

Company Registration Number: 07718351 (England & Wales)

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

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THE CHILTERN HILLS ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Oxford Diocesan Board of Education Chair of Trustees Buckinghamshire Council
Trustees	A Brown, Chairman C Adams S Adams G Chahal, Staff Governor G Ellerton P Garner G Hull J Malik (resigned 20 October 2019) C Mastrorilli R Rochon K Patrick, Principal and Accounting Officer M Paxton P Stansbury, end of term of office 20/04/2020 K Shaw N Brown M McCormick (appointed 21 April 2020) M Crawford
Company registered number	07718351
Company name	Chiltern Hills Academy
Principal and registered office	Church House Oxford Langford Locks Kidlington Oxford OX5 1GF
Company secretary	None appointed
Senior management team	K Patrick, Principal J Conway, Vice Principal T Dobbs, Vice Principal A Griffiths, Vice Principal
Independent auditors	Landau Baker Limited Chartered Accountants Statutory Auditors Mountcliff House 154 Brent Street London NW4 2DR
Bankers	Barclays Bank Plc Newall Road Hounslow TW6 2RE

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Solicitors

Winkworth Sherwood
16 Beaumont Street
Oxford
OX1 2LZ

THE CHILTERN HILLS ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an academy for pupils aged 11 to 19 serving a catchment area in Chesham and the surrounding area within a 3 mile radius. It has a pupil capacity of 975 and had a roll of 965 in the school census on 19 November 2019.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Chiltern Hills Academy Limited are also the directors of the charitable company for the purposes of company law. Trustees are also referred to as governors under education law. For the purpose of this report, the term trustees will be used. The charitable company known as The Chiltern Hills Academy was incorporated on 26 July 2011 and opened on 1 September 2011.

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

Members' liability

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

Trustees' indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any 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.

Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- The Principal
- 2 parent trustees, appointed by election of parents of registered pupils at the academy
- 11 foundation trustees, consisting of 9 trustees appointed by the Oxford Diocesan Board of Education and 2 trustees appointed by Buckinghamshire Council (the local authority)
- 1 staff trustee appointed by staff election
- Up to 2 trustees co-opted by the Foundation Trustees
- Any trustees appointed by the Secretary of State for Education

The term of office for any governor is 4 years. The Principal's term of office runs parallel with his term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Policies adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, budgets and other documents that they will need to understand their role as trustees and directors of the academy.

Organisational structure

The academy has established a management structure to enable its efficient running. The structure consists of three levels: the trustees, the senior leadership team of Principal and Vice Principals, and a middle leadership group consisting of subject and academic year leaders.

The governing body has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Principal is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments. The Principal assumes the Accounting Officer role for the academy.

The Governing Body has established eight committees. Each committee has its own terms of reference or linked policies detailing the responsibilities discharged to the committee and to the Principal (The Accounting Officer). The terms of reference and meeting frequency for each committee is reviewed and approved by the Governing Body annually. The terms of reference for the Finance Committee detail the Academy's authorised spending limits. A working group of Trustees was formed in 2015-2016 to review the future of Multi Academy Trust (MAT) provision for The Chiltern Hills Academy. In 2017-2018 an additional trustees' working group was formed to review the plans for future expansion of the academy. These working groups have continued to meet in the last financial year to review these two significant opportunities for the school, although a potential MAT partnership that was seriously being considered did not come to fruition.

The committees of the Governing Body are:

- Finance and Audit
- Management (Personnel/Premises/Health & Safety)
- Learning and Teaching (Curriculum/Achievement)
- Admissions
- Student Discipline
- Staff Dismissal
- Staff Dismissal Appeals
- Staff Grievance Appeals Panel

Groups of trustees may be formally organised outside of the committee structure to support the Academy as required to consider significant areas of change management, eg Principal, Vice Principal recruitment.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel is determined by a variety of contributory factors, such as the academy group size, Internal Schools Review, the pay scales for each role eg Principal, Vice Principals, and the level of experience of the staff member. In addition to this, levels of pay may be affected by any nationally agreed pay awards, the ability to recruit key management personnel and retain them in post, which all coincides with the academy's appointment and pay policies. All amendments to key management personnel's pay and remuneration is discussed and agreed by the governing body.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Related parties and other connected charities and organisations

The Academy has a lead sponsor, the Diocese of Oxford and a second sponsor, Buckinghamshire Council (the local authority). The Diocese of Oxford provides school improvement support, a range of training opportunities and networking opportunities for school leaders.

The Academy works with local junior schools and collaborates with other schools providing opportunities for leadership, community and learning opportunities. The shared vision of sponsors and industry partners has transformed the curriculum, providing opportunities for students to engage directly with practitioners and successful innovative individuals from across a range of organisations for example: Bucks New University, University of the Arts London and Buckinghamshire Business First. To support Initial Teacher Training (ITT) the school has positive working relationships. During the 2019-2020 academic year we have supported colleagues from Astra, Brunel University, Bedford University and the Royal Academy of Dance.

