

Company Registration Number: 07634426

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2017**

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

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**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

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

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<b>Trustees</b>	Mr I Butler (resigned 1 March 2017) <sup>1</sup> Mr G P Evans, Chair <sup>1,2</sup> Mrs S Fairman, Vice Chair <sup>2,3</sup> Mr R Webb, Vice Chair <sup>1,2</sup> Ms G Fazey-Koven <sup>2,3</sup> Mr C Flint <sup>1</sup> Ms S Macdonald <sup>2</sup> Dr S Minchin <sup>2,3</sup> Mrs F Moore <sup>2,3</sup> Mr N Morris, Headteacher <sup>1</sup> Dr M Parkin <sup>2</sup> Mr M Sheath <sup>3</sup> Mr P Thorogood <sup>1</sup> Mr M Vine <sup>1</sup> Mrs P Watmore Mrs T Yamold <sup>3</sup>
	<sup>1</sup> Operations Committee (Including Finance, Premises, Health & Safety and Personnel) <sup>2</sup> Curriculum, Teaching and Learning Committee <sup>3</sup> Students and Community Committee
<b>Company registered number</b>	07634426
<b>Company name</b>	Christopher Whitehead Language College
<b>Principal and registered office</b>	Bromwich Road Worcester Worcestershire WR2 4AF
<b>Accounting Officer</b>	Mr N Morris
<b>Senior management team</b>	Neil Morris, Headteacher David Farmer, Assistant Headteacher Kate Hayes, Assistant Headteacher (resigned 31 August 2017) Catherine Clark, Deputy Headteacher Deborah Evans, Assistant Headteacher David Maxwell, School Business Manager
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
<b>Bankers</b>	Lloyds Bank Plc 4 The Cross Worcester WR1 3PY

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 18 in Worcester. It has a pupil capacity of 1,525 and had a roll of 1,262 in the school census on 31 August 2017.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Trustees of Christopher Whitehead Language College are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, 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 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 they ceased to be a member.

**Trustees' Indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim.

**TRUSTEES**

**Method of Recruitment and Appointment or Election of Trustees**

The Academy's Governing Body comprises the Headteacher, a minimum of 7 Parent Governors (elected by parents), up to 3 Staff Governors (elected by staff) (providing that the total number of Governors, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Governors) and up to 5 other Governors (appointed by the governors).

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

When appointing new Governors, the Board will give consideration to the skills and experience mix of existing Governors in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Organisational Structure**

The Board of Governors normally meets twice in the first term of the academic year and once in each other term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale. There are committees as follows;

- **Operations Committee:** this meets termly and is responsible for monitoring, evaluating and reviewing policy and performance in relation to Finance, Premises and Personnel. Financial management aspects include compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget. It also incorporates the role of an audit committee.
- **Curriculum, Teaching and Learning Committee:** this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations, student progress, careers guidance and relevant aspects of Pupil Premium.
- **Admissions Committee:** this meets as required to deal with matters relating to admissions not able to be dealt with by the Students and Community Committee.
- **Student & Community Committee:** this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to attendance, exclusions, admissions policy, all pastoral matters and community matters.

The following decisions are reserved to the Board of Governors:

- to consider any proposals for changes to the status or constitution of the Academy and its committee structure
- to appoint or remove the Chair and/or Vice Chair
- to appoint the Headteacher and Clerk to the Governors
- to approve the Annual Development Plan and budget.

Governors are responsible for:

- setting general policy
- adopting an annual plan and budget
- approving the statutory accounts
- monitoring the Academy using budgets and other data
- making major decisions about the direction of the Academy
- making major decisions about capital expenditure
- making senior staff appointments

The Headteacher is responsible for the appointment of staff, though appointment panels for senior posts always include a Governor where possible.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher.

The academy sets its pay policy using School Teachers Pay and Conditions Document (STPCD) guidelines. The pay policy incorporates the school's appraisal process to determine pay scales and progression.

The Headteacher is the Accounting Officer.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The policy of the Academy is to follow standard DfE and Local Authority policies and procedures for pay and performance matters as for maintained schools (e.g. School Teachers' Pay and Conditions Document, STPCD), only utilising its freedom as an Academy to deviate from these by a specific decision of the Governing Body or a delegated committee. In particular, the Academy follows the STPCD for the calculation of the Leadership Pay Group and Leadership Pay Ranges. Changes to Leadership Pay Ranges are approved by the Governing Body. Proposals for pay progression of key management personnel are discussed between the Head Teacher and the Chair of Governors. A Pay Panel, delegated by the Governing Body, reviews and approves movements within the Leadership Pay Ranges.

**Connected Organisations, including Related Party Relationships**

The Academy has use of St John's Leisure Centre facilities and there is a shared use agreement between the City Council and the Academy.

Aspens Catering Ltd provides catering facilities to the Academy. They have exclusive use of the Academy kitchens under a contract agreement.

The Academy has strong collaborative links with four feeder primary schools which form part of the Worcestershire Learning Community.

There are no related parties which either control or significantly influence the decisions and operations of Christopher Whitehead Language College. There is a supportive Friends group, but there are no sponsors or formal Parent Teacher Associations associated with the Academy.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Academy is to advance education for the public benefit, in particular by establishing, maintaining, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on languages.

