

REGISTERED COMPANY NUMBER: 08171068 (England and Wales)

REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2017
FOR

LYMM HIGH SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

LYMM HIGH SCHOOL

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2017

	Page
Reference and Administrative Details	1 to 2
Report of the Governors	3 to 9
Governance Statement	10 to 12
Statement on Regularity, Propriety and Compliance	13
Statement of Governors Responsibilities	14
Report of the Independent Auditors	15 to 16
Independent Accountant's Report on Regularity	17
Consolidated Statement of Financial Activities	18
Consolidated Balance Sheet	19 to 20
Academy Balance Sheet	21 to 22
Cash Flow Statement	23
Notes to the Cash Flow Statement	24
Notes to the Financial Statements	25 to 42

LYMM HIGH SCHOOL

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

MEMBERS

Mrs S E Woodyatt
Ms R Knowles
Dr K Walshe

GOVERNORS

Mrs R I Ball (Head Of Student Services)
S French (Engineer)
Mrs J Graham (Solicitor)
Ms R Knowles (Solicitor)
D Nicholson (None)
Dr K Walshe (Academic)
Mrs S E Woodyatt (Councillor)
Mrs N Woodyatt (Forensic Scientist)
Dr C J McLean
M A Gare
Mrs E A Green
G R Williams
S Cummins
Mrs E Iphofen
Cllr K J Buckley
Mrs M A Openshaw (resigned 6.11.16)
L Davies
Ms I Seaman
I Kirsten
Ms E Hutchison (appointed 30.11.16)
D W Hester (appointed 30.11.16)

COMPANY SECRETARY

A F O'Reilly

SENIOR LEADERSHIP TEAM

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

REGISTERED OFFICE

Oughtrington Lane
Lymm
Cheshire
WA13 0RB

LYMM HIGH SCHOOL

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

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

LYMM HIGH SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2017

The governors who are also directors of the academy for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the academy for the year ended 31 August 2017. The governors have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

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 trusts' main strategy is to develop and maintain a culture of excellence across our organisation that provides opportunities for all children and 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 trust'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 trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

LYMM HIGH SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2017

STRATEGIC REPORT

Achievement and performance

Achievements and performance

Results in public examinations were stronger than ever this year.

At GCSE, the headline figures were:

- 83% of students met the basics measure at grades 9-4 (up from 77% last year and well above the national average of 63%)
- 66% met the basic measure at grade 9-5 well above the national average of 39%
- A Progress 8 score of 0.10 above the national average of 0
- Ebacc score of 34% well above national average of 19.5%

At the same time, recent improvements in the performance of disadvantaged students (a key school priority) were consolidated and the performance of boys at the key benchmarks (another key priority) also improved considerably.

At A'level, headline figures were:

- 33% of grades at A*-A
- 59% A*-B
- 85% A*-C
- Progress score of 0.13

The significant improvement in outcomes over the past 3 years have been the result of a robust strategy to raise achievement. This has included stronger accountability systems, a re-structured senior and middle leadership team and a 'supportive review' process for those subjects that were under-performing. It is anticipated that results will continue to rise this year.

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.

Going concern

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

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 2017 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.

LYMM HIGH SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2017

STRATEGIC REPORT

Financial review

During the period ended 31st August 2017 total income amounted to £10,038,762 (2016 £10,426,825) and after deducting expenditure of £10,310,705 (2016 £10,110,592) there was a deficit for the year of £271,943 (2016 surplus £316,235). Total reserves carried forward amounted to £25,519,926. This is in line with the trust's strategy to build and maintain adequate reserves to continue to fund ambitious plans of future improvements and development of the organisation and its infrastructure.

Unrestricted net income in the year ended 31st August 2017 amounted to £147,643 (2016 deficit £4,189). At 31st August 2017 the net book value of fixed assets amounted to £27,288,178 (2016 £27,121,882) and movements in fixed assets are shown in note 14 to the financial statements. The cost of fixed asset additions in the period ended 31st August 2017 amounted to £657,953.

Reserves policy

The governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The governors intend to review the reserves policy annually to ensure that this aim can be achieved.

At the balance sheet date, the academy had reserves of £25,519,926, including £27,335,045 represented by fixed assets.

In addition the net liability due to the academy's participation in the Local Government Pension Scheme (LGPS) amounts to £2,082,000. This resulted in reserves carried forward for educational services of £266,881.

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.

