

**REGISTERED COMPANY NUMBER: 07827237 (England and Wales)**

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 August 2017  
for**

**Holmer Green Senior School  
(A company limited by guarantee)**

The Fish Partnership  
Chartered Accountants  
& Statutory Auditor  
The Mill House  
Boundary Road  
Loudwater  
High Wycombe  
Bucks.  
HP10 9QN

**Holmer Green Senior School  
(A company limited by guarantee)**

**Contents of the Financial Statements  
for the Year Ended 31 August 2017**

---

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 9
Governance Statement	10 to 12
Statement on Regularity, Propriety and Compliance	13
Statement of Trustees Responsibilities	14
Report of the Independent Auditors	15 to 16
Independent Accountant's Report on Regularity	17 to 18
Statement of Financial Activities	19
Balance Sheet	20 to 21
Cash Flow Statement	22
Notes to the Cash Flow Statement	23
Notes to the Financial Statements	24 to 44

---

**Holmer Green Senior School  
(A company limited by guarantee)**

**Reference and Administrative Details  
for the Year Ended 31 August 2017**

---

**MEMBERS**

Prof P B Mogford (resigned 18.10.17)  
Mrs C Whitehead  
Mrs K Willard  
D Greenwood  
M Jones  
A R Green

**TRUSTEES**

A R Green  
Ms A J Brodala  
D Greenwood  
S Hemsley (resigned 5.7.17)  
Ms J Hollings (resigned 18.10.17)  
M Jones  
D Ing (resigned 1.3.17)  
Prof P B Mogford (resigned 18.10.17)  
Mrs C Whitehead  
Mrs K Willard  
Ms D K Deanus  
Ms T J Page (resigned 23.1.17)  
S J Pilgrim  
Ms E R Baddeley  
Miss S El-Faham (resigned 12.10.16)  
Miss J Kirkpatrick  
A Jones  
Mrs S Parnaby (resigned 18.10.17)  
R O'Connor (appointed 12.10.16)  
Mrs L K Swain (appointed 3.3.17)  
Miss K J L Stratton (appointed 3.3.17)  
W E Leftwich (appointed 18.10.17)

**ACADEMY SENIOR LEADERSHIP TEAM**

Headteacher and Accounting Officer	M Jones
Deputy Headteacher	P Tang
Business Manager	Mrs L Jackson

**COMPANY SECRETARY**

Mrs L Jackson

**REGISTERED OFFICE**

Parish Piece  
Holmer Green  
High Wycombe  
Bucks.  
HP15 6SP

---

**Holmer Green Senior School  
(A company limited by guarantee)**

**Reference and Administrative Details  
for the Year Ended 31 August 2017**

---

**REGISTERED COMPANY NUMBER**      07827237 (England and Wales)

**AUDITORS**                              The Fish Partnership  
Chartered Accountants  
& Statutory Auditor  
The Mill House  
Boundary Road  
Loudwater  
High Wycombe  
Bucks.  
HP10 9QN

**BANKERS**                                Lloyds TSB  
Dominions House 2nd Floor  
Eton Place  
64 High Street  
Burnham  
SL1 7JT

**Holmer Green Senior School  
(A company limited by guarantee)**

**Report of the Trustees  
for the Year Ended 31 August 2017**

---

The trustees (who are also directors of the charity for the purposes of the Companies Act), present their annual report together with the audited financial statements of Holmer Green Senior School for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

Holmer Green Senior School became a Single Academy Trust in April 2012. The Mission Statement of the school is:

- Achievement and Opportunity for All
- To offer a dynamic learning experience, matching exceptional care and support for every child with the very highest levels of challenge and expectations of success"

The main objective of the academy is to promote high quality teaching and learning at Holmer Green Senior School, and specifically:

- the advancement, for the public benefit, of education in the United Kingdom, and;
- to promote, for the benefit of the inhabitants of Holmer Green and the surrounding areas, the provision of facilities for recreation or other leisure time, to individuals who have need of such facilities.

**Over-riding Vision:**

Having achieved an upgrade of our Ofsted rating in 2016 to "Good" we are now determined to continue our upward momentum towards achieving an "Outstanding" rating in the foreseeable future.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Report of the Trustees  
for the Year Ended 31 August 2017**

---

**OBJECTIVES AND ACTIVITIES**

**Objectives, strategies and activities  
Strategy**

The academy aims to achieve its objectives through the School Development Plan which is developed in conjunction with parents, staff and students at the school. The four main areas of improvement are:

1. Improve the quality of teaching across the whole school
2. Improve student outcomes by strengthening student voice
3. Diminish the difference for disadvantaged and SEN/D students
4. Improve educational opportunities by exploring the benefits of collaboration as a member of a Multi Academy Trust

**Activities**

We can measure the success of our improvement areas as follows:

1. Improve the quality of teaching across the whole school
  - a) Ensure that all subject areas follow consistent policy for setting challenging targets for all students
  - b) Ensure that all lessons are planned to stretch and challenge all students
  - c) Ensure that all subject areas follow consistent policy for setting robust assessments and implement effective feedback and student response
  
2. Improve student outcomes by strengthening student voice
  - a) Ensure that all students are able to articulate ambitious self-imposed achievement targets in all their lessons.
  - b) Ensure that all students take responsibility for identifying the "next steps" for progress and personal development
  - c) Ensure that all students aspire to excellent behaviour and high levels of attendance and punctuality.
  
3. Diminish the difference for disadvantaged and SEN/D students
  - a) Raise expectations for levels of progress for all SEN/D and disadvantaged pupils
  - b) Improve the quality of teaching for SEN/D and disadvantaged pupils in all areas
  - c) Identify individual barriers to learning and ensure all teaching employs effective strategies for overcoming them.
  
