

THE CHALFONTS COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2014

THE CHALFONTS COMMUNITY COLLEGE

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THE CHALFONTS COMMUNITY COLLEGE

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

L Patten (Chair of Governors) (Resigned 10 November 2014) *
B Purvis (Vice Chair of Governors) (Acting Chair of Governors from 10 November 2014) *
S Tanner (Principal and Accounting Officer) (Resigned 31 August 2014)*
B Allen
P Asher (Resigned 31 March 2014)
J Brooke
G Carroll *
T Evans
S Khan
P Procopi (Resigned 31 October 2013)
C Stone (Appointed 1 October 2013 and resigned 31 December 2013) *
G Thompson
C Waterman (Resigned 15 November 2013)
H Spicer (Appointed 1 October 2013 and resigned 22 January 2014) *
P Miller (Resigned 31 October 2013)
K Constable (Appointed 1 April 2014)
D Cooke (Appointed 1 April 2014) *
J Fitzell (Appointed 1 April 2014)
D Frewin (Appointed 1 April 2014)
S Leybourne (Appointed 1 November 2013)
S Smart (Appointed 1 April 2014)
C Davies (Principal and Accounting Officer) (Appointed 1 September 2014)

* members of the Finance Group and Audit Committee

Members

M Burnage
A Howlett-Bolton
S Tanner
L Patten

Senior management team

- Principal	S Tanner (Retired 31 August 2014)
- Principal	C Davies (Appointed 1 September 2014)
- Vice Principal	J Clarke (Resigned 31 August 2014)
- Vice Principal	S Sinden (Resigned 31 August 2014)
- Vice Principal	N Moir (Appointed 1 September 2014)
- Vice Principal	G Baddock (Appointed 1 September 2014)
- Assistant Principal	D Chapman (Appointed 1 September 2014)
- Assistant Principal	S Jones (Appointed 1 September 2013)
- Assistant Principal	S McGinty (Appointed 1 September 2013)
- Assistant Principal	G Minikin (Retired 31 August 2014)
- Business Manager	P Merrison

THE CHALFONTS COMMUNITY COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Company registration number	07693365 (England and Wales)
Registered office	The Chalfonts Community College Narcot Lane Chalfont St. Peter Gerrards Cross Buckinghamshire SL9 8TP England
Independent auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
Bankers	LLoyds Bank Commercial Bank House Primett Road Stevenage Herts SG1 3EE

THE CHALFONTS COMMUNITY COLLEGE

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2014

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 01 September 2013 to 31 August 2014. The annual report serves the purposes of both a Governors' report, and a Directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charitable Company's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

The principal activity of The Chalfonts Community College is to provide a state education to boys/girls of different abilities between the ages of 11 to 19. Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. It has a pupil capacity of 1503 and had a roll of 1717 in the school census on 2nd October 2014.

Structure, governance and management

Constitution

The Governors present their annual report together with the financial statements and auditor's reports of the charitable company for the period from 1 September 2013 to 31 August 2014.

Details of the Governors who are also the directors for the purpose of company law, and who served during the period were:

L Patten (Chairman) (resigned 10th November 2014)
B Purvis (Vice Chair)(Acting Chair of Governors from 10th November 2014)
S Tanner (Principal and Accounting Officer)(Retired 31st August 2014)
B Allen
P Asher (Resigned 31 March 2014)
J Brooke
G Carroll
K Constable (Appointed 1 April 2014)
D Cooke (Appointed 1 April 2014)
T Evans
J Fitzell (Appointed 1 April 2014)
D Frewin (Appointed 1 April 2014)
S Khan
S Leybourne (Appointed 1 November 2013)
P Miller (Resigned 31 October 2013)
P Procopi (Resigned 31 October 2013)
S Smart (Appointed 1 April 2014)
H Spicer (Appointed 1 October 2013, resigned 22 January 2014)
C Stone (Appointed 1 October 2013, resigned 31 December 2013)
G Thompson
C Waterman (Resigned 15 November 2013)

The Chalfonts Community College is registered under the Companies Act 2006, as a company limited by guarantee without a share capital. The Academy is an exempt charity. The company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Governors act as the trustees for the charitable activities of The Chalfonts Community College and are also the directors of the company for the purposes of company law.

Details of the Governors who served throughout the period are included above.

THE CHALFONTS COMMUNITY COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

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 or within one year of when they ceased to be a member.