The main risks are seen as the loss of reputation through failing standards at the Academy, falling student numbers and 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 trustees 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.

LYMM HIGH SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2017

STRATEGIC REPORT

Future plans

The overall performance in this reporting period was satisfactory 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 build on the 'Good' Ofsted judgement
- To strive for continuous improvement in examinations results and all indicators of performance in the Academy.
- To continue to develop school facilities
- To build adequate financial reserves to fund building and other investment needs

Excellent standards of behaviour will be maintained to create a well ordered community with learning and the support of students at the heart. The Academy's aim is to maintain or increase pupil numbers. Transitional arrangements for pupils entering the School will be well planned and structured, providing support for pupils at this important stage of their education. The curriculum will be broad, balanced and relevant in all key stages from KS3 to KS5 allowing all students to achieve success.

Teaching and learning will have pace, purpose, variety and rigour. Students will be able to progress as a result of personalised programmes of study and the provision of an on-line curriculum. All students will be confident users of ICT. Students will be aware of their own strengths and weaknesses and, through assessment for learning, know what they need to do to improve.

Staff will be confident practitioners with appropriate professional development opportunities. Educational outcomes in all performance indicators will be well above national averages and the Academy will be in the "high performing" category. The strategic development of the Academy will be effectively planned, monitored and supported by well-equipped and committed local governing bodies and the main board of trustees.

LYMM HIGH SCHOOL

REPORT OF THE GOVERNORS for the Year Ended 31 August 2017

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. 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

On 1 September 2012 the governors appointed all those governors that served the predecessor school and who wished to continue, to be governors of the newly formed Academy. The governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

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

- Up to 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
- The Headteacher 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 Headteacher. Subject to remaining eligible to be a particular type of governor, any governor can be re-appointed or re-elected.

REPORT OF THE GOVERNORS
for the Year Ended 31 August 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The governors are responsible for setting general policy, adopting 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, five Assistant Headteachers and two Associate Headteachers. 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.

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.

Key management remuneration

The Governing Body annually review and adopt the Academy Pay Policy which details the process which needs to be followed in determining the remuneration of key personnel. In line with the Leadership Pay Policy, key personnel i.e. the Headteacher, Deputy Head, Assistant Heads and Business Manager annual salary are determined by the Appraisal, Salary and Grading Committee (which consists of Governors appointed by the Board). The Committee meets annually to assess whether the outcomes of individuals appraisals meet the criteria for pay progression.

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.

AUDITORS

In so far as the trustees are aware:

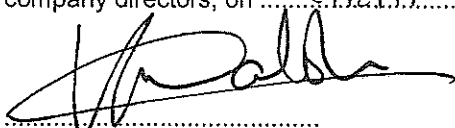
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

LYMM HIGH SCHOOL

REPORT OF THE GOVERNORS
for the Year Ended 31 August 2017

Report of the governors, incorporating a strategic report, approved by order of the board of governors, as the company directors, on 31.12.17 and signed on the board's behalf by:



.....
Dr K Walshe - Academic

LYMM HIGH SCHOOL

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2017

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 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 Lymm High School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 5 times during the period ending 31st August 2017. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings Attended	Out of a possible
Mrs R Ball	2	5
Cllr K Buckley	5	5
Father M Burgess	5	5
Mr S Cummins	4	5
Mr L Davies	3	5
Mr S French	2	5
Mr A Gare	1	5
Mrs J Graham	5	5
Mrs L Green	4	5
Mr D Hester*	2	4
Mrs E Hutchinson*	4	4
Ms L Iphofen	1	5
Mr I Kirsten	2	5
Ms R Knowles	5	5
Dr C McLean	4	5
Mr D S Nicholson	4	5
Mrs M Openshaw*	1	1
Mrs I Seaman	3	5
Dr K Walshe	5	5
Mr G Williams	4	5
Mrs N Woodyatt	4	5
Cllr S Woodyatt	2	5

LYMM HIGH SCHOOL

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2017

The finance and audit committee is a sub-committee of the main board of trustees. Its purpose is to report to the full board of trustees on a timely basis the finances of the trust. Attendance at meetings in the year ended 31st August 2017 was as follows:

Governor	Meetings attended	Out of a possible
Mr S French	6	8
Mr A Gare (Chair)	5	8
Mrs L Green	6	8
Mr D Hester*	7	7
Mrs E Hutchinson*	6	7
Mr I Kirsten	6	8
Ms R Knowles	4	8
Dr C McLean	8	8
Dr K Walshe	7	8
Mr G Williams	8	8

* Indicates those who were members of the governing body for part of the year only.