Objectives and activities

Objects and aims

The principal object and activity of The Chiltern Hills Academy is to provide a broad and balanced education for pupils of all abilities in the Chesham area. The Governing Body sets the Academy's strategic aims through the Academy Development Plan. These aims are monitored closely by the Governing Body by way of reports from the Principal, the work of the committees and visits by Trustees to linked subject areas. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

Objectives, strategies and activities

The Academy is founded on Christian values and principles through an ethos that promotes personal responsibility, self-respect, a valuing of the beliefs and views of others, self-confidence and a commitment to success and achievement. Embedded within the curriculum are the Christian values of Honesty, Respect, Compassion, Love, Forgiveness, Self-discipline and Hope.

We encourage every person in our community to Create, Aspire and Excel to 'Live life in all its fullness' (John 10:10) through our dedication to the seven Christian values of love, hope, self-discipline, compassion, forgiveness, respect and honesty.

We provide a safe, inspiring place of learning to encourage achievement and ambition and we guide students to become confident and successful members of society. We foster an environment within which all young people develop the moral and spiritual values which help them to become active, thoughtful and considerate citizens.

The academy has undertaken self-evaluation activities to identify aims and objectives for the next year. The key aims of the Academy for the forthcoming year are:

1. Instil a culture of high achievement
2. Provide outstanding learning and teaching
3. Become the number one school of choice in the Chesham area
4. Shared values and ethos
5. Maximise student attendance

In addition, Chiltern Hills Academy aim to build and maintain the level of reserves by entering into cost effective agreements in keeping with the principal objects of the Academy.

The detail of the Academy Development Plan is developed as a result of, and monitored through, department reviews, lesson observations, learning walks, self-evaluation and data analysis. Continual Professional Development for staff and performance management play an important role in the continual improvement of the Academy. The Academy Development Plan is published on the website by October half-term. This is reviewed termly by the senior leadership team and the review shared with governors and stakeholders.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

Public benefit

In setting the objectives, the Trustees 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.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities.
- Providing community events such as the bi-annual Careers Fair.
- Local primary schools use the facilities for sports and competitions.
- Organisations use the site to provide opportunities for young people and for staff training events, eg Rotary Club, Buckinghamshire Council.
- Undertaking voluntary events eg litter collecting, community events.

The Trustees of Chiltern Hills Academy have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievements and performance

There was no formal census undertaken during the summer term 2020 due to the pandemic. However, on the normal census date there were 966 students on roll including 120 students in the sixth form.

Staff and students continue to enjoy the outstanding learning environment within the Academy. Students care for each other and they care for the facilities. Visitors to the Academy remark on the buildings and how they are being respected by the school community. The Academy is calm and there is a purposeful learning atmosphere.

The Chiltern Hills Seven, our "blueprint" for excellence in teaching is the basis for lesson planning. Lessons judged to be Good or Outstanding account for 95% of all lessons observed during the year.

Students have been keen to support one another. There are a number of mentoring groups and support structures in place to enable students to gain academic skills from one another as well as for pastoral support.

Our range of opportunities outside the classroom has continued to expand. The Enrichment programme for all Year 7, Year 8 and Year 12 students has proved to be a real success. Students undertake a range of activities each Tuesday afternoon working in mixed age groups in a wide range of interesting areas linked to hobbies, sports, personal development and self-improvement.

The last months of the financial/academic year were under the lock-down requirements for all schools in England. The school remained open each weekday, including the Easter and half term breaks, until the start of the summer holidays in order to support students from families of key workers and the more vulnerable students. During this period teaching staff continued to set work for their students, working from home and attending school on a rota basis to support the students working in school. This period revealed a significant digital divide within the school community, over forty laptops were loaned to families and the school made use of the government digital schemes. This was a challenging time for both families and staff and the school made every attempt to reach out to families struggling with technical IT issues as well as wellbeing issues during this period.

GCSE/BTEC Examinations

This year group worked hard, with many attending the extra revision sessions provided for them in the evening, weekends and during the holidays up until the school lockdown in March. A record set of results was achieved by Year 11 students in 2020. These grades were centre assessed grades established using the guidance from Ofqual. Grades were based on mock examination performance, achievement in coursework and performance in lessons. There was a careful process of standardisation and moderation within each curriculum area to ensure that the grades awarded were the most likely grades that students would have achieved had they had the

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Strategic report (continued)

Achievements and performance (continued)

opportunity to sit the normal examination in the summer term.

A Level/BTEC L3 Examinations

This year there was a 100% pass rate at A Level. All students in Year 13 aiming to study for a degree at university achieved their desired places. Other students have progressed to apprenticeships and to employment. As with the GCSE grades the A level and BTEC grades were determined by the school and these were awarded as centre assessed grades to each student.

OFSTED

In February 2017 the Academy had an Ofsted inspection. The outcome of the inspection was to grade the Academy "Good" in all categories. The actions from the report include:

Strengthen the quality of teaching further so that:

Teachers have consistently high expectations of pupils and give them challenging work to do

All teachers help pupils to improve their writing

Disadvantaged pupils and those who have special educational needs and/or disabilities make progress in line with national averages.

Sharpen middle leaders' use of assessment information so they consistently use this information to identify and support pupils who are at risk of falling behind. These actions have been included in the new Academy Development Plan and will be monitored closely by the Governing Body.