Method of recruitment and appointment or election of Governors

The Governing Body comprises the following Governors:

- a) Up to three initial Governors appointed on incorporation;
- b) Up to five Governors appointed by the Members;
- c) Up to two staff governors appointed by the Members;
- d) Up to four parent Governors elected by parents;
- e) The Principal is an ex-officio Governor;
- f) Up to three Governors appointed by Governors approved by Members
- g) Further Governors may be appointed by the Secretary of State

Policies and procedures adopted for the induction and training of Governors

The training and induction provided for new Governors will depend on their existing experience. Where necessary, induction will provide training in charity and educational legal and financial matters. All governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Governors. The Academy also purchases the Governor Training Scheme run by the local authority.

Organisational structure

The Board of Governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least three times a year and has several committees, including a Finance Committee, Curriculum, and Estates. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

After the year end the Committees were reorganised and the new names for the Committees as constituted for the year end 31st August 2015 are Resources for Learning, Links for Learning, Safe Learning for all and Quality for Teaching and Learning.

Connected organisations including related party relationships

The Chalfonts Community College is part of a Teaching School Alliance with St Clement Danes School in Chorleywood. Teaching Schools are a relatively new and exciting national development which involves working collaboratively with other schools to ensure that teaching is of the highest quality.

The Principal is a National Leader for Education and thereby the College is a National Support School. The College has supported the South Bucks Pupil Referral Unit and a secondary school in Special Measures.

Objectives and activities

Objects, aims and public benefit

The Governors have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charitable Company should undertake.

The principal object of the company is to advance for the public benefit, education in the United Kingdom. It achieves this object through the operation of The Chalfonts Community College, providing a state education, free of charge, to pupils aged 11 to 19.

THE CHALFONTS COMMUNITY COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Strategic report

Achievements and performance

We are entering a period of significant turbulence in education, with far-reaching changes to the curriculum and examination system continuing over the next few years. This will make year-on-year comparisons less valid. 2014 saw the removal of early entry for GCSE for the majority of students and at A'Level, the removal of module examinations taken mid-way through the year.

KS4 Results – all students	2014	2013	2012
Percentage of students achieving 5+ A*-C incl English and mathematics	62%	67%	64%
Clearly it is a concern that this figure dropped from 2013 and is only a little higher than the 2013 national figure of 60%. For 2012 and 2013 our results were significantly above national figures. Raising attainment for our students is our top priority and it is encouraging that our latest data for current Year 11 is showing strong improvement.			
KS2 prior attainment	27.7	27.9	27.6
Although we have an ability profile that isn't truly comprehensive, losing many more able students to the Grammar School system, nevertheless it is important to understand that our average ability profile is very close to the national average [2013 = 27.9%], and so results above national figures show good outcomes for students.			
Percentage of students achieving 5+ A* - G	99%	99%	99%
For 2012 and 2013 this figure was significantly above national figures [95% in 2013] and reflects the school's commitment to value each and every student.			
Percentage of students achieving any qualification	100%	100%	100%
No student leaves without any qualifications.			
Percentage of students achieving the EBACC	11%	22%	5%
Clearly this figure is very volatile and indicates that our curriculum and CAG is not best matched to the needs of our students at present.			
Percentage of students achieving expected level of progress between KS2 and GCSE English	67%	72%	77%
Progress in English is a key priority and clearly 2014 progress was not good enough [2013 national = 69%]. We have put in place a robust intervention programme for key groups of students leading up to Christmas to ensure progress is strong.			
Percentage of students achieving A* - C in English	65%	73%	70%
The 2013 national figure of 70% shows that we need to secure better outcome in English for our students. The school was hit by the government's decision to only allow the first entry of a student to count in performance tables, but even so we need to accelerate progress.			
Percentage of students achieving expected level of progress between KS2 and GCSE mathematics	83%	84%	85%
Expected progress for mathematics remains strong and compares well with 2013's national figure of 70%			
Percentage of students achieving A* - C in mathematics	80%	84%	86%
Although still strong [2013 national figure = 73%] results have declined over time. We struggle to recruit and then retain sufficient numbers of qualified and high calibre teachers of mathematics. This is a major focus for the coming months.			
KS5 Results –all students			
Percentage of students achieving A* - C	70%	68%	
Percentage of students achieving A* - E	98%	97%	
Post-16 outcomes remain strong and show improvement from 2013 to 2014. Retention rates from Y12 to Y13 remain very positive.			

Key performance indicators

The performance of the College can largely be measured by reference to the academic achievements (see above), attendance data and other non-financial measures.

The Governing Body intends to further develop targets for these areas to use in measuring its own performance.

THE CHALFONTS COMMUNITY COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

ATTENDANCE

Academic Year	2014	2013	2012
Percentage of Student Attendance	94.4%	94%	94.1%

Our attendance figure of 94.4% is very close to the national average for 2013 of 94.1% but we are highly ambitious to rapidly increase for all key groups of learners, including Pupil Premium and SEND. Consequently attendance is a major focus for this year, with a target of 96.5%. Newly implemented procedures linked to our Professional Conduct rewards system are already having a significant impact across the school on attendance.