Review of Value for Money

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 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees 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 trustees 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 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 board of trustees.

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 trustees;
- 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.

LYMM HIGH SCHOOL

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2017

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 since 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 2017 and has not reported any material weakness in the school's financial operations.

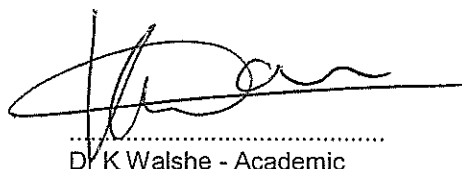
Review of Effectiveness

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:

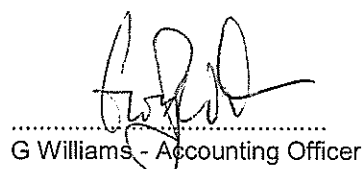
- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management process;

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 trustees on6/12/17..... and signed on its behalf by:



.....
Dr K Walshe - Academic



.....
G Williams - Accounting Officer

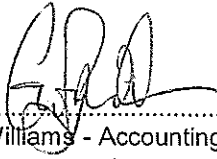
LYMM HIGH SCHOOL

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
for the Year Ended 31 August 2017**

As accounting officer of Lymm High School I have considered my responsibility to notify the academy board of governors 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 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 board of governors are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy'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 governors and ESFA.



.....
G Williams - Accounting Officer

Date: 8/12/17

LYMM HIGH SCHOOL

STATEMENT OF GOVERNORS RESPONSIBILITIES for the Year Ended 31 August 2017

The trustees (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 Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors 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 year. In preparing these financial statements, the trustees 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.

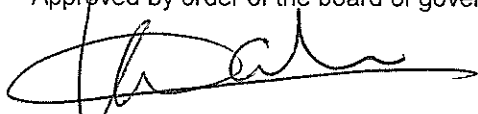
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

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

Approved by order of the board of governors on 6.12.17 and signed on its behalf by:



.....
Dr K Walshe - Academic

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LYMM HIGH SCHOOL

Opinion

We have audited the financial statements of Lymm High School (the 'academy') and its subsidiary for the year ended 31 August 2017 on pages seventeen to thirty seven. 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 2016 to 2017 issued by the Education Funding Agency (EFA).

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and the academy's members as a body, 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017.

Basis for 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 Auditors' 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 UK, including the FRC'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 governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the governors 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 governors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LYMM HIGH SCHOOL

Opinion on other matters prescribed by the Companies Act 2006

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

- 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; and
- the Report of the Governors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors.

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.

Responsibilities of governors

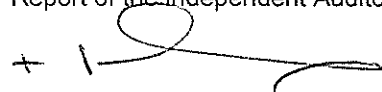
As explained more fully in the Statement of Governors Responsibilities set out on page thirteen, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors 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 governors 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 governors either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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. This description forms part of our Report of the Independent Auditors.



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

Date: 6/12/17

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

In accordance with the terms of our engagement 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 Lymm High School during the period 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 Lymm High School and the ESFA 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 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 Lymm High School and the ESFA, 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 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 period 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.

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 2016 to 31 August 2017 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: 6 / 12 / 17

LYMM HIGH SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the Year Ended 31 August 2017

		Unrestricted fund	Restricted funds	Fixed Assets	2017 Total funds	2016 Total funds as restated
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	-	49,024	288,820	337,844	769,226
Charitable activities						
Funding for the academy's educational operations	3	-	8,391,803	-	8,391,803	8,427,268
Other trading activities	4	1,212,470	74,104	-	1,286,574	1,203,735
Other income		-	22,541	-	22,541	26,596
Total		1,212,470	8,537,472	288,820	10,038,762	10,426,825
EXPENDITURE ON						
Raising funds	6	116,414	-	-	116,414	127,417
Charitable activities						
Academy's educational operations		948,413	8,781,115	464,763	10,194,291	9,983,173
Total	5	1,064,827	8,781,115	464,763	10,310,705	10,110,590
NET INCOME/(EXPENDITURE)						
		147,643	(243,643)	(175,943)	(271,943)	316,235
Transfers between funds	23	-	(393,235)	393,235	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	296,000	-	296,000	(1,050,000)
Net movement in funds		147,643	(340,878)	217,292	24,057	(733,765)
RECONCILIATION OF FUNDS						
As previously reported		(168,957)	(1,452,927)	27,360,870	25,738,986	26,229,634
Prior year adjustment	12	-	-	(243,117)	(243,117)	-
As Restated		(168,957)	(1,452,927)	27,117,753	25,495,869	26,229,634
TOTAL FUNDS CARRIED FORWARD						
		(21,314)	(1,793,805)	27,335,045	25,519,926	25,495,869