SIAMS Inspection March 2020

All Church of England dioceses and the Methodist Church use the Church of England Education Office's framework for the **Statutory Inspection of Anglican and Methodist Schools (SIAMS)** under Section 48 of the Education Act 2005. The SIAMS Evaluation Schedule sets out the expectations for the conduct of the Statutory Inspection of Anglican, Methodist and ecumenical Schools under Section 48 of the Education Act 2005.

The SIAMS inspection focuses on the impact of the Church school's Christian vision on students and adults. This involves looking at the school's Christian vision, the provision the school makes because of this vision and how effective this provision is in enabling all pupils to flourish. In the inspection process students, staff, parents and governors were all spoken to as well as a number of lessons and breaks and lunchtimes observed. The outcome following a two-day visit by the inspector was to grade the school 'good' in all aspects.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Key performance indicators

The tables below provide a summary of the Academy's performance in the Summer 2020 examination season.

GCSE examination results	2019	2020
59-4 Inc. English and Maths	65%	71%
59-1	100%	100%
1A*-G / 9-1	100%	100%
Achieving the EBACC(grade 4 or above)	32%	26%
Progress 8*	0.23	0.55
Attainment 8*	47.9%	50.06%

A2 examination results	2019	2020
A*-E	92%	100%
A*-C	59% (ALIS 50% target)	84%
A*-B	30% (ALIS 7% target)	53%

*The figures above for P8 and A8 are estimates

School Absence Data

	2018/2019	2019/2020
Authorised	3.9%	Not reported due to Covid-19
Unauthorised	1.3%	
Total	5.2%	

Going concern

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

Financial review

During the period, ESFA/LA grants received totalled £5,619,242 (2019: £4,991,284). Other income included within restricted funds totalled £80,097 (2019: £64,403). Restricted fund expenditure totalled £5,881,469 (2019: £5,382,790).

The main source of unrestricted income is donations, totaling to £29,230 (2019: £21,899) and catering income, totaling to £104,166 (2019: £163,829).

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Reserves policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free')

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £17,346,482. This balance includes unrestricted funds (free reserves) of £1,204,459, which is considered appropriate for the Academy Trust, and restricted funds of £80,651 and a pension deficit of £2,456,000.

The Governing Body have determined that the appropriate level of free reserves should be a sum equivalent to one month's payroll, approximately £350,000 and an additional £100,000 due to the uncertainties of future Government spending.

The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. In future years capital maintenance and development projects may be considered in the reserves policy review. In April 2016, the Finance Committee agreed, in principle, to support the proposed 3G pitch development by earmarking £100,000 of reserves towards this capital project. In order to ensure that this project is delivered the Governors in 2018-2019 agreed to this being supported up to £200k.

The amount of designations made in relation to the unrestricted reserves totals to £nil.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Academy recognises a significant pension fund deficit totalling to £2,456,000 (£2,027,000 2019). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

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TRUSTEES' REPORT (CONTINUED)
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Investment policy

It should be noted that the Academy has substantial power with regards to investments due to cash balances held. Investment policies are determined by the Governing Body. This ensures the level of funds the Academy holds can cover any immediate expenditure, without exposing the Academy to additional risk. Should any potential investment opportunity arise this would be escalated to the Governing Body for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2020, no investments were held.

Principal risks and uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

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

The majority of risks identified on the risk register are low risks, as a result of:

- policies and procedures put in place by directors to minimise risks, including budget management and forecasting procedures
- the procurement of adequate insurance cover
- investing in staff training and continuing professional development
- a clear school improvement strategy to ensure good outcomes for students
- policies and procedures which protect staff, students and The Chiltern Hills Academy and reduce the risk of safeguarding failures

Principal risks identified by Trustees in the risk review were:

1. Significant change in DfE funding policy resulting in insufficient funds to deliver services to an appropriate level.

Actions agreed to address this:

- awareness of policy change via schools forum, seminars and EFA bulletins
- review of medium to long term financial planning on a termly basis
- maintain appropriate levels of funding reserves
- maximise income through facilities lettings

2. Increasing pension deficits result in increased employer contributions.

Actions agreed to address this:

- include potential increase in medium to long term financial planning

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

3. The recruitment and retention of high quality teaching staff.

Actions agreed to address this:

- continue and if possible extend the work between the academy and teacher training providers, universities and the local teaching schools to ensure a good supply of prospective future teachers.

4. The impact of Covid in relation to the financial strain, the wellbeing of the CHA community and the academic outcomes for young people.

Actions agreed to address this:

- carefully monitor the additional financial burden relating to additional cleaning, income lost from lets, additional costs for PPE and cleaning materials (Finance Committee)
- ensure that a clear plan is in place to reduce the impact of the digital divide through the lending of digital devices to relevant families
- utilise the 'catch-up' funding to provide additional learning opportunities for identified groups of students

The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and students.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2020. 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.

Fundraising

The Academy Trust carried out a limited amount of fundraising events during the year, mainly consisting of non-uniform days. When fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and ensures all activities are agreed and monitored at Senior Leadership Team level. All fundraising is undertaken ensuring that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. No complaints or issues have arisen as a result of fundraising events but any complaints received would be handled and monitored through the Trust's complaints procedure. The Academy Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf.