RECRUITMENT

Year Group	Y7	Y8	Y9	Y10	Y11	Y12	Y13
Student Numbers	282	280	296	299	291	153	122

275 in the Sixth Form is sufficient to allow us to offer a broad curriculum while at the same time maintaining a very personal and caring Sixth Form. However, with year on year reduction in funding per student, we need to continue to grow the Sixth Form to ensure viability of groups.

As an Academy the primary financial objectives are to ensure funds are spent effectively according to the requirements laid down by the Education Funding Agency. Achievement of these objectives has been measured by regular monitoring of the income, annual expenditure and development expenditure against the budget. The College is considering whether specific financial key performance indicators would be helpful in providing further assurance that these objectives are met.

Going concern

After making appropriate enquiries, the Governing Body 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 accounts.

THE CHALFONTS COMMUNITY COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Financial review

At 31st August 2014 the net book value of fixed assets was £17,558k (2013:£17,801k) and details are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The academy held fund balances at 31 August 2014 of £17,335k (2013:£17,783k) comprising a fixed asset fund of £17,558k (2013:£17,801k), a deficit on the FRS 17 LGPS fund of £(2,310k), (2013:£(1,899k)), restricted general funds of £1,107k (2013:£932k) and an unrestricted fund of £980k (2013:£949k).

The fixed asset fund represents the net book value of fixed assets already acquired of £17,558k (2013:£17,801k).

Reserves policy

In addition to the fixed asset funds, the policy of the College is to maintain sufficient reserves for working capital requirements and for any unforeseeable budget fluctuations or equipment replacement.

The current level of reserves is considered to be above the level required and an exercise is underway to quantify this. This will enable an allocation of reserves to be made to development items including those mentioned in 'Plans for future periods'.

With regard to the defined benefit pension deficit, note 19 explains that the yearly contribution rate includes an element calculated to eliminate the deficit over a manageable period and that a guarantee is in force from the Department of Education to meet pension liabilities in the extreme event of closure of the Academy. It is therefore not considered necessary to retain reserves to offset the balance sheet pension liability.

Investment policy and powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted

Disabled Persons

The College is the designated school in South Bucks with provision for ten students with physical disabilities. Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to academic performance/finances/child welfare. The Governors have implemented a number of systems to assess risks that the Academy faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement on Internal Control.

The risk management process has been codified in a risk register implemented by the Senior Management Team and overseen by Governors.

The Governors have assessed the major risks to which the Charitable Company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Financial and risk management objectives and policies

Governors keep spendable reserves under constant review to ensure that they have sufficient resources to run the Academy on a sound financial basis without affecting the quality of teaching and learning.

THE CHALFONTS COMMUNITY COLLEGE

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

Plans for future periods

As part of the College's ongoing drive to improve academic performance, the Governors plan to develop the College facilities to provide the best possible learning environment for the students. Accordingly, the Governors plan to allocate a significant portion of reserves to development projects.

The Governors are presently considering proposals including the upgrade of existing IT facilities, the expansion of current catering facilities, the provision of a multi-purpose lecture theatre/sports facility to accommodate a full year group and the provision of all-weather student shelters.

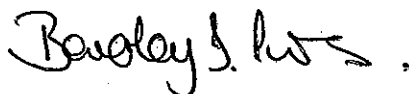
Auditor

Insofar as the Governors are aware:

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

A resolution proposing that Baxter & Co be reappointed as auditor of the charitable company will be put to the members.

Governors' report, incorporating a strategic report, approved by order of the Board of Governors, as the company directors, on 01 December 2014 and signed on the board's behalf by:



Beverley Purvis
Acting Chair of Governors

THE CHALFONTS COMMUNITY COLLEGE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the 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 The Chalfonts Community College and the Secretary of State for Education. They are 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 year. Attendance during the year at meetings of the board of Governors was as follows:

Governors	Meetings attended	Out of possible
L Patten (Chair of Governors) (Resigned 10 November 2014)	6	6
B Purvis (Vice Chair of Governors) (Acting Chair of Governors from 10 November 2014)	6	6
S Tanner (Principal and Accounting Officer) (Resigned 31 August 2014)	6	6
B Allen	4	6
P Asher (Resigned 1 March 2014)	0	4
J Brooke	3	6
G Carroll	6	6
T Evans	3	6
S Khan	3	6
P Procopi (Resigned 1 October 2013)	1	1
C Stone (Appointed 1 October 2013 and resigned 1 December 2013)	0	1
G Thompson	5	6
C Waterman (Resigned 1 November 2013)	0	1
H Spicer (Appointed 1 October 2013 and resigned 1 January 2014)	1	1
P Miller (Resigned 1 October 2013)	1	1
K Constable (Appointed 1 April 2014)	1	2
D Cooke (Appointed 1 April 2014)	2	2
J Fitzell (Appointed 1 April 2014)	2	2
D Frewin (Appointed 1 April 2014)	1	2
S Leybourne (Appointed 1 October 2013)	5	5
S Smart (Appointed 1 April 2014)	2	2
C Davies (Principal and Accounting Officer) (Appointed 1 September 2014)	0	0

A review of the effectiveness of the Board of Governors is planned for 2015.