4. Improve educational opportunities by exploring the benefits of collaboration as a member of a Multi Academy Trust (MAT)
  - a) Develop full awareness of benefits and risks in forming a new MAT
  - b) Extend provision and educational opportunities for HGSS students' post 16
  - c) Improve recruitment and maintain retention of best staff through extending professional opportunities

**Public benefit**

In setting the objective, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Report of the Trustees  
for the Year Ended 31 August 2017**

---

**STRATEGIC REPORT**

**Achievement and performance**

*Charitable activities*

The fifth accounting period as an academy sees the school prospering under new found freedoms and greater financial control to promote our aim to continually raise the standards of teaching and learning at Holmer Green Senior School.

The year September 2016 to August 2017 saw the academy achieve the following examination results in line with or above the national average result of similar cohorts:

**GCSE Results**

75% of students achieved new GCSE levels 9-4 (previously A\* - C grades) in both English and Maths (69% in 2016)

7 students achieved the new 'top' grade 9/A\*(6 in Maths, and 1 in English)

**Star performing students**

Student A: 6 x A\* and 4 x A grades

Student B: 5 x A\* and 5 x A grades

Student C: 4 x A\*, 3 x A and 2 x B grades

Student D: 2 x A\*, 6 x A and 1 x B grades

Student E: 2 x A\*, 6 x A and 2 x B grades

**A-LEVEL/BTEC Results**

58% of A-level grades were A\* - B (compared to 53% nationally)

87% were A\* - C (compared to 77% nationally)

100% Pass rate (A\* to E)

87% of BTEC results were Distinction\* - the equivalent of grade 'A' at A-level

Almost a quarter of Year 13 students achieved a clean sweep of three A\* - B (or Distinction\*) grades at A-Level/BTEC

100% of students who applied through UCAS received a place at their 1st choice university

*Key financial performance indicators*

Income for the academy is primarily pupil number driven and therefore it is paramount that the school maintains high pupil numbers across all year groups, particularly in the 6th Form where class sizes are smaller and therefore the teacher to pupil delivery costs are greater. In Autumn 2014 the school had 729 pupils in Years 7 - 11 and 90 students in the Sixth Form. Following a downgrading by Ofsted in January 2014 to Requires Improvement the school suffered a loss of students with numbers falling to 720 for Years 7 - 11 and 88 for the Sixth Form. As a result, the school would have lost approximately £44,000 in funding. A re-grading by Ofsted in May 2016 to "Good" has seen growth in numbers again and the Autumn 2016 pupil number count rose to 743 in Years 7 - 11 and 105 in the Sixth Form. The growing reputation of the school locally saw over-subscription for Year 7 in Autumn Term 2017 by 60 students and following appeal the school agreed to take an additional class of 30 students in Year 7 for one year only. At the 2017 Autumn census the school had 779 students in Years 7 - 11 and 112 in the Sixth Form. In monetary terms, this will see an increase of approximately £172,000 in 18/19 due to the lagged nature of the funding.

**Financial review**

*Principal funding sources*

The principal source of funding for the academy is grants received from the Education Funding Agency and the Local Authority.

Income received is used for the purpose of achieving the objectives of the academy, both in respect of funding the academy's operational activities but also to help develop its facilities and resources.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Report of the Trustees  
for the Year Ended 31 August 2017**

---

**STRATEGIC REPORT**

**Financial review**

*Investment policy and objectives*

The school aims to manage its cash balances to provide for the day-to-day working requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the school aims to invest surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk of losing of these cash funds.

At present the school is carrying a small surplus and this is considered to be entirely an operating surplus. The school does not currently have sufficient levels of cash reserves to invest.

*Reserves policy*

The Governing Body will review the reserve levels annually. The review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Governors have determined that the appropriate level of the reserves should be equivalent to minimum 4 weeks expenditure, approx. £300,000 to include the monthly cost of salaries which is currently £277,000. In addition, the school budgets each year for contingencies for Premises (£25,000) and Staffing (£12,000).

The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. All reserves are reported and reviewed regularly at management meetings and expenditure from reserves approved by the trustees.

The school reports current reserves of £425,239 at 31 August 2017 excluding the pension deficit and fixed asset funds. This represents a small reduction of £25,180 in the year after writing down the net realisable value of stocks (books, equipment and library stock) of £64,044 to zero.

*Going concern*

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

**Finance Committee**

The Finance Committee meets approximately five times a year as needed to review the School's financial position and reports to the Full Governing Body.

The academy has been funded from the Education and Skills Funding Agency through several funding streams. The General Annual Grant, The Education Services Grant and Pupil Premium - the latter targeted to support students eligible for Free School Meals, looked after children or children with one or more parents employed in one of the forces. Funding has also been received from Buckinghamshire County Council for Special Needs to support students with statements and identified needs.

Additionally, the school has benefitted from income from Lettings and Rent from the Site Manager's House and a surplus carried forward from the previous year. All these funding streams have been used to maintain the high quality teaching to enable us to achieve our aim of raising standards year on year of teaching and learning.

Money has been spent on maintaining and developing the site to include Health and Safety compliance. This year the school committed its DFCG money to re-design and develop the boys' lecture room toilets. The design has been so successful that the school plans to extend this to the girls' toilets the following year.



**Holmer Green Senior School  
(A company limited by guarantee)**

**Report of the Trustees  
for the Year Ended 31 August 2017**

---

**STRATEGIC REPORT**

**Principal risks and uncertainties**

At present the principal risk to the school is the challenge of maintaining pupil numbers.

A re-grading by Ofsted in May 2016 to 'Good' has seen growth in numbers as set out under Key Performance Indicators above.

The school has a robust Risk Management Policy and a Risk Register which is reviewed annually by the Governing Body. We recognise that to maintain this improvement we must at least maintain our "Good" rating and ideally improve it. As with most schools we are potentially vulnerable to major funding changes or other political interventions. We are also particularly aware of potential risks from acts of terrorism and vandalism. In addition, we are proud of the school's reputation for pupil safeguarding and strive to maintain and improve this through training and constant vigilance.