The principal object and activity of the Charitable Company is the operation of Christopher Whitehead Language College to provide free education and care for pupils of different abilities. The Academy's specialism is Languages.

The aims of the Academy during the year ended 31 August 2017 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils.
- To provide a broad and balanced curriculum, including extracurricular activities.
- To develop students as more effective learners.
- To develop the Academy site so that it enables students to achieve their full potential.
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To maximise the number of students who achieve 5 A\* - C GCSE grades including English and Maths.
- To provide value for money for the funds expended.
- To comply with all appropriate statutory and curriculum requirements.
- To maintain close links with local FE providers, industries, community groups and commerce.
- To develop the Academy's capacity to manage change.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Christopher Whitehead Language College we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Objectives, Strategies and Activities**

Key priorities, activities and targets are identified in the Academy Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding.

Key priorities for the year contained in our School Development Plan for year 2016/17 were:

- Preparation of new GCSE/A-level specifications and prepare students for a life without coursework.
- Greater challenge raising aspirations particularly HLP students.
- Increase the impact of student voice.
- Increase Sixth Form numbers.
- The effective embedding of the school safeguarding policy.
- Continue to embed the Sixth Form.

The activities included the following:

- All departments will be observed in the Blink Reviews during 2017/18.
- Moderation of assessment and a work towards life without levels
- Upgrade/review our Appraisal process to look at teacher performance with regards professional standards.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

**STRATEGIC REPORT**

**Achievements and Performance**

The school continues to make impressive progress with the following judgements/awards:

Ofsted 2013 – outstanding behaviour and safeguarding and impressive comments with regards to teaching, leadership and student options. Good overall.

The reaccreditation (August 2016) of the prestigious International School Award which highlighted the range of activities covering key international themes and the positive impact this work has on our student body.

The re-award of the Inclusion Quality Mark in 2017 noted the school strapline, "We are an inclusive school that gives equal voice to all, in a context of tolerance, consideration and cooperation". The assessor noted, "These are the living embodiment of life at Christopher Whitehead College".

**2017 G.C.S.E. results**

- 71% passed English and maths at Level 4+ (County figure 66%).
- The Average Points Score over eight subjects was 48.2 (County 47.7).
- EBacc 42% at Level 4+.
- These results are underpinned by a rigorous published self-review programme of lesson observation analysis and interviews led by the Headteacher and qualified Ofsted inspectors.
- The NEET figures for the school remain at 0%. This school has reported the same percentage for the last three years with the National Average being 9%. This means that there are no students who have failed so far, to find education, employment or a training programme.
- The Academy is in the 7th year of operation and in 2017, at the request of the Local Authority increased its PAN from 224 to 254 to cater for demographic growth and a continual oversubscription to this school. The year 7 intake this year was 245, 7 above last year's figure of 238.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Key Performance Indicators**

One significant financial performance indicator is the level of free reserves held at the Balance Sheet date. In the period under review, £96,507 was carried forward representing 1.6% of GAG.

The level of funds held in reserves has continued to decrease and this is the third year when the reserve has been used to cover an agreed shortfall between in year income and expenditure. During this reporting period the academy committed reserves to:

- Meet mandatory increases to employer NI and pension contributions which have not been matched by increased Government funding. This is the third year that the Academy has been forced to commit reserves to cover this shortfall in income.
- Replace income previously provided by the Education Support Grant that was removed before the planned introduction of the National Funding Formula (NFF). This is second year that the Academy has been forced to commit reserves to cover this shortfall brought about by the delay in the introduction of the NFF.
- Replace income lost due to the rebanding of deprivation criteria without a phased reduction over a given period. This is the first year the Academy has been required to commit reserves for this purpose.
- Support the cost of high need students who continue to receive inadequate funding.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers on roll at the autumn 2016 census were 1,262 compared with 1,178 in 2015. This included 133 students enrolled into the Sixth Form. The current official pupil admission number is 1,245. The projected pupil numbers for 2017 are 1,348, including 193 students in the Sixth Form.

From September 2017 the school increased its Pupil Admission Number (PAN) to 254 per year group for ages 11-16, 1,270 in total. The revised total school capacity from 1 September 2017 is 1,525. This includes a total capacity of 220 in the Sixth Form.

Another key financial performance indicator is staffing costs as a percentage of total funds. For 2016/17 this was 85 % (excluding the recovery of historic pension deficit and in year staff restructuring costs), compared with 87% in 2015/16. This figure is expected to decrease in the next 4-5 years with the introduction of "Fairer Funding" and the continuing increase of student numbers both in the lower school and in the sixth form.

**Going Concern**

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

**FINANCIAL REVIEW**

**Financial Review**

The majority of the Academy's income is obtained from the DFE via the Education Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DFE and ESFA during the year ending 31 August 2017 and associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the year ending 31 August 2017, total expenditure of £7,180,586 was covered by recurrent grant funding from the DFE, together with other incoming resources. The net deficit of expenditure for the year (excluding restricted fixed asset funds and LGPS pension adjustments) was £130,740. The deficit was covered by funds held in Academy's reserves.

The Academy has purchased £2,965,467 of fixed assets, £111,604 from income received in 2016/17 and the remaining amount from monies received in 2015/16. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.