THE CHALFONTS COMMUNITY COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The Finance Committee is a sub-committee of the main Board of Governors. Its purpose is to assist and support the Governing Body, ensuring sound oversight is exercised over the management of the Academy's finances and resources. In October 2014 the functions of the Finance Committee were taken over by the Resources for Learning Committee.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
L Patten (Chair of Governors) (Resigned 10 November 2014)	5	6
B Purvis (Vice Chair of Governors) (Acting Chair of Governors from 10 November 2014)	6	6
S Tanner (Principal and Accounting Officer) (Resigned 31 August 2014)	6	6
G Carroll	5	6
C Stone (Appointed 1 October 2013 and resigned 1 December 2013)	2	2
H Spicer (Appointed 1 October 2013 and resigned 1 January 2014)	2	2
D Cooke (Appointed 1 April 2014)	2	2

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Chalfonts Community College for the period 01 September 2013 to 31 August 2014 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 trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 01 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Governors have appointed Jenny Brooke, a Governor, as Responsible Officer (RO);

THE CHALFONTS COMMUNITY COLLEGE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, RO reports to the Board of Governors on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Governors. The Governors are satisfied that the RO function has been delivered in line with EFA requirements and that no material control issues have been noted to the governors as a result of the RO's work.

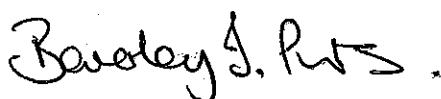
Review of effectiveness

As accounting officer the 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 and governance self-assessment process
- the work of the Executive Managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Governors on 01 December 2014 and signed on its behalf by:



Beverley Purvis
Acting Chair of Governors



C Davies
Principal and Accounting Officer

THE CHALFONTS COMMUNITY COLLEGE

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2014

As accounting officer of The Chalfonts Community College I have considered my responsibility to notify the Academy Trust 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 academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on 01 December 2014 and signed by:



C Davies
Accounting Officer

THE CHALFONTS COMMUNITY COLLEGE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

In preparing these accounts, the Governors are required to:

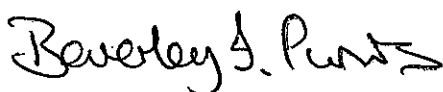
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the Board of Governors on 01 December 2014 and signed on its behalf by:



Beverley Purvis
Acting Chair of Governors

THE CHALFONTS COMMUNITY COLLEGE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE CHALFONTS COMMUNITY COLLEGE

We have audited the accounts of The Chalfonts Community College for the year ended 31 August 2014 set out on pages 18 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 issued by the EFA.

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

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 13, the Governors, who are also the directors of The Chalfonts Community College for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Qualified Opinion: Non-Compliance with Academies Accounts Direction 2013/14 issued by the EFA

Our opinion below on the accounts is qualified in respect of their non-compliance with the Academies Accounts Direction 2013/14 issued by the EFA. Governors have decided not to disclose the remuneration of the Principal and of Staff Governors as required by the Academies Accounts Direction 2013/14 issued by the EFA. In this respect the accounts are non-compliant with the Direction. In all other respects our opinion on the accounts is unqualified.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

THE CHALFONTS COMMUNITY COLLEGE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE CHALFONTS COMMUNITY COLLEGE

Matters on which we are required to report by exception

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

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



David John Walsh FCCA (Senior Statutory Auditor)
Baxter & Co

Chartered Certified Accountants

Statutory Auditor

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 16 December 2014

THE CHALFONTS COMMUNITY COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CHALFONTS COMMUNITY COLLEGE AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 02 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Chalfonts Community College during the period 1 September 2013 to 31 August 2014 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 The Chalfonts Community College and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Chalfonts Community College and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the The Chalfonts Community College and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Chalfonts Community College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Chalfonts Community College's funding agreement with the Secretary of State for Education dated July 2011 and the Academies Financial Handbook, extant from 1 September 2013, 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. 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 2013 to 31 August 2014 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 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the work of the Responsible Officer.