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

LYMM HIGH SCHOOL

CONSOLIDATED BALANCE SHEET
At 31 August 2017

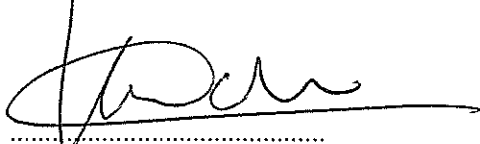
		Unrestricted fund	Restricted funds	Fixed Assets	2017 Total funds	2016 Total funds as restated
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	14	-	43,861	27,244,317	27,288,178	27,121,882
CURRENT ASSETS						
Stocks	15	53,193	-	-	53,193	53,193
Debtors	16	-	63,218	38,239	101,457	98,901
Cash at bank and in hand		(74,507)	309,097	336,552	571,142	964,276
		(21,314)	372,315	374,791	725,792	1,116,370
CREDITORS						
Amounts falling due within one year	17	-	(127,981)	(43,430)	(171,411)	(422,910)
NET CURRENT ASSETS/(LIABILITIES)		(21,314)	244,334	331,361	554,381	693,460
TOTAL ASSETS LESS CURRENT LIABILITIES		(21,314)	288,195	27,575,678	27,842,559	27,815,342
CREDITORS						
Amounts falling due after more than one year	18	-	-	(240,633)	(240,633)	(217,473)
PENSION LIABILITY	24	-	(2,082,000)	-	(2,082,000)	(2,102,000)
NET ASSETS/(LIABILITIES)		(21,314)	(1,793,805)	27,335,045	25,519,926	25,495,869
FUNDS	23					
Unrestricted funds:						
General fund					(21,314)	(168,957)
Restricted funds:						
Fixed Assets					27,335,045	27,117,753
General funds					288,195	649,073
Pension reserve					(2,082,000)	(2,102,000)
					25,541,240	25,664,826
TOTAL FUNDS					25,519,926	25,495,869

LYMM HIGH SCHOOL

CONSOLIDATED BALANCE SHEET - CONTINUED

At 31 August 2017

The financial statements were approved by the Board of Governors on6/12/17..... and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'K Walshe', written over a dotted line.

Dr K Walshe –Academic

LYMM HIGH SCHOOL

CHARITABLE COMPANY BALANCE SHEET

At 31 August 2017

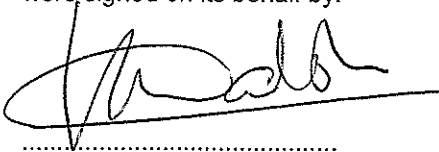
		Unrestricted fund	Restricted funds	Fixed Assets	2017 Total funds	2016 Total funds
	Notes	£	£	£	£	as restated £
FIXED ASSETS						
Tangible assets	14	-	43,861	27,244,317	27,288,178	27,121,882
CURRENT ASSETS						
Stocks	15	53,193	-	-	53,193	53,193
Debtors	16	60,747	63,218	38,239	162,204	185,316
Cash at bank and in hand		(135,253)	309,097	336,552	510,396	877,862
		(21,313)	372,315	374,791	725,793	1,116,371
CREDITORS						
Amounts falling due within one year	17	-	(127,981)	(43,430)	(171,411)	422,910
NET CURRENT ASSETS/(LIABILITIES)		<u>(21,313)</u>	<u>244,334</u>	<u>331,361</u>	<u>554,382</u>	<u>693,461</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(21,313)	288,195	27,575,678	27,842,560	27,815,342
CREDITORS						
Amounts falling due after more than one year	18	-	-	(240,633)	(240,633)	(217,473)
PENSION LIABILITY	24	-	(2,082,000)	-	(2,082,000)	(2,102,000)
NET ASSETS/(LIABILITIES)		<u>(21,313)</u>	<u>(1,793,805)</u>	<u>27,335,045</u>	<u>25,519,927</u>	<u>25,495,869</u>
FUNDS	13					
Unrestricted funds:						
General fund					(21,313)	(168,957)
Restricted funds:						
Fixed Assets					27,335,045	27,117,753
General funds					288,195	649,073
Pension reserve					(2,082,000)	(2,102,000)
					<u>25,541,240</u>	<u>25,664,826</u>
TOTAL FUNDS					<u>25,519,927</u>	<u>25,495,869</u>