We are looking to grow our 6th Form over the new few years and have capacity for at least 150 students. We are also actively seeking opportunities to work with other schools in a 6th Form partnership and from September 2017 HGSS has co-delivered some Sixth Form subjects with our neighbouring school Sir William Ramsay. This increase in the number of students at Key Stage 5 will both support the financial viability of the Sixth Form and extend the offer of subjects to students.

An additional risk this year is that the current Headteacher, Mr Jones, will be leaving the school at the end of Spring Term 2018. The Governors are grateful to Mr Jones for all the improvements he has overseen at the school. A robust recruitment process is now underway to ensure the appointment of a suitable replacement for September 2018.

**Future plans**

The academy is focussed on improving the facilities for the PE department with a bid to the Education and Skills Funding Agency to build a new Sports Hall to include a fitness suite and a dance studio. Included in this bid is funding to build new tennis courts and the existing courts are no longer safe to use. The school is also working in partnership with the Holmer Green Sports Club to develop bids for an all-weather pitch for Football and Rugby. In addition, the school is working with the High Wycombe Music Service on a bid to develop a Recording Studio at the school which would allow the school to offer Technical Music at Key Stage 5 in the Sixth Form which would be an extremely popular subject with students thus aiding further retention of numbers. A major future plan of the school is to take the opportunity to expand and we are currently working with Buckinghamshire County Council on such a plan which would deliver much improved facilities for the school.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The academy is a company limited by guarantee and an exempt charity. The academy is constituted under a Memorandum of Association dated 24 February 2012. The trustees of Holmer Green Senior School are also known as the directors of the charitable company for the purposes of company law.

**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.

**Trustees' Indemnities**

Subject to the provisions of the Companies Act 2006, every trustee of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with an application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Report of the Trustees  
for the Year Ended 31 August 2017**

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Principal activities**

The principal activity of the charitable company is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

**Method of recruitment and appointment or election of governors**

The governors are appointed under the terms of the academy's articles of association. The total number of governors shall not be less than three and shall be subject to the maximum below. The governors should be made up as follows:

- The governors may appoint up to 11 community governors,
- There shall be 4 staff governors, who are employees of the academy trust, providing the total number does not exceed one third of the total number of governors.
- The headteacher shall be treated as being an ex-officio governor.
- Any parent governors shall be elected by parents of registered pupils at the academy. There are currently 5 parent governors positions.
- The governors may appoint up to 3 co-opted governors.

The term of office for any governor, other than the headteacher, shall be 4 years. Any governor may be re-appointed or re-elected.

The governors shall each school year, at their first meeting in that year, elect a chairman and vice-chairman from among their number (with the exclusion of staff governors).

**Organisational structure**

The academy trust's governing body is made up of the governors, but also the members. The members are as follows:

Headteacher/Accounting Officer - Mr M Jones  
Chair of Governors - Mr D Greenwood  
Vice Chair of Governors - Prof B Mogford (resigned 18.10.17)  
Chair of Finance, Premises and Health and Safety Committee - Mr A R Green  
Chair of People and Personnel Committee - Mrs K Willard  
Chair of Learning and Curriculum Committee - Mrs C Whitehead

The members and governors hold committee meetings five times a year. Any decisions are made through the full agreement at the meeting and are minuted.

**Policies and procedures adopted for the induction and training of new trustees**

When a new governor is appointed they receive an induction pack and take part in a governor induction programme.

**Key management remuneration**

The Appraisal cycle for support staff runs from April to March each year and the Performance Management cycle for all teaching staff, including all the Senior Leadership team, runs from September to August for each year. Each member of staff has to submit documentation giving evidence of when and how they have achieved their targets. An individual interview forms part of the process and for teaching staff there are also formal lesson observations. As a result of the whole process, pay progressions are recommended by the Headteacher for approval by the Governing Body after careful scrutiny by the People and Personnel Committee. This includes the awarding of any Teaching and Learning Responsibilities or Management Allowances, the latter of which are reviewable annually.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Report of the Trustees  
for the Year Ended 31 August 2017**

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Connected organisations, including related party relationships**

In addition to the governors of the academy, Holmer Green Senior School Trust (Charity number 1051142) and the Holmer Green Senior School Parents and Friends Association (Charity number 1152695) are also related parties of the academy. This is as a result of some of the governors of the academy being Trustees of the Trust and Association.

Sir William Ramsay School (Company No. 07697618) was also a related party of the Academy during the financial year. Two governors of the Academy were also governors of Sir William Ramsay School. In addition the Headteacher of the Academy was engaged in a part-time, temporary role as Executive Headteacher with Sir William Ramsay School. Both of these arrangements have now ceased.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**FUNDS HELD AS CUSTODIAN FOR OTHERS**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. Full details of the amounts held at the end of the financial year are presented at note 22 of these accounts.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy's auditors are aware of that information.

**AUDITORS**

In accordance with best practice, the academy periodically puts its audit service out to tender and this tender will next take place for the financial year ending 31 August 2018. As soon as this process is complete a new auditor will be appointed or the existing auditor re-appointed by the Governing Body. In the meantime, The Fish Partnership remain as the auditors.