In June the artificial grass pitch construction was completed and handed over to the school. A grant from the Football Association (FA) and Football Foundation (FF) provided two-thirds of the funds for this facility. The remaining monies were raised by the school or came from school reserves. The pitch provides a significant whole community use facility as well as an opportunity for additional funds to be raised through the hire and in the coming years the provision of refreshments.

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TRUSTEES' REPORT (CONTINUED)
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Plans for future periods

The Chiltern Hills Academy strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment.

The Academy believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will develop students' commitment to lifelong learning and enrich their quality of life. To this extent, the Academy strives to provide exceptional behaviour and attendance management support to its students and to offer a broad range of extra-curricular activities.

The school is underway with a growth plan, working with the commissioning team at Buckinghamshire Council, to expand the existing buildings to provide space for an eight form entry school. Interim works were completed at the end of the financial year whereby eight mobile classrooms were setup to provide decanting space and necessary buildings during the planned two-year building programme.

Funds held as custodian on behalf of others

Neither the Chiltern Hills Academy nor the Governing Body are acting as third party custodial Trustees.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2020 and signed on its behalf by:

Mr Graham Hull
Vice Chair of Trustees



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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that The Chiltern Hills Academy 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 principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Chiltern Hills Academy and the Secretary of State for Education. They are 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 Trustees' report 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:

Trustee	Meetings attended	Out of a possible
A Brown, Chairman	6	6
C Adams	4	6
S Adams	3	6
N Brown	5	6
G Chahal, Staff Governor	6	6
M Crawford	5	6
G Ellerton	5	6
P Garner	2	6
G Hull	6	6
M McCormick	4	6
J Malik	0	1
C Mastroilli	5	6
K Patrick, Principal and Accounting Officer	6	6
M Paxton	6	6
R Rochon	6	6
K Shaw	6	6
P Stansbury	1	2

During the course of the year, the Governing Body was able to recruit additional Trustees to support the vision and direction of the Chiltern Hills Academy.

Governance Review

The Key Performance Indicator (KPI) review sheet adopted by each Governing committee has been embedded and updated during the year. At each meeting progress towards the Academy KPIs are discussed and reviewed.

During the year a governor skills audit was completed and this has highlighted future training needs for Trustees. Training was undertaken with all Trustees to support their understanding of the exclusions process. Additionally, Governors have utilised training opportunities provided by The Diocese of Oxford, Buckinghamshire Council, National Governors Association and Bucks Education Partnership.

Data has been presented to the board in relation to finance, attendance, the progress of groups of students, exclusions and stakeholder surveys. The Governing Body are satisfied that the data presented has been carefully compiled and shared in a format accessible to all members of the Governing Body.

The Governing Body contributed with the senior leadership team to a review session on 9 July 2020. This

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

helped to formulate aspects of the future Academy Development Plan. The Chair and Vice Chair also held individual review meetings with Trustees during July and August 2020 to review the operation of the Governing Body. The next self-evaluation is on 17 July 2021.

The Finance Committee and Audit Committee is a committee of the main Governing Body. Its purpose is to monitor the work of the Academy in terms of its financial control and future financial planning.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Adams	0	3
N Brown	3	3
G Ellerton (Chair)	3	3
G Hull	3	3
K Patrick (Principal and Accounting Officer)	3	3
M Paxton	2	3
P Stansbury	1	2

Review of value for money

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

The accounting officer considers how the 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 trust has delivered improved value for money during the year by:

- The provision of breakfast clubs, after school, weekend and holiday revision sessions has resulted in improved educational outcomes. The improving GCSE results can be attributed to this targeted intervention.
- Additional staffing to support underperforming students.
- The Enrichment Programme for Years 7 and 12, providing a range of interesting extra-curricular activities at no additional cost to the Academy was maintained up until the school lockdown.
- An additional hour of study for all Y11 is programmed each Tuesday afternoon to help support the year group with their revision activities.
- Income generated from hiring out the sports hall and other facilities was on target up to March to surpass the target. The website promoting the facilities available has been updated to include the AGP. A dedicated member of staff responding to enquiries and the efficient management of the lettings schedule continue to ensure potential income is maximised.
- The Academy benchmarks financial performance against other Academy Trusts to compare spending patterns and ensure the Trust provides good value for money.
- The outsourcing of the catering provision has increased financial efficiency.
- Governors have worked to align the KPIs with the Risk Register. The outcome is a more targeted approach to the review of these aspects.

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Chiltern Hills Academy for the year ended 31 August 2020 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 trust 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 trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governing Body has appointed Landau Baker Ltd to carry out checks for the purpose of internal scrutiny review. The internal scrutiny role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

On a termly basis, the Responsible Officer reports to the Governing Body on the operation of the systems of control and the discharge of the Governing Body's financial responsibilities. Due to the pandemic only 1 internal scrutiny review took place during the 2019-2020 financial period.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of income
- testing of control account/ bank reconciliations

On a termly basis, Landau Baker, as the reviewer, reports to the Board of Trustees, through the Finance and Audit committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The Board can confirm that the reviewer has delivered their schedule of work as planned and provided details of

THE CHILTERN HILLS ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

any material control issues arising as a result of the their work. During the current and previous periods, there were no material control issues noted and thus no remedial action was required to be taken.