THE CHALFONTS COMMUNITY COLLEGE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CHALFONTS COMMUNITY COLLEGE AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



David John Walsh FCCA
For and on behalf of Baxter & Co
Reporting Accountant
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 16 December 2014

THE CHALFONTS COMMUNITY COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds £'000	Restricted funds £'000	Fixed Asset fund £'000	Total 2014 £'000	Total 2013 £'000
Incoming resources	Notes					
<i>Resources from generated funds</i>						
- Voluntary income	2	-	324	-	324	222
- Activities for generating funds	3	75	460	-	535	505
- Investment income	4	10	-	-	10	6
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	8,403	33	8,436	8,753
Total incoming resources		85	9,187	33	9,305	9,486
Resources expended						
<i>Costs of generating funds</i>						
- Relating to voluntary income	6	-	309	-	309	201
- Fundraising trading	6	54	-	-	54	54
<i>Charitable activities</i>						
- Educational operations	7	-	8,729	310	9,039	9,125
Governance costs	8	-	32	-	32	82
Total resources expended	6	54	9,070	310	9,434	9,462
Net incoming/(outgoing) resources before transfers		31	117	(277)	(129)	24
Gross transfers between funds		-	(34)	34	-	-
Net income/(expenditure) for the year		31	83	(243)	(129)	24
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	19	-	(319)	-	(319)	(62)
Net movement in funds		31	(236)	(243)	(448)	(38)
Fund balances at 1 September 2013		949	(967)	17,801	17,783	17,821
Fund balances at 31 August 2014		980	(1,203)	17,558	17,335	17,783

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

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

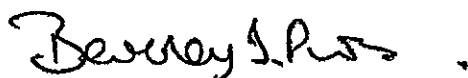
THE CHALFONTS COMMUNITY COLLEGE

BALANCE SHEET

AS AT 31 AUGUST 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Tangible assets	11	17,558	17,801
Current assets			
Stocks	12	34	40
Debtors	13	87	89
Cash at bank and in hand		2,324	2,112
		<u>2,445</u>	<u>2,241</u>
Creditors: amounts falling due within one year	14	(313)	(360)
Net current assets		<u>2,132</u>	<u>1,881</u>
Total assets less current liabilities		<u>19,690</u>	<u>19,682</u>
Creditors: amounts falling due after more than one year	15	(45)	-
Net assets excluding pension liability		<u>19,645</u>	<u>19,682</u>
Defined benefit pension liability	19	(2,310)	(1,899)
Net assets		<u>17,335</u>	<u>17,783</u>
Funds of the Academy Trust:			
Restricted income funds	17		
- Fixed asset funds		17,558	17,801
- General funds		1,107	932
- Pension reserve		(2,310)	(1,899)
Total restricted funds		<u>16,355</u>	<u>16,834</u>
Unrestricted funds	17	980	949
Total funds		<u>17,335</u>	<u>17,783</u>

The accounts were approved by order of the Board of Governors and authorised for issue on 01 December 2014.



Beverley Purvis
Acting Chair of Governors

Company Number 07693365

THE CHALFONTS COMMUNITY COLLEGE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £'000	2013 £'000
Net cash inflow/(outflow) from operating activities	20	236	49
Returns on investments and servicing of finance			
Investment income	10	6	
		<u>10</u>	<u>6</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		10	6
		<u>246</u>	<u>55</u>
Capital expenditure and financial investments			
Capital grants received	33	184	
Payments to acquire tangible fixed assets	(67)	(21)	
		<u>(34)</u>	<u>163</u>
Net cash flow from capital activities		(34)	163
Increase/(decrease) in cash	21	<u>212</u>	<u>218</u>

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Incoming resources

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

Grants receivable

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

General Annual Grant is recognised in full in the 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.

Donations

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

Other income

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

Donated services and gifts in kind

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

1.4 Resources expended

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

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

Costs of generating funds

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

Charitable activities

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

Governance costs

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

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold land is not depreciated

Freehold buildings	2% Straight Line
Computer equipment	33% Straight Line
Fixtures, fittings & equipment	20% Straight Line
Motor vehicles	20% Straight Line

Fixed Asset Transfer from the Predecessor School

Where fixed assets were transferred to the charitable company from the predecessor school, these have been included at a value determined in accordance with the policy described below:

Land

Where land is owned (or occupied under the terms of a long term lease), subject to a legally binding restriction as to its use, it is valued at fair value, based on existing use.

Buildings

In accordance with the requirements of FRS 15, specialist buildings transferred from the predecessor school are recognised at their depreciated replacement cost at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings.

Other Fixed Assets

Other fixed assets transferred from the predecessor school are also included at depreciated replacement cost (subject to the capitalisation limit set).