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

.....  
D Greenwood - Trustee

**Holmer Green Senior School  
(A company limited by guarantee)**

**Governance Statement  
for the Year Ended 31 August 2017**

---

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Holmer Green Senior 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 trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring the 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 Holmer Green Senior School and the Secretary of State for Education. He 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 Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A Brodala	4	6
A Green	6	6
D Greenwood	6	6
S Hemsley	5	6
J Hollings	5	6
M Jones (Head Teacher)	6	6
P Mogford	1	6
C Whitehead	6	6
D Ing	6	6
K Willard	5	6
D Deanus	6	6
T Page (Staff Governor)	2	3
S Pilgrim	6	6
E Baddeley (Staff Governor)	6	6
S Elfaham	0	1
S Parnaby	4	6
J Kirkpatrick (Staff Governor)	5	6
A Jones	4	6
R O'Connor	3	3
L Swain	3	3
K Stratton	3	3

The Finance, Premises and Health and Safety Committee is a sub-committee of the main board of trustees. Its purposes are to oversee and monitor the academy's finances and site development and be responsible for ensuring that health and safety concerns are dealt with in a timely manner. The committee members and their attendance at meetings in the year are as follows:

**Holmer Green Senior School  
(A company limited by guarantee)**

**Governance Statement  
for the Year Ended 31 August 2017**

---

**Governance**

	<b>Meetings attended</b>	<b>Out of a possible</b>
M Jones (Head Teacher)	4	4
A Green	4	4
B Mogford	1	4
D Ing	2	4
S Elfaham	0	1
D Greenwood	0	4
S Pilgrim	3	4
R O'Connor	0	2
A Jones	4	4

**Review of Value for Money**

As accounting officer the principal has responsibility for ensuring that the academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy has delivered improved value for money during the year by:

- Successful re-tendering for 2 year Electricity Contract with no increase in cost
- Organising the Probation Team to paint all communal areas and many classrooms for cost of supplies only.

**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 Holmer Green Senior School (A company limited by guarantee) for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The 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 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Governance Statement  
for the Year Ended 31 August 2017**

---

**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, Premises, Health & Safety 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 guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed an internal auditor to report bi-annually to the Finance Committee with any recommendations.

The internal audit includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a bi-annual basis, the internal auditor reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

The internal auditor has delivered the schedule of work as planned, with no material control issues arising as a result of his work.

**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 internal auditor;
- the work of the external auditors;
- 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, Premises and Health & Safety Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

.....  
D Greenwood - Trustee

.....  
M Jones - Accounting Officer

**Holmer Green Senior School  
(A company limited by guarantee)**

**Statement on Regularity, Propriety and Compliance  
for the Year Ended 31 August 2017**

---

As accounting officer of Holmer Green Senior School (A company limited by guarantee) I have considered my responsibility to notify the academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy 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 trustees 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 trustees and ESFA.

.....  
M Jones - Accounting Officer

Date: .....

**Holmer Green Senior School  
(A company limited by guarantee)**

**Statement of Trustees Responsibilities  
for the Year Ended 31 August 2017**

---

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and 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 academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy and to 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on ..... and signed on its behalf by:

.....  
D Greenwood - Trustee



**Report of the Independent Auditors to the Members of  
Holmer Green Senior School  
(A company limited by guarantee)**

---

**Opinion**

We have audited the financial statements of Holmer Green Senior School (A company limited by guarantee) (the 'academy') for the year ended 31 August 2017 on pages nineteen to forty five. 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 and Skills Funding Agency (ESFA).

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
-

**Report of the Independent Auditors to the Members of  
Holmer Green Senior School  
(A company limited by guarantee)**

---

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

- the Report of the Trustees 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 Trustees.

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page fourteen, the trustees (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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

Martin Sheehy (Senior Statutory Auditor)  
for and on behalf of The Fish Partnership  
Chartered Accountants and Statutory Auditor  
The Mill House  
Boundary Road  
Loudwater  
High Wycombe  
Bucks.  
HP10 9QN

Date: .....

**Independent Reporting Accountant's Assurance Report on Regularity to  
Holmer Green Senior School  
(A company limited by guarantee) 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 Holmer Green Senior School (A company limited by guarantee) 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 Holmer Green Senior School (A company limited by guarantee) and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Holmer Green Senior School (A company limited by guarantee) 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 Holmer Green Senior School (A company limited by guarantee) and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Holmer Green Senior School (A company limited by guarantee)'s accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Holmer Green Senior School (A company limited by guarantee)'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.

The work undertaken included;

- Walkthrough testing of the systems of internal control to ensure they are working effectively,
- Review of purchasing card transactions to ensure funding is being used in accordance with the funding agreement,
- Review of payroll records for extra contractual payments.
- Review of the minutes of trustee meetings.

**Independent Reporting Accountant's Assurance Report on Regularity to  
Holmer Green Senior School  
(A company limited by guarantee) and the Education and Skills Funding Agency**

---

**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.

The Fish Partnership  
The Mill House  
Boundary Road  
Loudwater  
High Wycombe  
Bucks.  
HP10 9QN

Date: .....

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 August 2017**

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	-	-	7,329	7,329	104,947
<b>Charitable activities</b>						
Funding for the academy's educational operations	3	-	4,209,098	18,307	4,227,405	4,247,941
Other trading activities	4	15,370	-	-	15,370	15,369
Investment income	5	430	-	-	430	584
Other income		<u>111,938</u>	<u>-</u>	<u>-</u>	<u>111,938</u>	<u>41,321</u>
<b>Total</b>		127,738	4,209,098	25,636	4,362,472	4,410,162
<b>EXPENDITURE ON Charitable activities</b>						
Academy's educational operations		<u>77,201</u>	<u>4,392,097</u>	<u>253,340</u>	<u>4,722,638</u>	<u>4,547,738</u>
<b>NET INCOME/(EXPENDITURE)</b>		50,537	(182,999)	(227,704)	(360,166)	(137,576)
<b>Transfers between funds</b>	19	<u>-</u>	<u>(67,718)</u>	<u>67,718</u>	<u>-</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined pension scheme		<u>-</u>	<u>591,000</u>	<u>-</u>	<u>591,000</u>	<u>(934,000)</u>
<b>Net movement in funds</b>		50,537	340,283	(159,986)	230,834	(1,071,576)
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		216,126	(2,173,707)	5,713,639	3,756,058	4,827,634
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>266,663</u>	<u>(1,833,424)</u>	<u>5,553,653</u>	<u>3,986,892</u>	<u>3,756,058</u>

The notes form part of these financial statements

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Balance Sheet**  
**At 31 August 2017**