Review of effectiveness

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

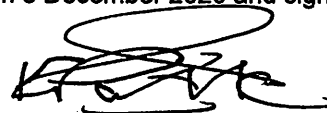
- the work of the responsible officer;
- the work of the external auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and audit 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 8 December 2020 and signed on their behalf by:



Mr Graham Hull
Vice Chair of Trustees



Mr Kevin Patrick
Accounting Officer

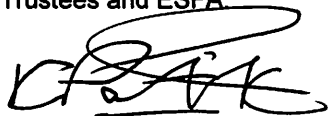
THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Chiltern Hills Academy I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, 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 2019.

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 2019.

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



Mr Kevin Patrick
Accounting Officer
Date: 8 December 2020

THE CHILTERN HILLS ACADEMY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who 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 Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

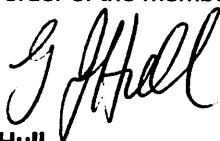
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 8 December 2020 and signed on its behalf by:



Mr Graham Hull
Vice Chair of Trustees

THE CHILTERN HILLS ACADEMY
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CHILTERN HILLS ACADEMY**

Opinion

We have audited the financial statements of The Chiltern Hills Academy (the 'academy') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

THE CHILTERN HILLS ACADEMY
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CHILTERN HILLS ACADEMY (CONTINUED)**

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 Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

THE CHILTERN HILLS ACADEMY
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CHILTERN HILLS ACADEMY (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

 for Landau Baker Limited

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

8 December 2020

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
CHILTERN HILLS ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 2 May 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Chiltern Hills Academy during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Chiltern Hills Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Chiltern Hills Academy and 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 The Chiltern Hills Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Chiltern Hills Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Chiltern Hills Academy's funding agreement with the Secretary of State for Education dated 8 August 2011 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 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 2019 to 2020 issued by 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 CHILTERN HILLS ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
CHILTERN HILLS ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 8 December 2020

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and capital grants	29,230	-	691,835	721,065	83,764
Charitable activities	-	5,609,042	-	5,609,042	4,991,284
Other trading activities	233,823	80,097	-	313,920	374,210
Investments	6,797	-	-	6,797	7,864
Total income	269,850	5,689,139	691,835	6,650,824	5,457,122
Expenditure on:					
Charitable activities	-	5,893,912	444,638	6,338,550	5,823,491
Total expenditure	-	5,893,912	444,638	6,338,550	5,823,491
Net income/(expenditure)	269,850	(204,773)	247,197	312,274	(366,369)
Transfers between funds	(189,059)	-	189,059	-	-
Net movement in funds before other recognised gains/(losses)	80,791	(204,773)	436,256	312,274	(366,369)
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	-	(178,000)	-	(178,000)	(299,000)
Net movement in funds	80,791	(382,773)	436,256	134,274	(665,369)
Reconciliation of funds:					
Total funds brought forward	1,141,311	(2,015,219)	18,081,666	17,207,758	17,873,127
Net movement in funds	80,791	(382,773)	436,256	134,274	(665,369)
Total funds carried forward	1,222,102	(2,397,992)	18,517,922	17,342,032	17,207,758

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 27 to 47 form part of these financial statements.

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07718351

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	18,512,922	18,032,010
		<u>18,512,922</u>	<u>18,032,010</u>
Current assets			
Debtors	15	139,117	157,549
Cash at bank and in hand		1,392,444	1,290,277
		<u>1,531,561</u>	<u>1,447,826</u>
Creditors: amounts falling due within one year	16	(246,451)	(245,078)
Net current assets		<u>1,285,110</u>	<u>1,202,748</u>
Total assets less current liabilities		<u>19,798,032</u>	<u>19,234,758</u>
Net assets excluding pension liability		<u>19,798,032</u>	<u>19,234,758</u>
Defined benefit pension scheme liability	24	(2,456,000)	(2,027,000)
Total net assets		<u>17,342,032</u>	<u>17,207,758</u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	18	18,517,922	18,081,666
Restricted income funds	18	58,008	11,781
Restricted funds excluding pension asset	18	<u>18,575,930</u>	<u>18,093,447</u>
Pension reserve	18	(2,456,000)	(2,027,000)
Total restricted funds	18	<u>16,119,930</u>	<u>16,066,447</u>
Unrestricted income funds	18	<u>1,222,102</u>	<u>1,141,311</u>
Total funds		<u>17,342,032</u>	<u>17,207,758</u>

The financial statements on pages 24 to 47 were approved by the Trustees, and authorised for issue on 08 December 2020 and are signed on their behalf, by:


Mr Graham Hull
Vice Chair of Trustees

The notes on pages 27 to 47 form part of these financial statements.