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.6 Leasing and hire purchase commitments

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

1.7 Stock

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

1.8 Taxation

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

1.9 Pensions benefits

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

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 19, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

Local Government Pension Scheme

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

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.10 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Governors.

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

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

2 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Voluntary Fund Income	-	309	309	201
Other donations	-	15	15	21
	<u>-</u>	<u>324</u>	<u>324</u>	<u>222</u>

3 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Hire of facilities	8	-	8	8
Catering income	-	460	460	432
Uniform income	67	-	67	65
	<u>75</u>	<u>460</u>	<u>535</u>	<u>505</u>

4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Short term deposits	10	-	10	6
	<u>10</u>	<u>-</u>	<u>10</u>	<u>6</u>

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
DfE / EFA grants				
General annual grant (GAG)	-	7,757	7,757	8,023
Capital grants	-	33	33	184
Other DfE / EFA grants	-	283	283	195
	-	8,073	8,073	8,402
Other government grants				
Other grants	-	215	215	207
Other funds				
Other incoming resources	-	148	148	144
Total funding	-	8,436	8,436	8,753

6 Resources expended

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2014 £'000	Total 2013 £'000
Academy's educational operations					
- Direct costs	5,913	248	876	7,037	6,811
- Allocated support costs	777	331	894	2,002	2,314
	6,690	579	1,770	9,039	9,125
Other expenditure					
Costs of generating voluntary income	-	-	309	309	201
Costs of activities for generating funds	-	-	54	54	54
Governance costs	-	-	32	32	82
	-	-	395	395	337
Total expenditure	6,690	579	2,165	9,434	9,462

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

6 Resources expended

Incoming/outgoing resources for the year include:	2014 £'000	2013 £'000
Operating leases		
- Plant and machinery	2	-
Fees payable to auditor		
- Audit	11	11
- Other services	9	8
	<u> </u>	<u> </u>

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	2014
	£
Gifts made by the trust - total	1,878
	<u> </u>

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Direct costs				
Teaching and educational support staff costs	-	5,913	5,913	5,689
Depreciation	-	248	248	230
Technology costs	-	92	92	87
Educational supplies and services	-	557	557	563
Examination fees	-	182	182	183
Staff development	-	45	45	59
	-	7,037	7,037	6,811
Allocated support costs				
Support staff costs	-	777	777	800
Depreciation	-	62	62	58
Technology costs	-	84	84	62
Recruitment and support	-	64	64	29
Maintenance of premises and equipment	-	269	269	600
Cleaning	-	104	104	115
Energy costs	-	101	101	113
Rent and rates	-	43	43	38
Insurance	-	64	64	95
Security and transport	-	11	11	13
Catering	-	281	281	279
Interest and finance costs	-	68	68	54
Other support costs	-	74	74	58
	-	2,002	2,002	2,314
Total costs	-	9,039	9,039	9,125

8 Governance costs

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Legal and professional fees	-	12	12	63
Auditor's remuneration				
- Audit of financial statements	-	11	11	11
- Other non audit costs	-	9	9	8
	-	32	32	82

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

9 Staff costs

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

	2014 Number	2013 Number
Teachers	85	87
Administration and support	81	75
Management	7	7
	<u>173</u>	<u>169</u>

Costs included within the accounts:

	2014 £'000	2013 £'000
Wages and salaries	5,273	5,089
Social security costs	401	452
Other pension costs	793	816
	<u>6,467</u>	<u>6,357</u>
Supply staff costs	223	132
	<u>6,690</u>	<u>6,489</u>

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

	2014 Number	2013 Number
£60,000 - £70,000	1	2
£70,001 - £80,000	2	2
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
	<u>1</u>	<u>1</u>

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

		2014	2013
Teachers' Pension Scheme	Numbers	4	5
	£'000	52	63
		<u>56</u>	<u>68</u>
Local Government Pension Scheme	Numbers	1	1
	£'000	16	16
		<u>17</u>	<u>17</u>

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

10 Governors' remuneration and expenses

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. During the year, travel, subsistence and other reimbursed payments totalling £407 (2013: £Nil) were made to 3 Governors (2013: nil Governors).

Other related party transactions involving the Governors are set out within the related parties note.

Governors' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £960 (2013: £1,016).

11 Tangible fixed assets

	Freehold land & buildings	Computer equipment	Total
	£'000	£'000	£'000
Cost			
At 1 September 2013	18,068	21	18,089
Additions	-	67	67
	<hr/>	<hr/>	<hr/>
At 31 August 2014	18,068	88	18,156
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 September 2013	281	7	288
Charge for the year	281	29	310
	<hr/>	<hr/>	<hr/>
At 31 August 2014	562	36	598
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 August 2014	17,506	52	17,558
	<hr/>	<hr/>	<hr/>
At 31 August 2013	17,787	14	17,801
	<hr/>	<hr/>	<hr/>

Included in freehold land and buildings above is land valued at £4,017k which is not depreciated.