**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The new Classroom block and expansion project, which was funded by joint Government and Local Authority Capital Grants, was completed in May 2017 and fully occupied in September 2017. During the year the academy also received from Worcestershire County Council £112K Disability Access Funding in response to a requirement to make improvements to the site for disabled students.

At 31 August 2017 the net book value of fixed assets was £9,582,221 and movements in tangible fixed assets are shown in Note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. This was reviewed as at 31 August 2017. The deficit is incorporated within the Statement of Financial Activity with details in Note 22 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the 16-19 Student Bursary Policy.

Governors have continued to adopt a Responsible Officer Policy and have reappointed Chris Marsh, of Marsh Business Services, to undertake a programme of internal checks on financial controls. During the year, Governors received the 3 reports from the Responsible Officer which reported no matters of significance.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**Reserves Policy**

Governors have tasked the Accounting Officer with reaching and maintaining an appropriate level of reserves that should, ideally, equate to one month's GAG funding of £507K. This level of reserve is seen as necessary to cover delays between spending and receipt of grants and to deal with unexpected emergencies. The build-up of this reserve is only possible over a period of time. Over the last three years, the ability of the school to increase and maintain its reserves has been heavily affected by:

- The DofE agreed decision to commit reserves to meet the build costs for our newly created sixth form. This expenditure, as set out in our business plan, was used to cover the initial two year start-up period (Sep 15 to Sep 17) and resulted in a capital build project costing £237K that has been capitalised as an asset, with no additional funding from the DofE.
- Filling the financial gap caused by the phased withdrawal, notified in 2016, of the Education Support Grant that has resulted in a reduction of £60K this year with a further £38K planned next year. Initially it was proposed that this reduction would be offset by the financial gain expected by the implementation of a National Funding Formula in 2016 but, as this has now been delayed until 2018, we have borne an additional £98K reduction to our reserves with no commensurate GAG increase.
- Making £100K of redundancy payments in FY 2016-17 after a restructuring exercise. These payments have realised a salary saving of £124K and were necessary to produce a balanced budget in FY 2017-18.
- The introduction and payment of the Apprenticeship Levy with no additional funding to offset this cost.
- The continual need to commit reserves to meet increased NI and pension contributions with no additional funding to offset this cost.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) therefore stands at £96,507.

To meet the level set by the governors, the Accounting Officer has instigated a series of programmes to:

- Enhance income through an annual increase to main school and sixth form student numbers.
- Implement stringent manning controls to ensure additional staff are only employed if a compensating reduction or additional funding is identified.
- Oversee a complete overhaul of existing and proposed contracts with SLA providers to ensure Value for Money and achieve savings where possible.
- Initiate new partnerships with third parties to increase income potential.
- Actively seek new funding opportunities through the provision of Chinese language training and Hair and Beauty courses.

The Accounting Officer intends to continue to reduce expenditure, wherever possible, while maximising income potential. The delayed but now agreed implementation of National Fairer Funding in 2018 is also expected to enhance income so that an annual surplus is created. This surplus will always be used to meet further educational needs but will also rebuild the reserve to the required level as set out by governors.

**Investment Policy**

Governors are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit with the Academy's bankers. Day to day management of the surplus funds is delegated to the Headteacher and Business Manager within strict guidelines approved by the Governing Body.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**Principal Risks And Uncertainties**

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

- Finance - the Academy has considerable reliance on continued Government funding through the Education and Skills Funding Agency. In the last year 97% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- A risk to revenue funding received from the DFE would be a significant drop in pupil numbers. The Academy is currently expanding in response to an expected 5 year demographic increase identified by Worcestershire County Council (WCC). From September 2017, as requested of WCC, the Academy has increased its Student Admission Number for year 7 by an additional 30. This will increase capacity from 224 to 254 students per year group. The October 2017 census recorded 245 students in year 7 and it is expected that this will increase to 254 students in year 7 each year from September 2018.
- The Academy opened a new Sixth Form in 2015/16 with a planned final capacity of 220. The October 2017 census recorded 75 students in year 13 with an additional 118 enrolled in year 12.
- A risk to funding continues to be the freeze in the Government's overall education budget and changes to the local funding formula and funding arrangements for special educational needs. Increasing employment and premises costs will mean that budgets will continue to be extremely tight over the next three years.
- The delayed Introduction of the National Fair Funding Formula until 2018 has increased the significant financial strain already felt by the lowest funded authorities of which Worcestershire is one. Governors remain vigilant to the adverse effect this delay has had on the financial health of the school and, in collaboration with the Headteacher, undertook and agreed a programme of staffing reviews and restructuring that will produce savings of £124,074 for 2017/18 after taking into account any restructuring costs.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Governors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk remains Governors ensure adequate insurance cover is in place.

Governors examine the financial health in their termly meetings, reviewing performance against budgets and overall expenditure by means of regular update reports at the Operations Committee meetings. The Governors also regularly review cash flow forecasts to ensure sufficient funds are held to cover all known and anticipated commitments.

At year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability however Governors consider the Academy able to meet its known annual contribution commitments for the foreseeable future and consider that any risk from this liability is minimised.

**PLANS FOR FUTURE PERIODS**

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy is currently working:

To absorb the extensive changes to the external examination system and ensure that we continue to offer the best possible pathways and achieve the best possible outcomes for our students.