THE CHILTERN HILLS ACADEMY
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	298,557	162,158
Cash flows from investing activities	21	(196,390)	42,729
Change in cash and cash equivalents in the year		102,167	204,887
Cash and cash equivalents at the beginning of the year		1,290,277	1,085,390
Cash and cash equivalents at the end of the year	22, 23	1,392,444	1,290,277

The notes on pages 27 to 47 form part of these financial statements

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

1.4 Expenditure

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

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years
Furniture and equipment	- 4 years
Computer equipment	- 3 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities

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

THE CHILTERN HILLS ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.9 Financial instruments

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

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

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

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

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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.

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FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.11 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	29,230	57,811	87,041	21,899
Capital grants	-	634,024	634,024	61,865
	<u>29,230</u>	<u>691,835</u>	<u>721,065</u>	<u>83,764</u>
<i>Total 2019</i>	<u>21,899</u>	<u>61,865</u>	<u>83,764</u>	

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4. Funding for the academy's educational activities

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	4,739,071	4,739,071	4,347,877
Other DfE/ESFA grants	451,912	451,912	239,905
	<u>5,190,983</u>	<u>5,190,983</u>	<u>4,587,782</u>
Other government grants			
Other government grants	252,214	252,214	232,110
Local authority grants	165,845	165,845	171,392
	<u>5,609,042</u>	<u>5,609,042</u>	<u>4,991,284</u>
<i>Total 2019</i>	<u>4,991,284</u>	<u>4,991,284</u>	

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings Income	64,190	-	64,190	103,542
Catering Income	104,166	-	104,166	163,829
Other Income	65,467	2,290	67,757	42,436
Trip Income	-	77,807	77,807	64,403
	<u>233,823</u>	<u>80,097</u>	<u>313,920</u>	<u>374,210</u>
<i>Total 2019</i>	<u>309,807</u>	<u>64,403</u>	<u>374,210</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Bank Interest	6,797	6,797	7,864
<i>Total 2019</i>	<u>7,864</u>	<u>7,864</u>	

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	<i>Total 2019 £</i>
Educational Activities:					
Direct costs	3,915,769	-	1,000,641	4,916,410	4,368,413
Allocated support costs	1,007,853	265,705	148,582	1,422,140	1,455,078
	<u>4,923,622</u>	<u>265,705</u>	<u>1,149,223</u>	<u>6,338,550</u>	<u>5,823,491</u>
<i>Total 2019</i>	<u>4,344,044</u>	<u>314,410</u>	<u>1,165,037</u>	<u>5,823,491</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Educational Activities	6,338,550	6,338,550	5,823,491
<i>Total 2019</i>	<u>5,823,491</u>	<u>5,823,491</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational Activities	4,916,410	1,422,140	6,338,550	5,823,491
<i>Total 2019</i>	<u>4,368,413</u>	<u>1,455,078</u>	<u>5,823,491</u>	

Analysis of direct costs

	Educational Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	3,915,769	3,915,769	3,411,091
Depreciation	414,110	414,110	392,758
Educational supplies	91,794	91,794	78,561
Examination fees	82,649	82,649	85,463
Staff development	10,736	10,736	18,216
Educational consultancy	45,509	45,509	36,194
Other direct costs	120,617	120,617	149,650
Teaching supply costs	202,780	202,780	189,443
Technology costs	32,446	32,446	7,037
	<u>4,916,410</u>	<u>4,916,410</u>	<u>4,368,413</u>
<i>Total 2019</i>	<u>4,368,413</u>	<u>4,368,413</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Pension finance cost	35,000	35,000	37,000
Staff costs	805,073	805,073	743,510
Recruitment and support	14,527	14,527	8,452
Maintenance of premises and equipment	130,960	130,960	187,770
Cleaning	6,547	6,547	7,741
Rent and rates	27,708	27,708	38,711
Energy costs	82,952	82,952	56,767
Insurance	17,538	17,538	23,421
Security and transport	7,197	7,197	9,097
Catering	145,991	145,991	195,976
Governance costs	22,550	22,550	19,555
Other support costs	76,861	76,861	79,274
Technology costs	49,236	49,236	47,804
	<u>1,422,140</u>	<u>1,422,140</u>	<u>1,455,078</u>
<i>Total 2019</i>	<u>1,455,078</u>	<u>1,455,078</u>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	<i>2019 £</i>
Depreciation of tangible fixed assets	414,110	392,758
Fees paid to auditors for:		
- audit	5,100	5,100
- other services	2,490	4,225
	<u>5,590</u>	<u>9,325</u>

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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	3,431,186	3,146,528
Social security costs	316,556	280,873
Pension costs	973,100	727,200
	<u>4,720,842</u>	<u>4,154,601</u>
Teaching supply costs	202,780	189,443
	<u><u>4,923,622</u></u>	<u><u>4,344,044</u></u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	60	58
Administration and support	89	109
Management	4	4
	<u>153</u>	<u>171</u>

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	3	2
In the band £90,001 - £100,000	1	1
	<u><u>4</u></u>	<u><u>3</u></u>

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £450,195 (2019 £365,685).