	Notes	Unrestricted fund £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	14	-	-	5,551,877	5,551,877	5,690,688
<b>CURRENT ASSETS</b>						
Stocks	15	-	-	-	-	64,044
Debtors	16	43,421	70,331	-	113,752	72,537
Cash at bank		<u>223,288</u>	<u>275,331</u>	<u>12,444</u>	<u>511,063</u>	<u>581,773</u>
		266,709	345,662	12,444	624,815	718,354
<b>CREDITORS</b>						
Amounts falling due within one year	17	(46)	(187,086)	(10,668)	(197,800)	(244,984)
		<u>266,663</u>	<u>158,576</u>	<u>1,776</u>	<u>427,015</u>	<u>473,370</u>
<b>NET CURRENT ASSETS</b>						
		<u>266,663</u>	<u>158,576</u>	<u>5,553,653</u>	<u>5,978,892</u>	<u>6,164,058</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
		<u>266,663</u>	<u>158,576</u>	<u>5,553,653</u>	<u>5,978,892</u>	<u>6,164,058</u>
<b>PENSION LIABILITY</b>	20	-	(1,992,000)	-	(1,992,000)	(2,408,000)
		<u>266,663</u>	<u>(1,833,424)</u>	<u>5,553,653</u>	<u>3,986,892</u>	<u>3,756,058</u>
<b>NET ASSETS/(LIABILITIES)</b>						
		<u>266,663</u>	<u>(1,833,424)</u>	<u>5,553,653</u>	<u>3,986,892</u>	<u>3,756,058</u>
<b>FUNDS</b>						
	19					
Unrestricted funds:						
General fund					266,663	216,126
Restricted funds:						
Restricted general fund					158,576	234,293
Pension reserve					<u>(1,992,000)</u>	<u>(2,408,000)</u>
					(1,833,424)	(2,173,707)
Endowment funds:						
Restricted fixed asset fund					3,720,852	3,832,602
DFE/ESFA capital grants					<u>1,832,801</u>	<u>1,881,037</u>
					<u>5,553,653</u>	<u>5,713,639</u>
<b>TOTAL FUNDS</b>					<u>3,986,892</u>	<u>3,756,058</u>

The notes form part of these financial statements

**Holmer Green Senior School  
(A company limited by guarantee)**

**Balance Sheet - continued  
At 31 August 2017**

---

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

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

.....  
D Greenwood -Trustee

.....  
M Jones -Trustee

The notes form part of these financial statements

---

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Cash Flow Statement**  
**for the Year Ended 31 August 2017**

	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	(556)	300,221
Interest paid		<u>-</u>	<u>(53)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>(556)</u>	<u>300,168</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(78,388)	(90,091)
Capital grants from DfE/ESFA		18,307	18,623
Interest received		<u>430</u>	<u>584</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(59,651)</u>	<u>(70,884)</u>
<b>Cash flows from financing activities:</b>			
Loan repayments in year		-	(5,175)
Income attributable to endowment		25,636	123,570
Expenditure attributable to endowment		<u>(36,139)</u>	<u>(110,615)</u>
<b>Net cash provided by (used in) financing activities</b>		<u>(10,503)</u>	<u>7,780</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>581,773</u>	<u>344,709</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>511,063</u></u>	<u><u>581,773</u></u>

The notes form part of these financial statements



**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the 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
	£	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	(360,166)	(137,576)
<b>Adjustments for:</b>		
Depreciation	217,200	230,149
Capital grants from DfE/ESFA	(18,307)	(18,623)
Interest received	(430)	(584)
Interest paid	-	53
Income attributable to endowment	(25,636)	(123,570)
Expenditure attributable to endowment	36,139	110,615
Decrease in stocks	64,044	29,866
(Increase)/decrease in debtors	(41,215)	7,772
(Decrease)/increase in creditors	(47,185)	78,119
Difference between pension charge and cash contributions	<u>175,000</u>	<u>124,000</u>
<b>Net cash provided by (used in) operating activities</b>	<u>(556)</u>	<u>437,797</u>

**Holmer Green Senior School  
(A company limited by guarantee)**

**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.

Holmer Green Senior School (A company limited by guarantee) meets the definition of a public benefit entity under FRS 102.

**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. They have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Critical accounting judgements and key sources of estimation uncertainty**

Estimates and judgement 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.

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**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.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**1. ACCOUNTING POLICIES - continued**

**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 and there is no unconditional entitlement to the income, 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.

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.

**Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

**Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 23.

**Other income**

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

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**1. ACCOUNTING POLICIES - continued**

**Expenditure**

Expenditure is recognised once there is legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

**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**

Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenditure.

All resources expended are inclusive of irrecoverable VAT.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% on cost
Fixtures and fittings	-	20% on cost
Computer equipment	-	33% on cost

Assets costing £2,000 or more (or over £500 for computer equipment), which have been acquired since the academy was established, are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

A review for impairment will be carried out in the event of changes in circumstances which indicate the carrying value of fixed assets 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.

Where 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 useful economic life. The related grants are credited to a restricted 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 expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Where assets have been acquired with the use of the General Annual Grant or unrestricted income, the income will be initially credited to the relevant fund, restricted or unrestricted, then transferred to the restricted fixed asset fund.

Assets with a value less than £2,000 (or £500 for computer equipment) are written off in the year of acquisition.

**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 16. Prepayments are not financial instruments.
- 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 note 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 no obligation to deliver such services rather than cash or another financial instrument.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**1. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value.

Certain components of the stock valuation are based on an estimation of the value of items held at the end of the financial year. Where an accurate valuation is not possible, the estimation is based upon discussions with management along with the value of acquisitions in the year. The use of estimations in the calculation of the closing stock figure does not have a material impact on the financial statements.

**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.

**Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department of Education where the asset acquired is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department of Education.

Investment income, gains and losses are allocated to the appropriate fund.

**Hire purchase and leasing commitments**

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

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**1. ACCOUNTING POLICIES - continued**

**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.

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 quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**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 future 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 as 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 other similar charges.

