilities	(128)	(144)
Pension finance income/(costs)	<u>(4)</u>	<u>(6)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £1,000 loss (2014: £141,000).

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2015

19. PENSION COMMITMENTS - continued**Local government pension scheme****Movement in the present value of defined benefit obligations were as follows:**

	2015 £000	2014 £000
At 1 September	3,240	2,625
Current service cost	355	329
Interest cost	128	144
Employee contribution	80	77
Actuarial (gain)/loss	(49)	(218)
Liabilities assumed as a business combination	-	286
Benefits paid	(9)	(3)

At 31 August	3,745	3,240
---------------------	--------------	--------------

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

	2015 £000	2014 £000
At 1 September	2,186	1,990
Expected return on assets	124	138
Actuarial gain/(loss)	92	(441)
Employer contribution	319	258
Employee contribution	80	77
Liabilities assumed as a business combination	-	167
Benefits paid	(9)	(3)

At 31 August	2,792	2,186
---------------------	--------------	--------------

The estimated value of employer contributions for the year ended 31 August 2015 is £389,000.

The three year history of experience adjustments is as follows:

	2015 £000	2014 £000	2013 £000
Present value of defined benefit obligations	(3,745)	(3,240)	(2,625)
Fair value of share of scheme assets	<u>2,792</u>	<u>2,186</u>	<u>1,990</u>
Deficit in the scheme	<u>(953)</u>	<u>(1,054)</u>	<u>(635)</u>
Experience adjustments on share of scheme assets	92	(441)	152
Experience adjustments on scheme liabilities	(3)	311	-