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Related Party Transactions- Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£	£
K Patrick, Principal and Accounting Officer	Remuneration	95,000 -	95,000 -
		100,000	100,000
	Pension contributions paid	20,000 -	15,000 -
		25,000	20,000
M Hasnain, Staff Governor	Remuneration	NIL	15,000 -
			20,000
	Pension contributions paid	NIL	0 - 5,000
G Chahal, Staff Governor	Remuneration	35,000 -	15,000 -
		40,000	20,000
	Pension contributions paid	5,000 -	0 - 5,000
		10,000	

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the total insurance cost for the year ended 31 August 2020 was £17,538 which includes an element of cost relating to Trustees and officers. In the prior year, the academy had opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £5,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	20,592,662	20,178	870,175	21,483,015
Additions	848,588	-	46,434	895,022
At 31 August 2020	<u>21,441,250</u>	<u>20,178</u>	<u>916,609</u>	<u>22,378,037</u>
Depreciation				
At 1 September 2019	2,584,731	20,178	846,096	3,451,005
Charge for the year	398,247	-	15,863	414,110
At 31 August 2020	<u>2,982,978</u>	<u>20,178</u>	<u>861,959</u>	<u>3,865,115</u>
Net book value				
At 31 August 2020	<u>18,458,272</u>	<u>-</u>	<u>54,650</u>	<u>18,512,922</u>
At 31 August 2019	<u>18,007,931</u>	<u>-</u>	<u>24,079</u>	<u>18,032,010</u>

15. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	3,170	16,073
Other debtors	42,945	38,699
Prepayments and accrued income	93,002	102,777
	<u>139,117</u>	<u>157,549</u>

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16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	456	4,584
Other taxation and social security	166,457	137,097
Other creditors	11,708	7,224
Accruals and deferred income	67,830	96,173
	246,451	245,078
	246,451	245,078
	2020 £	2019 £
Deferred income at 1 September 2019	86,418	43,196
Resources deferred during the year	54,154	86,418
Amounts released from previous periods	(86,418)	(43,196)
	54,154	86,418
	54,154	86,418

At the balance sheet date, the academy trust was holding funds received in advance for trips and lettings for 2020/21.

17. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	1,392,444	1,290,277
	1,392,444	1,290,277
	1,392,444	1,290,277

Financial assets measured at fair value through income and expenditure comprise bank and cash balances.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	1,141,311	269,850	-	(189,059)	-	1,222,102
Restricted general funds						
GAG	11,781	4,728,871	(4,682,644)	-	-	58,008
Pupil premium	-	172,523	(172,523)	-	-	-
Other ESFA funding	-	289,589	(289,589)	-	-	-
Local authority funding	-	165,845	(165,845)	-	-	-
Other government funding	-	252,214	(252,214)	-	-	-
General funds	-	80,097	(80,097)	-	-	-
Pension reserve	(2,027,000)	-	(251,000)	-	(178,000)	(2,456,000)
	<u>(2,015,219)</u>	<u>5,689,139</u>	<u>(5,893,912)</u>	<u>-</u>	<u>(178,000)</u>	<u>(2,397,992)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	18,081,666	-	(444,638)	189,059	-	17,826,087
Devolved Formula Capital	-	19,975	-	-	-	19,975
Other Capital Income	-	671,860	-	-	-	671,860
	<u>18,081,666</u>	<u>691,835</u>	<u>(444,638)</u>	<u>189,059</u>	<u>-</u>	<u>18,517,922</u>
Total Restricted funds	<u>16,066,447</u>	<u>6,380,974</u>	<u>(6,338,550)</u>	<u>189,059</u>	<u>(178,000)</u>	<u>16,119,930</u>
Total funds	<u><u>17,207,758</u></u>	<u><u>6,650,824</u></u>	<u><u>(6,338,550)</u></u>	<u><u>-</u></u>	<u><u>(178,000)</u></u>	<u><u>17,342,032</u></u>

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

Restricted fixed asset funds are resources which are to be applied to specific capital purposes.

Restricted general funds are resources for educational purposes.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Comparative information in respect of the preceding year is as follows:

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds					
General Funds - all funds	820,827	339,570	(19,086)	-	1,141,311
Restricted general funds					
GAG	114,884	4,347,887	(4,450,990)	-	11,781
Pupil premium	-	175,689	(175,689)	-	-
Other ESFA funding	-	64,206	(64,206)	-	-
Local authority funding	-	171,392	(171,392)	-	-
Other government funding	-	232,110	(232,110)	-	-
General funds	-	64,403	(64,403)	-	-
Pension reserve	(1,504,000)	-	(224,000)	(299,000)	(2,027,000)
	<u>(1,389,116)</u>	<u>5,055,687</u>	<u>(5,382,790)</u>	<u>(299,000)</u>	<u>(2,015,219)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	18,441,416	-	(421,615)	-	18,019,801
Devolved Formula Capital	-	61,865	-	-	61,865
	<u>18,441,416</u>	<u>61,865</u>	<u>(421,615)</u>	<u>-</u>	<u>18,081,666</u>
Total Restricted funds	<u>17,052,300</u>	<u>5,117,552</u>	<u>(5,804,405)</u>	<u>(299,000)</u>	<u>16,066,447</u>
Total funds	<u>17,873,127</u>	<u>5,457,122</u>	<u>(5,823,491)</u>	<u>(299,000)</u>	<u>17,207,758</u>