**Concessionary loans**

Salix loans are initially recognised and measured at the amount received with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2017**

**2. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
Donations	-	-	7,329	7,329	-
Capital grants	-	-	-	-	104,947
	<u>-</u>	<u>-</u>	<u>7,329</u>	<u>7,329</u>	<u>104,947</u>

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
ESFA grants	-	4,065,993	18,307	4,084,300	4,055,935
SEN funding	-	55,666	-	55,666	73,831
Other LA funding	-	4,000	-	4,000	2,500
ARP funding	-	83,439	-	83,439	115,675
	<u>-</u>	<u>4,209,098</u>	<u>18,307</u>	<u>4,227,405</u>	<u>4,247,941</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
<b>DfE/ESFA revenue grant</b>					
Bursary Funding	-	-	-	-	6,122
Pupil Premium	-	110,129	-	110,129	101,456
Rates Grant	-	24,463	-	24,463	24,981
General Annual Grant(GAG)	-	3,914,618	-	3,914,618	3,888,253
Year 7 Catchup Grant	-	16,783	-	16,783	15,500
Summer School Grant	-	-	-	-	1,000
	-	4,065,993	-	4,065,993	4,037,312
<b>DfE/ESFA capital grant</b>					
Capital Grant	-	-	18,307	18,307	18,623
	<u>-</u>	<u>4,065,993</u>	<u>18,307</u>	<u>4,084,300</u>	<u>4,055,935</u>



**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2017**

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
Hire of facilities	<u>15,370</u>	<u>-</u>	<u>-</u>	<u>15,370</u>	<u>15,369</u>

**5. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
Deposit account interest	<u>430</u>	<u>-</u>	<u>-</u>	<u>430</u>	<u>584</u>

**6. EXPENDITURE**

	Non-pay expenditure		2017		2016
	Staff costs £	Premises £	Other costs £	Total £	Total £
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	3,060,066	354,685	198,770	3,613,521	3,373,148
Allocated support costs	<u>570,562</u>	<u>287,037</u>	<u>251,518</u>	<u>1,109,117</u>	<u>1,174,590</u>
	<u>3,630,628</u>	<u>641,722</u>	<u>450,288</u>	<u>4,722,638</u>	<u>4,547,738</u>

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

	2017 £	2016 £
Depreciation - owned assets	217,199	230,149
Other operating leases	<u>10,227</u>	<u>9,821</u>

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2017**

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

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £	2016 Total funds £
<b>Direct costs</b>	52,028	3,344,293	217,200	3,613,521	3,373,148
<b>Support costs</b>	<u>25,173</u>	<u>1,047,804</u>	<u>36,140</u>	<u>1,109,117</u>	<u>1,174,590</u>
	<u><u>77,201</u></u>	<u><u>4,392,097</u></u>	<u><u>253,340</u></u>	<u><u>4,722,638</u></u>	<u><u>4,547,738</u></u>

	2017 Total £	2016 Total £
<b>Analysis of support costs</b>		
Support staff costs	570,562	550,934
Technology costs	17,838	20,721
Premises costs	287,037	367,585
Other support costs	168,943	182,202
Governance costs	<u>64,737</u>	<u>53,148</u>
<b>Total support costs</b>	<u><u>1,109,117</u></u>	<u><u>1,174,590</u></u>

**8. AUDITORS' REMUNERATION**

	2017 £	2016 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	9,450	8,750
Audit-related assurance services	<u>2,125</u>	<u>600</u>

Included in auditor's remuneration for non-audit services is £1,800 (2016: £600) in relation to Responsible Officer assurance services.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**9. TRUSTEES' REMUNERATION AND BENEFITS**

**Trustees' Remuneration and Expenses**

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, other than expenses, from the academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

M Jones (Head Teacher and Governor)

Remuneration £85,000 - £90,000 (2016: £80,000 - £85,000)

Employer's pension contributions £10,000 - £15,000 (2016: £10,000 - £15,000)

T Page (Staff Governor)

Remuneration £10,000 - £15,000 (2016: £20,000 - £25,000)

Employer's pension contributions £nil - £5,000 (2016: £nil - £5,000)

E Baddeley (Staff Governor)

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

Employer's pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000)

J Kirkpatrick (Staff Governor)

Remuneration £45,000 - £50,000 (2016: £15,000 - £20,000)

Employer's pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000)

K Stratton (Staff Governor - appointed 03/03/2017)

Remuneration £10,000 - £15,000 (2016: £n/a)

Employer's pension contributions £nil - £5,000 (2016: n/a)

**Trustees' expenses**

During the year ended 31 August 2017, expenses totalling £283 (2016: £445) were reimbursed to 3 staff governors (2016: 3) for costs incurred in their role as trustees.

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**10. STAFF COSTS**

	2017 £	2016 £
Wages and salaries	2,818,651	2,701,264
Social security costs	257,683	216,409
Operating costs of defined benefit pension schemes	<u>553,294</u>	<u>486,078</u>
	3,629,628	3,403,751
Pension administration costs	<u>1,000</u>	<u>9,000</u>
	<u><u>3,630,628</u></u>	<u><u>3,412,751</u></u>

**Staff severance payments**

Included in staff costs are non-statutory/non-contractual severance payments totalling £6,291 (2016: £14,242). Individually this was made up of one payment of £6,291.

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

	2017	2016
Teaching	45	43
Administration and support	48	51
Management	<u>11</u>	<u>11</u>
	<u><u>104</u></u>	<u><u>105</u></u>

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

	2017	2016
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>1</u>
	<u><u>2</u></u>	<u><u>2</u></u>

Both of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2017, pension contributions for these staff amounted to £25,065 (2016: £18,533).

**Key Management Personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received, by all senior management personnel and key management personnel, for their services to the academy trust was £730,506 (2016: £702,215).