12 Stocks

	2014 £'000	2013 £'000
Uniform & Catering Stock	34	40
	<hr/>	<hr/>

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

13 Debtors	2014 £'000	2013 £'000
Trade debtors	8	1
VAT recoverable	23	39
Prepayments and accrued income	56	49
	<u>87</u>	<u>89</u>
14 Creditors: amounts falling due within one year	2014 £'000	2013 £'000
Trade creditors	26	103
Taxes and social security costs	115	115
Other creditors	55	8
Accruals	94	94
Deferred income	23	40
	<u>313</u>	<u>360</u>
15 Creditors: amounts falling due after more than one year	2014 £'000	2013 £'000
Other creditors	45	-
	<u>45</u>	<u>-</u>
16 Deferred income	2014 £'000	2013 £'000
Deferred income is included within:		
Creditors due within one year	23	40
	<u>23</u>	<u>40</u>
Total deferred income at 1 September 2013	40	61
Amounts credited to the statement of financial activities	(40)	(61)
Amounts deferred in the year	23	40
	<u>23</u>	<u>40</u>
Total deferred income at 31 August 2014	23	40

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

17 Funds

	Balance at 1 September 2013	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2014
	£'000	£'000	£'000	£'000	£'000
Restricted general funds					
General Annual Grant	904	7,757	(7,546)	(34)	1,081
Other DfE / EFA grants	17	283	(300)	-	-
Other government grants	-	215	(215)	-	-
Other restricted funds	11	932	(917)	-	26
	<u>932</u>	<u>9,187</u>	<u>(8,978)</u>	<u>(34)</u>	<u>1,107</u>
Funds excluding pensions					
Pension reserve	(1,899)	-	(92)	(319)	(2,310)
	<u>(967)</u>	<u>9,187</u>	<u>(9,070)</u>	<u>(353)</u>	<u>(1,203)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	-	33	(11)	-	22
Inherited fixed asset fund	17,787	-	(281)	-	17,506
Capital expenditure from GAG or other funds	14	-	(18)	34	30
	<u>17,801</u>	<u>33</u>	<u>(310)</u>	<u>34</u>	<u>17,558</u>
Total restricted funds	<u>16,834</u>	<u>9,220</u>	<u>(9,380)</u>	<u>(319)</u>	<u>16,355</u>
Unrestricted funds					
General funds	949	85	(54)	-	980
	<u>949</u>	<u>85</u>	<u>(54)</u>	<u>-</u>	<u>980</u>
Total funds	<u>17,783</u>	<u>9,305</u>	<u>(9,434)</u>	<u>(319)</u>	<u>17,335</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets (£17,558k) plus the unspent element of Capital funds (£Nil). When assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2014 are represented by:				
Tangible fixed assets	-	-	17,558	17,558
Current assets	980	1,465	-	2,445
Creditors: amounts falling due within one year	-	(313)	-	(313)
Creditors: amounts falling due after one year	-	(45)	-	(45)
Defined benefit pension liability	-	(2,310)	-	(2,310)
	<u>980</u>	<u>(1,203)</u>	<u>17,558</u>	<u>17,335</u>

19 Pensions and similar obligations

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

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

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers Pensions website <<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>>

Teachers' Pension Scheme changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

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

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

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatting Teachers' Pension Scheme, and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

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

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23% for employers and a range between 5.8% and 6.5% for employees. The estimated value of employer contributions for the forthcoming year is £279k.

The employer's contribution rate includes an element calculated by actuaries so as to eliminate the pension fund deficit over a manageable period.

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

	2014 £'000	2013 £'000
Employer's contributions	280	273
Employees' contributions	74	76
	<hr/>	<hr/>
Total contributions	354	349
	<hr/>	<hr/>

Principal actuarial assumptions

	2014 %	2013 %
Rate of increase in salaries	4.50	5.10
Rate of increase for pensions in payment	2.70	2.90
Discount rate for scheme liabilities	3.90	4.70
RPI increases	3.50	3.70
CPI increases	2.70	2.90
	<hr/>	<hr/>

Sensitivity Analysis

Scheme liabilities have been valued at £4,040k (2013: £3,388k). The measurement of these liabilities would change in the event that key assumptions underlying their valuation changed.