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19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	18,512,922	18,512,922
Current assets	1,222,102	304,459	5,000	1,531,561
Creditors due within one year	-	(246,451)	-	(246,451)
Provisions for liabilities and charges	-	(2,456,000)	-	(2,456,000)
Total	1,222,102	(2,397,992)	18,517,922	17,342,032

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	-	18,032,010	18,032,010
Current assets	1,141,311	256,859	49,656	1,447,826
Creditors due within one year	-	(245,078)	-	(245,078)
Provisions for liabilities and charges	-	(2,027,000)	-	(2,027,000)
Total	1,141,311	(2,015,219)	18,081,666	17,207,758

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20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020	2019
	£	£
Net income/(expenditure) for the period (as per Statement of financial activities)	312,274	(366,369)
Adjustments for:		
Depreciation	414,110	392,758
Capital grants from DfE and other capital income	(691,835)	(61,865)
Interest receivable	(6,797)	(7,864)
Defined benefit pension scheme cost less contributions payable	216,000	187,000
Defined benefit pension scheme finance cost	35,000	37,000
Decrease/(increase) in debtors	18,432	(18,646)
Increase in creditors	1,373	144
Net cash provided by operating activities	298,557	162,158

21. Cash flows from investing activities

	2020	2019
	£	£
Dividends, interest and rents from investments	6,797	7,864
Purchase of tangible fixed assets	(895,022)	(27,000)
Capital grants from DfE Group	691,835	61,865
Net cash (used in)/provided by investing activities	(196,390)	42,729

22. Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	1,392,444	1,290,277
Total cash and cash equivalents	1,392,444	1,290,277

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,290,277	102,167	1,392,444
	1,290,277	102,167	1,392,444

24. Pension commitments

The academy'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 Council . Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2020.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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24. Pension commitments (continued)

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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £529,711 (2019 - £338,204).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 2020 was £292,000 (2019 - £258,000), of which employer's contributions totalled £226,000 (2019 - £199,000) and employees' contributions totalled £ 66,000 (2019 - £59,000). The agreed contribution rates for future years are 22.8 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 1.10 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. Pension commitments (continued)

Principal actuarial assumptions

Buckinghamshire Council Pension Fund

	2020	2019
	%	%
Rate of increase in salaries	3.30	3.70
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	1.60	1.85

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.8	22.9
Females	25.1	24.8
<i>Retiring in 20 years</i>		
Males	23.2	24.6
Females	26.6	26.7

Share of scheme assets

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

	2020	2019
	£	£
Equities	1,258,000	1,275,000
Corporate bonds	601,000	616,000
Property	144,000	162,000
Cash	60,000	76,000
Alternative assets	232,000	245,000
Total market value of assets	2,295,000	2,374,000

The actual return on scheme assets was £182,000 (2019 - £15,000).

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24. Pension commitments (continued)

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

	2020 £	2019 £
Current service cost	(440,000)	(338,000)
Past service cost	-	(46,000)
Interest income	46,000	56,000
Interest cost	(81,000)	(93,000)
Administrative expenses	(2,000)	(2,000)
Total amount recognised in the Statement of financial activities	(477,000)	(423,000)

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

	2020 £	2019 £
At 1 September	4,401,000	3,502,000
Current service cost	440,000	338,000
Interest cost	81,000	93,000
Employee contributions	66,000	59,000
Actuarial (gains)/losses	(119,000)	425,000
Benefits paid	(118,000)	(62,000)
Past service costs	-	46,000
At 31 August	4,751,000	4,401,000

Changes in the fair value of the academy's share of scheme assets were as follows:

	2020 £	2019 £
At 1 September	2,374,000	1,998,000
Interest income	46,000	56,000
Actuarial (losses)/gains	(297,000)	126,000
Employer contributions	226,000	199,000
Employee contributions	66,000	59,000
Benefits paid	(118,000)	(62,000)
Administration expenses	(2,000)	(2,000)
At 31 August	2,295,000	2,374,000

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NOTES TO THE FINANCIAL STATEMENTS
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25. Operating lease commitments

At 31 August 2020 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	12,108	12,108
Later than 1 year and not later than 5 years	32,600	38,793
	44,708	50,901

26. 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.

27. Related party transactions

Owing to the nature of the academy and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

Nicholas Brown, who acted as a trustee during the year ended 31 August 2020, is also Treasurer of Chesham Rugby Union Football Club, which is based at the Academy and includes both rugby and netball. We received income of £7,141 (including a reimbursement of £288 for additional grounds maintenance) in respect of Chesham Rugby Club during the financial period ending 31 August 2020 (2019: £12,309 - reimbursement £4,664). Income from Chesham Stags Netball Club amounted to £3,970 during the financial period ending 31 August 2020 (2019: £6,261).

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

28. Agency arrangements

The academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the academy received £15,457 (2019 - £14,343) and disbursed £10,200 (2019 - £15,837) from the fund. An amount of £11,708 (2019 - £7,224) is included in other creditors relating to undistributed funds that is repayable to ESFA.