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2017**

**11. TRUSTEES' AND OFFICERS' INSURANCE**

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme, inter alia, protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Fund 2016 £	Restricted Funds 2016 £	Endowment Funds 2016 £	Total Funds 2016 £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	-	-	104,947	104,947
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	4,229,318	18,623	4,247,941
Other trading activities	15,369	-	-	15,369
Investment income	584	-	-	584
Other income	<u>40,351</u>	<u>970</u>	<u>-</u>	<u>41,321</u>
<b>Total</b>	56,304	4,230,288	123,570	4,410,162
<b>EXPENDITURE ON Charitable activities</b>				
Academy's educational operations	<u>27,250</u>	<u>4,179,724</u>	<u>340,764</u>	<u>4,547,738</u>
<b>NET INCOME/(EXPENDITURE)</b>	29,054	50,564	(217,194)	(137,576)
<b>Transfers between funds</b>	<u>-</u>	<u>(82,989)</u>	<u>82,989</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/(losses) on defined pension scheme	<u>-</u>	<u>(934,000)</u>	<u>-</u>	<u>(934,000)</u>
<b>Net movement in funds</b>	29,054	(966,425)	(134,205)	(1,071,576)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	187,072	(1,207,282)	5,847,844	4,827,634
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>216,126</u></u>	<u><u>(2,173,707)</u></u>	<u><u>5,713,639</u></u>	<u><u>3,756,058</u></u>

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2017**

**13. GRANTS TO INDIVIDUALS**

	Number 2017	Total 2017 £	Number 2016	Total 2016 £
Grants to students	<u>6</u>	<u>5,352</u>	<u>6</u>	<u>6,120</u>

The above grants paid to students are paid from the Bursary funding specifically for those students.

**14. TANGIBLE FIXED ASSETS**

	Long leasehold £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 September 2016	3,900,000	1,962,502	112,244	491,496	6,466,242
Additions	<u>-</u>	<u>-</u>	<u>20,168</u>	<u>58,220</u>	<u>78,388</u>
At 31 August 2017	<u>3,900,000</u>	<u>1,962,502</u>	<u>132,412</u>	<u>549,716</u>	<u>6,544,630</u>
<b>DEPRECIATION</b>					
At 1 September 2016	309,167	83,060	38,890	344,437	775,554
Charge for year	<u>70,000</u>	<u>39,250</u>	<u>21,975</u>	<u>85,974</u>	<u>217,199</u>
At 31 August 2017	<u>379,167</u>	<u>122,310</u>	<u>60,865</u>	<u>430,411</u>	<u>992,753</u>
<b>NET BOOK VALUE</b>					
At 31 August 2017	<u>3,520,833</u>	<u>1,840,192</u>	<u>71,547</u>	<u>119,305</u>	<u>5,551,877</u>
At 31 August 2016	<u>3,590,833</u>	<u>1,879,442</u>	<u>73,354</u>	<u>147,059</u>	<u>5,690,688</u>

**15. STOCKS**

	2017 £	2016 £
Books and equipment	-	10,000
Library stock	<u>-</u>	<u>54,044</u>
	<u>-</u>	<u>64,044</u>

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2017**

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Other debtors	43,421	5,301
VAT	34,287	27,433
Prepayments and accrued income	<u>36,044</u>	<u>39,803</u>
	<u>113,752</u>	<u>72,537</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade creditors	15,712	18,943
Social security and other taxes	119,040	116,977
Other creditors	1,912	5,754
Credit card	157	558
Literacy fund	46	46
Accruals and deferred income	<u>60,933</u>	<u>102,706</u>
	<u>197,800</u>	<u>244,984</u>

The accruals and deferred income balance of £60,933 includes deferred income totalling £18,901. This amount includes income received from the ESFA in respect of grants that relate to the financial year ending 31 August 2018.

	2017
	£
Deferred Income at 1 September 2016	19,828
Resources deferred in the year	18,901
Amounts released from previous years	<u>(19,828)</u>
Deferred Income at 31 August 2017	<u>18,901</u>

**18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	8,197	10,633
Between one and five years	<u>15,840</u>	<u>24,037</u>
	<u>24,037</u>	<u>34,670</u>

**Holmer Green Senior School**  
**(A company limited by guarantee)**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2017**

**19. MOVEMENT IN FUNDS**

	At 1.9.16 £	Net movement in funds £	Transfers between funds £	At 31.8.17 £
<b>Unrestricted funds</b>				
General fund	216,126	50,537	-	266,663
<b>Restricted funds</b>				
Restricted general fund	234,293	(7,999)	(67,718)	158,576
Pension reserve	<u>(2,408,000)</u>	<u>416,000</u>	<u>-</u>	<u>(1,992,000)</u>
	(2,173,707)	408,001	(67,718)	(1,833,424)
<b>Endowment funds</b>				
Restricted fixed asset fund	3,832,600	(179,466)	67,718	3,720,852
DFE/ESFA capital grants	<u>1,881,039</u>	<u>(48,238)</u>	<u>-</u>	<u>1,832,801</u>
	5,713,639	(227,704)	67,718	5,553,653
	<u>3,756,058</u>	<u>230,834</u>	<u>-</u>	<u>3,986,892</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	127,738	(77,201)	-	50,537
<b>Restricted funds</b>				
Restricted general fund	4,209,098	(4,217,097)	-	(7,999)
Pension reserve	<u>-</u>	<u>(175,000)</u>	<u>591,000</u>	<u>416,000</u>
	4,209,098	(4,392,097)	591,000	408,001
<b>Endowment funds</b>				
Restricted fixed asset fund	18,307	(197,773)	-	(179,466)
DFE/ESFA capital grants	<u>7,329</u>	<u>(55,567)</u>	<u>-</u>	<u>(48,238)</u>
	25,636	(253,340)	-	(227,704)
	<u>4,362,472</u>	<u>(4,722,638)</u>	<u>591,000</u>	<u>230,834</u>



**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**20. 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 Buckinghamshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £55,072 were payable to the schemes at 31 August 2017 (2016: £55,372) and are included within creditors.