To successfully build up the Sixth Form:

- 2017/18: Year 12 at planned size full size; Year 13 at about three-quarters of full size.
- 2018/19: Year 12 and 13 both at planned size (Sixth Form 100% of final size).

To implement the agreement to increase our Planned Admission Number (PAN) from 224 to 254, which began with Year 7 in 2017/18 and is spreading up the school to reach Year 11 by 2021/22.

To specify, plan, fund and implement the necessary building works to provide physical capacity and facilities for performing arts.

The Academy will continue to continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Academy is considering whether to change its corporate structure to that of a Multi-Academy Trust (with or without other school(s) initially) and to seek Sponsor Academy status.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**AUDITORS**

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 28 November 2017 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'G Evans', with a long horizontal stroke extending to the right.

**Mr G P Evans  
Chair of Trustees**

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Christopher Whitehead Language College 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 5 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
Mr I Butler	1	2
Mr G P Evans, Chair	5	5
Mrs S Fairman, Vice Chair	3	5
Mr R Webb, Vice Chair	4	5
Ms G Fazey-Koven	4	5
Mr C Flint	3	5
Ms S Macdonald	4	5
Dr S Minchin	3	5
Mrs F Moore	5	5
Mr N Morris, Headteacher	5	5
Dr M Parkin	5	5
Mr M Sheath	0	5
Mr P Thorogood	3	5
Mr M Vine	5	5
Mrs P Watmore	2	5
Mrs T Yarnold	2	5

In 2016/17, the Governing Body made progress on the areas which came out of the previous self evaluation of governance:

- Look at ways to ensure that Performance Management gets reported in sufficient detail and receives appropriate time for scrutiny.
- Make sure we demonstrate, record and communicate how we use independent sources of data and opinion (Raise online, School Improvement Partner, external reviews and accreditations).
- Make sure we demonstrate, record and communicate how the work of the Governing Body has an influence/impact.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**GOVERNANCE STATEMENT (continued)**

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In 2017/18, the Governing Body use the framework and criteria for the Governor Mark as means by which it can continue to review its effectiveness.

The Operations Committee is a subcommittee of the main Board of Trustees. Its purpose is to oversee finance (including audit), premises and personnel.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr I Butler	1	1
Mr G P Evans, Chair	2	3
Mr C Flint	1	3
Mr N Morris, Headteacher	3	3
Mr P Thorogood	1	3
Mr M Vine	3	3
Mr R Webb	3	3

**REVIEW OF VALUE FOR MONEY**

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

The Accounting Officer considers how the Academy'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 appropriate. The Accounting Officer for the Academy Academy has delivered improved value for money during the year by:

**Improving Educational Results**

The school has been an Academy since July 2011 and student numbers have continued to increase every year. The number on roll at 5 October 2015 was 1179 and at 5th October 2016 was 1262.

The academy opened a new Sixth Form in September 2015 with an initial 58 students. In 2016 there were a total of 132 Sixth Form students. It is expected that the Sixth Form will achieve a full intake of 120 Year 12 students in 2017/18.

The Academy was rated as good by Ofsted in May 2013. Attainment on entry is around the national average with the average grade a student leaves the school with being a C+. The Academy compares favourably with similar schools in England and Wales. In 2016/17 attainment and progress in both English and Mathematics was above the national average and the school again secured some of the best results possible when compared to the other 30 secondary schools in the County.

The Academy is rated as producing significantly positive results in the EBACC, with 42% of students gaining C or higher passes in 5 EBACC subjects which is significantly above the national average. There was particular strong performance in 2016 in English, Maths, Art, Global Perspectives, Dance and Chinese.

**Better Income Generation**

During this financial year the academy has continued to generate income from external revenue streams. School premises are extensively hired out to organisations during the evenings, weekends and holidays for a wide range of educational, sport and community activities. These include cooking, adult training and learning, martial arts, sports, dance and as a Language school. The income raised from these lettings is reinvested to benefit the education of the students at the school. This year's income from lettings was c£46k and is a reduction from last year. This reduction has been caused by the re-allocation of space for additional classrooms, offices or storage. The greater use of larger spaces within the school by departments to deliver education has had an impact upon their availability for hire. The school continues to raise revenue through the hire of the school minibus to community groups; the provision of reprographic services to local schools, businesses and/or charities; the provision of paid vocational Hair and Beauty training places to students from other schools and professional teacher training carried out by our Advanced Skills Teachers to schools in the Worcestershire area.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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**Efficient and Economical Use Of Premises Staff**

The continued use of the site team to carry out building works and projects has ensured that work has been completed at a cost lower than would be paid if using an external contractor. This financial year the site team has carried out the phased handover and fitting out of the new 21 classroom block. The team was also responsible for the move of the Religious Education, History and Geography departments and a number of sixth form classrooms from previous locations to this new block. These moves released teaching spaces that were then taken up by their re-assignment to the Modern Foreign Languages, English and Performing Arts departments. To facilitate these moves the site team carried out painting and building work to ensure that rooms were ready for use prior to the start of the new financial year. The site team also assisted in the enlargement of the current Hair and Beauty salon, the move of the Rapid Reader room closer to the English department, the move of the school conference room, the reallocation of a computer room to use by the Arts department and the production of a new staff room. The site team also installed and built a large external shed for use by the PE department. Whenever possible, the site team has continued to use salvaged furniture, doors, windows and blinds instead of purchasing new. This is assessed to have saved the school an estimated £10K this financial year.