LYMM HIGH SCHOOL

CHARITABLE COMPANY BALANCE SHEET - CONTINUED

At 31 August 2017

The financial statements were approved by the Board of Governors on 6/12/17 and
were signed on its behalf by:



.....
Dr K Walshe -Academic

LYMM HIGH SCHOOL

CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 August 2017

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(37,335)</u>	<u>215,032</u>
Net cash provided by (used in) operating activities		<u>(37,335)</u>	<u>215,032</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(657,953)	(508,019)
Capital grants from DfE/EFA		266,488	688,861
Interest received		61	470
		<u>(319,404)</u>	<u>181,312</u>
Cash flows from financing activities:			
New loans in year		61,248	243,117
Loan repayments in year		<u>(25,643)</u>	<u>-</u>
Net cash provided by (used in) financing activities		<u>35,605</u>	<u>243,117</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(393,134)	639,461
Cash and cash equivalents at the beginning of the reporting period		<u>964,276</u>	<u>324,815</u>
 Cash and cash equivalents at the end of the reporting period		<u>571,142</u>	<u>964,276</u>

LYMM HIGH SCHOOL

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 August 2017

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	2016
	£	as restated £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(271,943)	316,235
Adjustments for:		
Depreciation	491,657	439,903
Capital grants from DfE/EFA	(266,488)	(688,861)
Interest received	(61)	(470)
Increase in stocks	-	(659)
Decrease/(increase) in debtors	(2,556)	(21,251)
(Decrease)/increase in creditors	(263,944)	71,135
Difference between pension charge and cash contributions	<u>276,000</u>	<u>99,000</u>
Net cash provided by (used in) operating activities	<u>(37,335)</u>	<u>215,032</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	2016
	£	as restated £
Cash in hand	1,024	396
Notice deposits (less than 3 months)	<u>570,118</u>	<u>963,880</u>
Total cash and cash equivalents	<u>571,142</u>	<u>964,276</u>

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 August 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Lymm High School meets the definition of a public benefit entity under FRS 102.

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 2013 to 2014 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.

Basis of consolidation

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy alone as permitted by section 408 of the companies Act 2006

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 one year from the date of approval of the financial statements.

At the balance sheet date the Academy had net assets of £25,520k after providing for long term pension scheme commitments of £2,082k in respect of the support staff defined benefit pension scheme and net current assets of £554k.

The Governors have reviewed and approved budgets and cash flow forecasts for 2017/18 and future years, and consider in the light of this review that it is appropriate to prepare financial statements on a going concern basis.

Income

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

Grants

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

1. ACCOUNTING POLICIES - continued

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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Other income

Other income including the hire of facilities, school shop income and income generated from the leisure centre is recognised in the period it is receivable and to the extent the academy has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

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.

Charitable activities

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

Governance costs

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Assets costing £500 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. straight line
Computer 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.

Taxation

The academy 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 academy. 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

1. ACCOUNTING POLICIES - continued

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust 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

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Concessionary Loans

Concessionary loans are initially recognised as a liability at the amount received, with the carrying amount being adjusted in subsequent years to reflect repayments made.

Leased assets

Rentals under operating leases are charged on a straight line basis.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

1. ACCOUNTING POLICIES - continued

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 trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the 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.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing 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 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 29, will impact the carrying amount of the pension liability.

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pension 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.