**Teachers' pension scheme**

*Introduction*

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

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

*Valuation of the Teachers' Pension Scheme*

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

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

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

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**20. PENSION AND SIMILAR OBLIGATIONS  
- continued**

The employer's pension costs paid to TPS in the period amounted to £299,320 (2016: £275,456).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2017 was £169,744 (2016: £185,182), of which employer's contributions totalled £133,300 (2016: £145,607) and employees' contributions totalled £36,444 (2016: £39,574). The agreed contribution rates for future years are 22.8% for employers and between 6.5% and 12.5% 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.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Present value of funded obligations	(3,917,000)	(3,895,000)
Fair value of plan assets	<u>1,925,000</u>	<u>1,487,000</u>
	<u>(1,992,000)</u>	<u>(2,408,000)</u>
Deficit	<u>(1,992,000)</u>	<u>(2,408,000)</u>
Liability	<u>(1,992,000)</u>	<u>(2,408,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Current service cost	255,000	205,000
Net interest from net defined benefit asset/liability	52,000	51,000
Past service cost	-	5,000
Pension administration costs	<u>(1,000)</u>	<u>(9,000)</u>
	<u>306,000</u>	<u>252,000</u>
Actual return on plan assets	<u>280,000</u>	<u>197,000</u>

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**20. PENSION AND SIMILAR OBLIGATIONS  
- continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Defined benefit obligation	3,895,000	2,511,000
Current service cost	255,000	205,000
Past service cost	-	5,000
Contributions by scheme participants	37,000	40,000
Interest cost assumptions	86,000	100,000
Actuarial losses/(gains)	(8,000)	-
Benefits paid	(242,000)	-
Change in financial assumptions	(11,000)	(48,000)
	<u>(95,000)</u>	<u>1,082,000</u>
	<u>3,917,000</u>	<u>3,895,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Fair value of scheme assets	1,487,000	1,161,000
Contributions by employer	133,000	146,000
Contributions by scheme participants	37,000	40,000
Assets pension admin costs	(1,000)	(9,000)
Expected return	34,000	49,000
Actuarial gains/(losses)	83,000	-
Benefits paid	(11,000)	(48,000)
Return on plan assets (excluding interest income)	<u>163,000</u>	<u>148,000</u>
	<u>1,925,000</u>	<u>1,487,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Change in financial assumptions	95,000	(1,082,000)
Return on plan assets (excluding interest income)	<u>163,000</u>	<u>148,000</u>
	<u>258,000</u>	<u>(934,000)</u>

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**20. PENSION AND SIMILAR OBLIGATIONS  
- continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Gilts	187,000	193,000
UK equities	185,000	139,000
Overseas equities	776,000	559,000
Private equity	114,000	115,000
Other bonds	251,000	181,000
Property	142,000	122,000
Cash	66,000	49,000
Alternative assets	21,000	10,000
Hedge funds	91,000	58,000
Absolute return portfolio	92,000	61,000
	<u>1,925,000</u>	<u>1,487,000</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2017	2016
Discount rate for scheme liabilities	2.6%	2.2%
Rate of increase in salaries	4.2%	4.1%
Rate of increase for pensions	2.7%	2.3%
Inflation assumption (CPI)	2.7%	2.3%
Commutation of pensions to lump sums	50%	50%

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

<b>Principal Actuarial Assumptions</b>	At 31 August 2017	At 31 August 2016
Retiring today		
Males	23.9	23.8
Females	26.0	26.2
Retiring in 20 years		
Males	26.2	26.1
Females	28.3	28.5

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**20. PENSION AND SIMILAR OBLIGATIONS  
- continued**

<b>Sensitivity Analysis (impact on present value of current total obligations)</b>	At 31 August 2017	At 31 August 2016
Discount rate +0.1%	3,829,000	3,802,000
Discount rate -0.1%	4,007,000	3,991,000
Mortality assumption +1 year	4,046,000	4,000,000
Mortality assumption -1 year	3,792,000	3,793,000
CPI rate +0.1%	3,993,000	3,974,000
CPI rate -0.1%	3,843,000	3,818,000

**21. RELATED PARTY DISCLOSURES**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

Holmer Green Senior School Trust (Charity No. 1051142) is a related party of the academy.

During the year, the academy was reimbursed for £50,583 (2016: £26,694) of expenditure incurred on behalf of the Trust. Included in creditors is £1,171 (2016: £479) owed to the Trust.

During the year the Trust made a donation of £7,329 (2016: £nil) to the academy in respect of a contribution towards the Fire Door project.

As at 31 August 2017 the Trust owed the academy £2,400 (2016: £nil) in respect of accountancy fees paid on its behalf.

Holmer Green Senior School Parents and Friends Association (Charity No. 115695) is also a related party of the academy.

During the year, the academy was reimbursed for £987 (2016: £556) of expenditure incurred on behalf of the Association. Included in debtors is £nil (2016: £nil) which relates to amounts owing from the Association.

Sir William Ramsay School (Company No. 07697618) is also a related party of the Academy.

During the year the academy was paid £29,594 (2016: £nil) in relation to staff loan arrangements with Sir William Ramsay, including the Headteacher's part time, temporary role as Executive Headteacher with Sir William Ramsay.

**22. POST BALANCE SHEET EVENTS**

The current Headteacher, Mr Jones, will be leaving the school at the end of Spring Term 2018. A robust recruitment process is underway to ensure the appointment of a suitable replacement for September 2018. There is no financial impact arising from this event that would affect the information presented in these accounts.

---

**Holmer Green Senior School  
(A company limited by guarantee)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

---

**23. AGENCY ARRANGEMENTS**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the trust received £5,919 and disbursed £5,352 from the fund. An amount of £296 has been charged by the Academy for administration for the 16-19 bursaries. £271 is repayable to the ESFA at the year end and included in other creditors.

**24. 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.