**Deployment of Pupil Premium Funds**

The Academy tracks the progress of all students robustly and applies intervention strategies to ensure we minimise underperformance, particularly within the percentage of students entitled to benefit from Pupil Premium funding.

During 2016/17 Pupil Premium funding has been used to give student intervention and support by:

- One to one tuition
- Small group teaching
- Additional inclass support
- Homework clubs
- Systems for monitoring progress
- Reducing class sizes
- Teaching assistants
- Peer group/peer assistant learning
- Provision of materials/equipment
- Reading recovery and accelerated reading schemes

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage identified risk to an acceptable 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 ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Christopher Whitehead Language College for the year ended 31 August 2017 to and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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



**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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

The Board of Trustees identified a requirement for a specific internal assurance audit function and have appointed Christopher Marsh, of Marsh Business Services, who is responsible for Internal Assurance.

On a quarterly basis, the results from the Internal Assurance work is reported to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

This function has been fully delivered in line with the ESFA requirements. No material control issues arising as a result of this work have been identified.

**REVIEW OF EFFECTIVENESS**

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Operations 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 28 November 2017 and signed on their behalf, by:



**Mr G P Evans  
Chair of Trustees**



**Mr N S Morris  
Accounting Officer**

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Christopher Whitehead Language College I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



**N Morris  
Accounting Officer**

Date: 28 November 2017

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that 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 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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



**Mr G P Evans  
Chair of Trustees**

**Date: 28 November 2017**

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE**

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**OPINION**

We have audited the financial statements of Christopher Whitehead Language College for the year ended 31 August 2017 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

**BASIS OF 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 Auditor's 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 ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the 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

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE**

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 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.

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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Statement of Trustees' responsibilities, 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.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE**

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**AUDITOR'S 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 Auditor's 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](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's report.



John Talbot FCA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: 12 December 2017

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE AND THE EDUCATION AND SKILLS FUNDING  
AGENCY**

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In accordance with the terms of our engagement letter dated 19 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Christopher Whitehead Language College during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE'S  
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Christopher Whitehead Language College's funding agreement with the Secretary of State for Education dated 24 June 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO  
CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE AND THE EDUCATION AND SKILLS FUNDING  
AGENCY (continued)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



John Talbot FCA (Reporting Accountant)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

Date: 12 December 2017



**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	24,210	24,149	111,604	159,963	4,030,636
Charitable activities	3	175,631	6,406,371	-	6,582,002	6,152,297
Other trading activities	4	71,392	-	-	71,392	86,696
Investments	5	822	-	-	822	1,524
<b>TOTAL INCOME</b>		<b>272,055</b>	<b>6,430,520</b>	<b>111,604</b>	<b>6,814,179</b>	<b>10,271,153</b>
<b>EXPENDITURE ON:</b>						
Raising funds		41,184	-	-	41,184	44,753
Charitable activities		365,207	6,591,924	182,271	7,139,402	6,876,334
<b>TOTAL EXPENDITURE</b>	6	<b>406,391</b>	<b>6,591,924</b>	<b>182,271</b>	<b>7,180,586</b>	<b>6,921,087</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
Transfers between Funds	17	(134,336)	(161,404)	(70,667)	(366,407)	3,350,066
		-	(3,596)	3,596	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		(134,336)	(165,000)	(67,071)	(366,407)	3,350,066
Actuarial gains/(losses) on defined benefit pension schemes	22	-	442,000	-	442,000	(856,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>(134,336)</b>	<b>277,000</b>	<b>(67,071)</b>	<b>75,593</b>	<b>2,494,066</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		230,843	(2,335,000)	9,841,312	7,737,155	5,243,089
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>96,507</b>	<b>(2,058,000)</b>	<b>9,774,241</b>	<b>7,812,748</b>	<b>7,737,155</b>

The notes on pages 26 to 45 form part of these financial statements.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07634426**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	13		<b>9,582,221</b>		6,798,995
<b>CURRENT ASSETS</b>					
Debtors	14	<b>467,632</b>		2,955,191	
Cash at bank and in hand		<b>382,741</b>		929,134	
			<u><b>850,373</b></u>	<u>3,884,325</u>	
<b>CREDITORS: amounts falling due within one year</b>	15	<b>(561,846)</b>		(611,165)	
			<u><b>288,527</b></u>		<u>3,273,160</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>9,870,748</b>		10,072,155
Defined benefit pension scheme liability	22		<b>(2,058,000)</b>		(2,335,000)
			<u><b>7,812,748</b></u>		<u>7,737,155</u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
Restricted funds excluding pension liability		<b>9,774,241</b>		9,841,312	
Pension reserve		<b>(2,058,000)</b>		(2,335,000)	
Total restricted funds			<b>7,716,241</b>		7,506,312
Unrestricted funds	17		<b>96,507</b>		230,843
			<u><b>7,812,748</b></u>		<u>7,737,155</u>

The financial statements on pages 23 to 45 were approved by the Trustees, and authorised for issue, on 28 November 2017 and are signed on their behalf, by:



**Mr G P Evans**  
**Chair of Trustees**

The notes on pages 26 to 45 form part of these financial statements.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	19	<u>(153,141)</u>	<u>(174,658)</u>
<b>Cash flows from investing activities:</b>			
Interest received		822	1,526
Purchase of tangible fixed assets		(2,965,497)	(963,856)
Capital grants from DfE/ESFA		2,571,423	1,190,828
<b>Net cash (used in)/provided by investing activities</b>		<u>(393,252)</u>	<u>228,498</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(546,393)</b>	53,840
Cash and cash equivalents brought forward		<u>929,134</u>	<u>875,294</u>
<b>Cash and cash equivalents carried forward</b>	20	<u><u>382,741</u></u>	<u><u>929,134</u></u>

The notes on pages 26 to 45 form part of these financial statements.