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

2. DONATIONS AND CAPITAL GRANTS

	2017	2016 as restated
	£	£
Donations	18,027	6,026
Grants	<u>319,817</u>	<u>763,200</u>
	<u>337,844</u>	<u>769,226</u>

Grants received, included in the above, are as follows:

	2017	2016 as restated
	£	£
Capital grants	266,488	688,861
Other grants	<u>53,329</u>	<u>74,339</u>
	<u>319,817</u>	<u>763,200</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds as restated
	£	£	£	£
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	8,373,775	8,373,775	8,357,002
Other government grant				
Special educational projects	<u>-</u>	<u>18,028</u>	<u>18,028</u>	<u>70,266</u>
	<u>-</u>	<u>8,391,803</u>	<u>8,391,803</u>	<u>8,427,268</u>

4. OTHER TRADING ACTIVITIES

	2017	2016 as restated
	£	£
Shop income	144,213	155,197
Hire of facilities	106,952	85,880
Catering income	636,704	565,140
Leisure Facilities	324,534	347,920
Other income	<u>74,171</u>	<u>49,598</u>
	<u>1,286,574</u>	<u>1,203,735</u>

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

5. EXPENDITURE

	2017			2016
	Staff costs	Non-pay expenditure Premises	Other costs	Total as restated
	£	£	£	£
Raising funds				
Costs incurred by trading for a fundraising purpose	-	-	116,414	127,417
Charitable activities				
Academies educational operations				
Direct costs	5,810,135	-	553,312	6,363,447
Allocated support costs	<u>1,579,871</u>	<u>1,311,096</u>	<u>939,877</u>	<u>3,830,844</u>
	<u>7,390,006</u>	<u>1,311,096</u>	<u>1,609,603</u>	<u>10,310,705</u>
				<u>10,110,590</u>

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	as restated £
Auditors' remuneration	10,000	10,000
Other non-audit services	850	11,050
Depreciation - owned assets	<u>491,635</u>	<u>439,900</u>

6. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	2017	2016
	£	as restated £
Purchases	<u>116,414</u>	<u>127,417</u>

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds as restated
	£	£	£	£
Direct costs	20,075	6,343,372	6,363,447	6,360,145
Support costs	<u>928,338</u>	<u>2,902,506</u>	<u>3,830,844</u>	<u>3,623,028</u>
	<u>948,413</u>	<u>9,245,878</u>	<u>10,194,291</u>	<u>9,983,173</u>

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2017 Total £	2016 Total as restated £
Analysis of support costs		
Support staff costs	1,579,871	1,393,342
Depreciation	26,873	47,390
Technology costs	290,278	322,974
Premises costs	1,276,541	1,336,627
Other support costs	611,876	489,928
Governance costs	<u>45,405</u>	<u>32,767</u>
Total support costs	<u><u>3,830,844</u></u>	<u><u>3,623,028</u></u>

8. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

The cost of this insurance is included in the total insurance cost.

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

9. STAFF COSTS

	2017	2016 as restated
	£	£
Wages and salaries	5,551,207	5,575,200
Social security costs	484,472	388,090
Operating costs of defined benefit pension schemes	1,186,868	989,397
Apprenticeship levy	<u>5,348</u>	<u>-</u>
	7,227,895	6,952,687
Supply teacher costs	<u>162,111</u>	<u>173,172</u>
	<u>7,390,006</u>	<u>7,125,859</u>

The average number of persons (including senior management team) employed by the academy during the year was as follows:

	2017	2016
Teachers	106	119
Management	6	6
Administration and support	<u>90</u>	<u>145</u>
	<u>202</u>	<u>270</u>

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

	2017	2016
£70,001 - £80,000	1	1
£90,001 - £100,000	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

10. GOVERNORS' REMUNERATION AND BENEFITS

There were no governors' remuneration or other benefits for the year ended 31 August 2017 nor for the year ended 31 August 2016.

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

G Williams (Headteacher and governor)

Remuneration £95,000 - £100,000 (2016: £95,000 - £100,000)

Employers pension contributions paid £15,000 - £20,000 (2016: £10,000 - £15,000)

R Ball (staff governor)

Remuneration £30,000 - £35,000 (2016: £30,000 - £35,000)

Employers pension contributions paid £5,000 - £10,000 (2016: £5,000 - £10,000)

S Cummins (staff governor)

Remuneration £45,000 - £50,000 (2016: £45,000 - £50,000)

Employers pension contributions paid £5,000 - £10,000 (2016: £5,000 - £10,000)

E Iphofen (staff governor)

Remuneration £30,000 - £35,000 (2016: £35,000 - £40,000)

Employers pension contributions paid £5,000 - £10,000 (2016: £5,000 - £10,000)

Governors' expenses

There were no governors expenses paid for the year ended 31 August 2017 (2016: £NIL).