If the discount rate were to increase by 0.1%, liabilities would be measured at £3,950k (2013: £3,301k)

If the discount rate were to decrease by 0.1%, liabilities would be measured at £4,132k (2013: £3,477k)

If the mortality rate were to increase by a year, liabilities would be measured at £3,905k (2013: £3,263k)

If the mortality rate were to decrease by a year, liabilities would be measured at £4,176k (2013: £3,515k)

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

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

	2014 Years	2013 Years
Retiring today		
- Males	23.60	20.10
- Females	26.00	24.10
Retiring in 20 years		
- Males	25.80	22.10
- Females	28.30	26.00

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

	2014 Expected return %	2014 Fair value £'000	2013 Expected return %	2013 Fair value £'000
Equities	6.70	980	6.50	1,057
Gilts	3.00	222	3.50	60
Other Bonds	3.60	217	4.40	119
Cash	2.90	30	0.50	30
Property	5.90	134	6.00	104
Other assets	6.70	147	6.50	119
Total market value of assets		1,730		1,489
Present value of scheme liabilities - funded		(4,040)		(3,388)
Net pension asset / (liability)		(2,310)		(1,899)

Assumptions on Expected Rates of Returns

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 returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The return on equities and property are then assumed to be a margin above gilt yields.

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

Operating costs and income recognised in the statement of financial activities

	2014 £'000	2013 £'000
Financial expenditure/(income)		
Expected return on pension scheme assets	(98)	(60)
Interest on pension liabilities	166	114
	<u>68</u>	<u>54</u>
Other expenditure/(income)		
Current service cost	304	284
Past service cost	-	-
	<u>304</u>	<u>284</u>
Total operating charge/(income)	<u>372</u>	<u>338</u>

Actuarial gains and losses recognised in the statement of financial activities

	2014 £'000	2013 £'000
Actuarial (gains)/losses on assets: actual return less expected	121	(113)
Experience (gains)/losses on liabilities	-	-
(Gains)/losses arising from changes in assumptions	198	175
	<u>319</u>	<u>62</u>
Total (gains)/losses	<u>319</u>	<u>62</u>
 Cumulative (gains)/losses to date	 <u>689</u>	 <u>370</u>

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

	2014 £'000	2013 £'000
Opening defined benefit obligations	(3,388)	(2,739)
Current service cost	(304)	(284)
Interest cost	(166)	(114)
Contributions by employees	(74)	(76)
Actuarial gains/(losses)	(198)	(175)
Benefits paid	90	-
	<u>(4,040)</u>	<u>(3,388)</u>

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

19 Pensions and similar obligations

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

	2014 £'000	2013 £'000
Opening fair value of scheme assets	1,489	967
Expected return on assets	98	60
Actuarial gains/(losses)	(121)	113
Contributions by employers	280	273
Contributions by employees	74	76
Benefits paid	(90)	-
	<u>1,730</u>	<u>1,489</u>

History of experience gains and losses:

	2014 £'000	2013 £'000	2012 £'000
Present value of defined benefit obligations	(4,040)	(3,388)	(2,739)
Fair value of share of scheme assets	1,730	1,489	967
	<u>(2,310)</u>	<u>(1,899)</u>	<u>(1,772)</u>
Experience adjustment on scheme liabilities	-	-	-
Experience adjustment on scheme assets	(121)	113	18

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

	2014 £'000	2013 £'000
Net income	(129)	24
Capital grants and similar income	(33)	(184)
Investment income	(10)	(6)
FRS17 pension costs less contributions payable	24	11
FRS17 pension finance income	68	54
Depreciation of tangible fixed assets	310	288
(Increase)/decrease in stocks	6	(7)
(Increase)/decrease in debtors	2	(7)
Increase/(decrease) in creditors	(2)	(124)
	<u>236</u>	<u>49</u>
Net cash inflow/(outflow) from operating activities		

THE CHALFONTS COMMUNITY COLLEGE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

21	Reconciliation of net cash flow to movement in net funds	2014	2013
		£'000	£'000
	Increase/(decrease) in cash	212	218
	Net funds at 1 September 2013	2,112	1,894
		<u> </u>	<u> </u>
	Net funds at 31 August 2014	2,324	2,112
		<u> </u>	<u> </u>

22	Analysis of net funds	At 1	Cash flows	Non-cash	At 31 August
		September		changes	2014
		2013			
		£'000	£'000	£'000	£'000
	Cash at bank and in hand	2,112	212	-	2,324
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

23 Commitments under operating leases

At 31 August 2014 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£'000	£'000
Expiry date:		
- Between two and five years	13	-
	<u> </u>	<u> </u>

24 Related parties

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

Buckinghamshire Learning Trust, a charitable company incorporated in the UK (England and Wales), company number 08353197 and registered charity number 1151135, is a related party by virtue of S Tanner (Principal during the year) being a director and trustee of both entities. During the year expenditure totalling £2,598 was incurred with Buckinghamshire Learning Trust. No amounts were outstanding at the year end.

25 Members' liability

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