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Christopher Whitehead Language College constitutes a public benefit entity as defined by FRS 102.

**1.2 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 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 and include grants from the Department for Education.

**1.3 INCOME**

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

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**1. ACCOUNTING POLICIES (continued)**

**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.

Expenditure on raising funds includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the Academy's educational operations, including support costs and those costs relating to the governance of the Academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £3,000 are capitalised 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, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

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**1. ACCOUNTING POLICIES (continued)**

Long-term leasehold property	-	2% straight line
Office equipment	-	13% straight line
Computer equipment	-	20-33% straight line

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.

**1.7 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**1.8 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.

**1.9 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.

**1.10 LIABILITIES AND PROVISIONS**

Liabilities and provisions 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.11 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 basis are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 costs as detailed in note 15. 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 instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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**1. ACCOUNTING POLICIES (continued)**

**1.12 TAXATION**

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

**1.13 PENSIONS**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.14 AGENCY ARRANGEMENTS**

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The funds received, paid and any balances held at period end are disclosed in Note 27.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.15 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains the use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset or liability to be recognised in the Balance sheet.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	24,210	-	-	24,210	24,463
Capital Grants	-	24,149	111,604	135,753	4,006,173
	<u>24,210</u>	<u>24,149</u>	<u>111,604</u>	<u>159,963</u>	<u>4,030,636</u>
<i>Total 2016</i>	<u>18,527</u>	<u>5,936</u>	<u>4,006,173</u>	<u>4,030,636</u>	



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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	6,079,142	6,079,142	5,605,155
Other DfE/ESFA grants	-	299,667	299,667	313,436
High Needs	-	6,134	6,134	2,692
	<u>-</u>	<u>6,384,943</u>	<u>6,384,943</u>	<u>5,921,283</u>
<b>Other government grants</b>				
Other government grants non capital	-	21,428	21,428	18,849
	<u>-</u>	<u>21,428</u>	<u>21,428</u>	<u>18,849</u>
<b>Other funding</b>				
Income for hosting trainee teachers	7,915	-	7,915	8,972
Other	167,716	-	167,716	203,193
	<u>175,631</u>	<u>-</u>	<u>175,631</u>	<u>212,165</u>
	<u>175,631</u>	<u>6,406,371</u>	<u>6,582,002</u>	<u>6,152,297</u>
<i>Total 2016</i>	<u>212,165</u>	<u>5,940,132</u>	<u>6,152,297</u>	

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	45,651	-	45,651	59,332
Copy Shop	3,395	-	3,395	3,458
Other	22,346	-	22,346	23,906
	<u>71,392</u>	<u>-</u>	<u>71,392</u>	<u>86,696</u>
<i>Total 2016</i>	<u>86,696</u>	<u>-</u>	<u>86,696</u>	

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**5. INVESTMENT INCOME**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	822	-	822	1,524
<i>Total 2016</i>	<u>1,524</u>	<u>-</u>	<u>1,524</u>	

**6. EXPENDITURE**

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on fundraising trading	-	-	41,184	41,184	44,753
Education:					
Direct costs	5,180,192	-	467,145	5,647,337	5,437,775
Support costs	702,845	256,358	532,862	1,492,065	1,438,559
	<u>5,883,037</u>	<u>256,358</u>	<u>1,041,191</u>	<u>7,180,586</u>	<u>6,921,087</u>
<i>Total 2016</i>	<u>5,390,889</u>	<u>288,822</u>	<u>1,241,376</u>	<u>6,921,087</u>	

**7. DIRECT COSTS**

	Total 2017 £	Total 2016 £
Pension finance costs	24,000	29,000
Educational supplies	142,588	207,017
Examination fees	85,409	85,782
Staff development	13,679	18,453
Other costs	178,432	206,709
Supply teachers	30,646	50,875
Technology costs	25,395	25,160
Wages and salaries	4,047,263	3,883,277
National insurance	393,329	322,977
Pension cost	706,596	608,525
	<u>5,647,337</u>	<u>5,437,775</u>
<i>Total 2016</i>	<u>5,437,775</u>	