Key management personnel

The key management personnel of the academy comprise the governors and the senior leadership team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £606,795 (2016: 438,028)

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted funds	Fixed Assets	Total funds as restated £
	£	£	£	
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	80,366	688,860	769,226
Charitable activities				
Funding for the academy's educational operations	-	8,427,268	-	8,427,268
Other trading activities	1,159,141	44,594	-	1,203,735
Other income	-	26,596	-	26,596
Total	1,159,141	8,578,824	688,860	10,426,825
EXPENDITURE ON				
Raising funds	127,417	-	-	127,417
Charitable activities				
Academy's educational operations	1,035,913	8,507,360	439,900	9,983,173
Total	1,163,330	8,507,360	439,900	10,110,590
NET INCOME/(EXPENDITURE)	(4,189)	71,464	248,960	316,235
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	(1,050,000)	-	(1,050,000)
Net movement in funds	(4,189)	(978,536)	248,960	(733,765)
RECONCILIATION OF FUNDS				
Total funds brought forward	(164,768)	(474,391)	26,868,793	26,229,634
TOTAL FUNDS CARRIED FORWARD	(168,957)	(1,452,927)	27,117,753	25,495,869

12. PRIOR YEAR ADJUSTMENT

Included within capital grants received from EFA in previous years, were amounts which related to funding loans from Salix Finance Ltd. These loans are repayable over a period of 8 years and are to be funded out of the energy savings enjoyed by the academy. The prior year adjustment represents the transfer from fixed assets reserves to a liability in the balance sheet.

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED for the Year Ended 31 August 2017

13. LYMM HIGH SCHOOL LEISURE CENTRE

A summary of the results of the subsidiary is shown below

	2017 £	2016 £
Turnover	485,389	496,894
Management charges	(474,089)	(448,866)
Donation to Lymm High School	<u>(11,300)</u>	<u>(48,028)</u>

- -

Aggregate assets and liabilities

	2017 £	2016 £
Cash at bank	60,747	86,414
Amounts due to parent company	<u>(60,746)</u>	<u>(86,413)</u>

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14. TANGIBLE FIXED ASSETS

Group and charitable company

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2016	28,336,642	51,182	178,454	28,566,278
Additions	<u>635,177</u>	<u>22,776</u>	<u>-</u>	<u>657,953</u>
At 31 August 2017	<u>28,971,819</u>	<u>73,958</u>	<u>178,454</u>	<u>29,224,231</u>
DEPRECIATION				
At 1 September 2016	1,262,742	28,849	152,805	1,444,396
Charge for year	<u>464,760</u>	<u>6,007</u>	<u>20,890</u>	<u>491,657</u>
At 31 August 2017	<u>1,727,502</u>	<u>34,856</u>	<u>173,695</u>	<u>1,936,053</u>
NET BOOK VALUE				
At 31 August 2017	<u>27,244,317</u>	<u>39,102</u>	<u>4,759</u>	<u>27,288,178</u>
At 31 August 2016	<u>27,073,900</u>	<u>22,333</u>	<u>25,649</u>	<u>27,121,882</u>

15. STOCKS

Group and charitable company

	2017 £	2016 as restated £
Stocks	<u>53,193</u>	<u>53,193</u>

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Group

	2017	2016 as restated
	£	£
Trade debtors	10,150	1,867
Other debtors	45,771	-
VAT	36,366	51,998
Prepayments and accrued income	<u>9,170</u>	<u>45,036</u>
	<u>101,457</u>	<u>98,901</u>

Charitable company

	2017	2016 as restated
	£	£
Trade debtors	10,150	1,867
Other debtors	45,771	-
VAT	36,366	51,998
Amounts due from subsidiary company	60,747	86,415
Prepayments and accrued income	<u>9,170</u>	<u>45,036</u>
	<u>162,204</u>	<u>185,316</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR
Group and charitable company

	2017	2016 as restated
	£	£
Other loans (see note 19)	38,089	25,644
Trade creditors	121,322	385,266
Accruals	<u>12,000</u>	<u>12,000</u>
	<u>171,411</u>	<u>422,910</u>

LYMM HIGH SCHOOL**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 August 2017**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016 as restated
	£	£
Other loans (see note 19)	<u>240,633</u>	<u>217,473</u>

19. LOANS

An analysis of the maturity of loans is given below:

	2017	2016 as restated
	£	£
Debt due within one year	38,089	25,644
Due between two – five years	152,352	121,748
Due in more than five years	<u>88,281</u>	<u>95,725</u>
	<u>278,722</u>	<u>243,117</u>

The above represent loans from Salix finance Ltd. These loans are interest free and repayable over 8 years.