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**8. SUPPORT COSTS**

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Pension finance costs	<b>25,000</b>	26,000
Other costs	<b>26,697</b>	22,698
Externally purchased services	<b>42,618</b>	56,150
Recruitment and support	<b>6,622</b>	9,220
Maintenance of premises and equipment	<b>74,080</b>	86,255
Cleaning	<b>137,850</b>	136,584
Rent and rates	<b>46,065</b>	47,268
Energy costs	<b>91,055</b>	74,402
Insurance	<b>39,206</b>	38,330
Security and transport	<b>6,332</b>	9,107
Provision of school meals	<b>35,939</b>	45,811
Technology costs	<b>35,341</b>	58,444
Office overheads	<b>26,208</b>	32,810
Hire of classroom	-	60,009
Governance	<b>13,936</b>	16,776
Wages and salaries	<b>506,445</b>	438,267
National insurance	<b>30,673</b>	21,050
Pension cost	<b>165,727</b>	65,918
Depreciation	<b>182,271</b>	193,460
	<b>1,492,065</b>	<b>1,438,559</b>
<i>Total 2016</i>	<u>1,438,559</u>	

**9. NET INCOME/(EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	<b>2017 £</b>	<b>2016 £</b>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>182,271</b>	193,461
Auditors' remuneration - audit	<b>9,480</b>	9,483
Auditors' remuneration - non-audit	<b>1,840</b>	1,840
Operating lease rentals	<b>74,352</b>	97,968

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**10. STAFF COSTS**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	4,454,228	4,321,544
Social security costs	424,002	344,027
Operating costs of defined benefit pension schemes	872,323	674,443
	<u>5,750,553</u>	<u>5,340,014</u>
Apprenticeship levy	2,358	-
Supply teacher costs	30,646	50,875
Staff restructuring costs	99,480	-
	<u>5,883,037</u>	<u>5,390,889</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £70,448 (2016: £Nil). Individually, the payments were: £5,500, £40,000, £19,000, £1,948 and £4,000.

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

	2017 No.	2016 No.
Teachers	92	89
Teaching assistants and support staff	78	81
Management	6	7
	<u>176</u>	<u>177</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	1

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £374,045 (2016: £388,357).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

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**11. GOVERNORS' REMUNERATION AND RELATED PARTY TRANSACTIONS**

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016: £Nil).

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration in the year was as follows: N Morris: remuneration £85,000-£90,000 (2016: £85,000-£90,000), employer's pension contributions £10,000-£15,000 (2016: £10,000-£15,000); J Cosh: remuneration £Nil (2016: £30,000-£35,000), employer's pension contributions £Nil (2016: £5,000-£10,000); T Yarnold: remuneration £45,000-£50,000 (2016: £40,000-£45,000), employer's pension contributions £5,000-£10,000 (2016: £5,000-£10,000); A Statham: remuneration £Nil (2016: £5,000-£10,000), employer's pension contributions £Nil (2016: £0-£5,000); S Macdonald: remuneration £35,000-£40,000 (2016: £25,000-£30,000), employer's pension contributions £5,000-£10,000 (2016: £0-£5,000); P Watmore: remuneration £20,000-£25,000 (2016: £5,000-£10,000), employer's pension contribution £0-£5,000 (2016: £0-£5,000).

**12. 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2017 was £645 (2016: £808).

**13. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
<b>COST</b>				
At 1 September 2016	6,991,870	327,598	166,107	7,485,575
Additions	2,796,310	84,485	84,702	2,965,497
At 31 August 2017	<u>9,788,180</u>	<u>412,083</u>	<u>250,809</u>	<u>10,451,072</u>
<b>DEPRECIATION</b>				
At 1 September 2016	520,105	65,808	100,667	686,580
Charge for the year	117,364	37,816	27,091	182,271
At 31 August 2017	<u>637,469</u>	<u>103,624</u>	<u>127,758</u>	<u>868,851</u>
<b>NET BOOK VALUE</b>				
At 31 August 2017	<u>9,150,711</u>	<u>308,459</u>	<u>123,051</u>	<u>9,582,221</u>
At 31 August 2016	<u>6,471,765</u>	<u>261,790</u>	<u>65,440</u>	<u>6,798,995</u>

**CHRISTOPHER WHITEHEAD LANGUAGE COLLEGE  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. DEBTORS**

	2017 £	2016 £
Trade debtors	3,934	7,540
Prepayments and accrued income	439,849	2,895,714
Tax recoverable	23,849	51,937
	<u>467,632</u>	<u>2,955,191</u>

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

	2017 £	2016 £
Trade creditors	154,237	105,569
Other taxation and social security	106,719	101,895
Other creditors	133,878	121,919
Accruals and deferred income	167,012	281,782
	<u>561,846</u>	<u>611,165</u>

	2017 £	2016 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2016	-	17,574
Resources deferred during the year	1,709	-
Amounts released from previous years	-	(17,574)
	<u>-</u>	<u>-</u>

**16. FINANCIAL INSTRUMENTS**

	2017 £	2016 £
Financial assets measured at fair value through income and expenditure	382,741	929,134
Financial assets measured at amortised cost	427,648	2,887,285
	<u>810,389</u>	<u>3,816,419</u>
Financial liabilities measured at fair value through income and expenditure	453,418	507,120

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

Financial assets measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at fair value through income and expenditure comprise trade creditors, accruals and other creditors.