20. OPERATING LEASE COMMITMENTS

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

	2017	2016
	£	£
Amounts due within one year	72,657	75,761
Amounts due between one and five years	<u>76,398</u>	<u>19,230</u>
	<u>149,055</u>	<u>94,991</u>

21. CAPITAL COMMITMENTS

At 31 August 2017 the Academy's had capital commitments contracted for but not provided for amounting to £380,000 (2016: £62,000)

22. 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.

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

23. MOVEMENT IN FUNDS

	At 1.9.16 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.8.17 £
Unrestricted funds					
General fund	(168,957)	-	147,643	-	(21,314)
Restricted funds					
Fixed Assets	27,360,870	(243,117)	(175,943)	393,235	27,335,045
General funds	649,073	-	32,357	(393,235)	288,195
Pension reserve	(2,102,000)	-	20,000	-	(2,082,000)
	25,907,943	(243,117)	(123,586)	-	25,541,240
TOTAL FUNDS	<u>25,738,986</u>	<u>(243,117)</u>	<u>24,057</u>	<u>-</u>	<u>25,519,926</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,212,470	(1,064,827)	-	147,643
Restricted funds				
Fixed Assets	288,820	(464,763)	-	(175,943)
General funds	8,537,472	(8,505,115)	-	32,357
Pension reserve	-	(276,000)	296,000	20,000
	8,826,292	(9,245,878)	296,000	(123,586)
TOTAL FUNDS	<u>10,038,762</u>	<u>(10,310,705)</u>	<u>296,000</u>	<u>24,057</u>

24. PENSION AND SIMILAR OBLIGATIONS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire West and Chester Council. Both are multi-employer 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 2012 and of the LGPS 31 March 2016.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

24. PENSION AND SIMILAR OBLIGATIONS

- continued

There were no pension contributions outstanding at 31 August 2016 or 31 August 2015 as these were paid over to the payroll provider prior to the year end.

Teachers' pension scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim 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 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 previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer pension costs paid to TPS in the period amounted to £620,000 (2016: £633,000).

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

Under the definitions set out in the 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

24. PENSION AND SIMILAR OBLIGATIONS**- continued****Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £428,000 (2016: £375,000), of which employer's contributions totalled £338,000 (2016: £294,000) and employees' contributions totalled £90,000 (2016: £81,000). The agreed contribution rates for future years are 22.8% for employers and variable rate 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

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	2.7%	3.1%
Rate of increase for pensions in payment	2.4%	2.1%
Discount rate for scheme liabilities	2.5%	2.1%

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 2017	At 31 August 2016
Retiring today		
Males	22.3	22.3
Females	24.4	24.4
Retiring in 20 years		
Males	23.9	24.1
Females	26.5	26.7

Sensitivity analysis

	At 31 August 2017 £000	At 31 August 2016 £000
Discount rate -.05%	835	839
Salary rate increase +.05%	178	339
Pension rate increase +.05%	642	472

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

	Fair value at August 2017 £000	Fair value at August 2016 £000
Equities	1,967	1,969
Government bonds	1,612	1,449
Property	275	260
Cash	79	37
Total market value of assets	3,933	3,715

The actual return on scheme assets was £252,000 (2016: £128,000)

LYMM HIGH SCHOOL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 August 2017

20. PENSION AND SIMILAR OBLIGATIONS
- continued

Amounts recognised in the statement of financial activities

	2017 £000	2016 £000
Current service cost (net of employee contributions)	567	356
Net interest cost	47	37
Total operating charges	<u>614</u>	<u>393</u>

Changes in the present value of defined benefit obligations were as follows:

	2017 £000	2016 £000
At 1 September	5,817	3,745
Current service cost	567	356
Interest cost	129	150
Employee contribution	90	81
Actuarial (gain)/loss	(566)	1,506
Benefits paid	<u>(22)</u>	<u>(21)</u>
At 31 August	<u>6,015</u>	<u>5,817</u>

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

	£000	£000
At 1 September	3,715	2,792
Interest on plan assets	82	113
Actuarial gain/(loss)	(270)	456
Employer contribution	338	294
Employee contribution	90	81
Benefits paid	<u>(22)</u>	<u>(21)</u>
At 31 August	<u>3,933</u>	<u>3,715</u>

21. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust 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 trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.