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**17. STATEMENT OF FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	230,843	272,055	(406,391)	-	-	96,507
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	-	6,079,142	(6,075,546)	(3,596)	-	-
Pupil Premium (PP)	-	299,667	(299,667)	-	-	-
Devolved Formula Capital Maintenance (DFC)	-	24,149	(24,149)	-	-	-
High needs funding	-	6,134	(6,134)	-	-	-
Other grants	-	21,428	(21,428)	-	-	-
Pension reserve	(2,335,000)	-	(165,000)	-	442,000	(2,058,000)
	<u>(2,335,000)</u>	<u>6,430,520</u>	<u>(6,591,924)</u>	<u>(3,596)</u>	<u>442,000</u>	<u>(2,058,000)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	5,481,587	-	(114,370)	3,596	-	5,370,813
Fixed assets purchased from GAG and other restricted funds	308,415	-	(20,911)	-	-	287,504
Devolved Formula Capital - Capital (DFC)	67,683	-	(30,638)	-	-	37,045
Capital Improvement Fund (CIF)	1,483,627	-	(16,352)	-	-	1,467,275
Capital Expansion Grant	2,500,000	-	-	-	-	2,500,000
SEN Adaptation Capital	-	111,604	-	-	-	111,604
	<u>9,841,312</u>	<u>111,604</u>	<u>(182,271)</u>	<u>3,596</u>	<u>-</u>	<u>9,774,241</u>
Total restricted funds	<u>7,506,312</u>	<u>6,542,124</u>	<u>(6,774,195)</u>	<u>-</u>	<u>442,000</u>	<u>7,716,241</u>
Total of funds	<u>7,737,155</u>	<u>6,814,179</u>	<u>(7,180,586)</u>	<u>-</u>	<u>442,000</u>	<u>7,812,748</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	450,794	318,912	(203,418)	(335,445)	-	230,843
	<u>450,794</u>	<u>318,912</u>	<u>(203,418)</u>	<u>(335,445)</u>	<u>-</u>	<u>230,843</u>
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	179,696	5,605,155	(6,120,296)	335,445	-	-
Pupil Premium (PP)	-	313,436	(313,436)	-	-	-
High needs funding	-	2,692	(2,692)	-	-	-
Other grants	-	24,785	(24,785)	-	-	-
Pension reserve	(1,416,000)	-	(63,000)	-	(856,000)	(2,335,000)
	<u>(1,236,304)</u>	<u>5,946,068</u>	<u>(6,524,209)</u>	<u>335,445</u>	<u>(856,000)</u>	<u>(2,335,000)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Fixed assets transferred on conversion	5,595,965	-	(114,378)	-	-	5,481,587
Fixed assets purchased from GAG and other restricted funds	349,047	-	(40,632)	-	-	308,415
Devolved Formula Capital - Capital (DFC)	83,587	22,546	(38,450)	-	-	67,683
Capital Improvement Fund (CIF)	-	1,483,627	-	-	-	1,483,627
Capital Expansion Grant	-	2,500,000	-	-	-	2,500,000
	<u>6,028,599</u>	<u>4,006,173</u>	<u>(193,460)</u>	<u>-</u>	<u>-</u>	<u>9,841,312</u>
Total restricted funds	<u>4,792,295</u>	<u>9,952,241</u>	<u>(6,717,669)</u>	<u>335,445</u>	<u>(856,000)</u>	<u>7,506,312</u>
Total of funds	<u>5,243,089</u>	<u>10,271,153</u>	<u>(6,921,087)</u>	<u>-</u>	<u>(856,000)</u>	<u>7,737,155</u>



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**17. STATEMENT OF FUNDS (continued)**

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

**RESTRICTED FUNDS:**

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Devolved Formula Capital Maintenance (DFC) - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Higher Needs funding - Funding received by the Local Authority to fund further support for students with additional needs.

Other grants - Income which has been received for specific purposes.

Pension reserve - this represents the academy's share of the assets and liabilities in the Local Government Pension Scheme.

**RESTRICTED FIXED ASSET FUNDS:**

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the School from the Local Authority on conversion to an academy

Fixed assets purchased from GAG - This represents capital assets that have been purchased out of restricted GAG funding.

Devolved Formula Capital (DFC) - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Capital Improvement Funding (CIF) - This represents restricted grants related to a grant provided to the School from the ESFA to be used for the building work on the construction of a new classroom building.

Capital Expansion Grant (CEG) - This represents restricted grants related to a grant provided to the School from the ESFA to be used for the building work on the construction of a new classroom building.

SEN Adaption Capital - This represents funding provided for the purpose of helping pupils with special educational needs.

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**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	9,582,221	9,582,221
Current assets	96,507	394,737	359,129	850,373
Creditors due within one year	-	(394,737)	(167,109)	(561,846)
Pension scheme liability	-	(2,058,000)	-	(2,058,000)
	<u>96,507</u>	<u>(2,058,000)</u>	<u>9,774,241</u>	<u>7,812,748</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	6,798,995	6,798,995
Current assets	230,843	384,698	3,268,783	3,884,324
Creditors due within one year	-	(384,698)	(226,466)	(611,164)
Provisions for liabilities and charges	-	(2,335,000)	-	(2,335,000)
	<u>230,843</u>	<u>(2,335,000)</u>	<u>9,841,312</u>	<u>7,737,155</u>

**19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING  
ACTIVITIES**

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(366,407)	3,350,066
<b>Adjustment for:</b>		
Depreciation charges	182,271	193,461
Interest received	(822)	(1,524)
Capital grants from DfE and other capital income	(2,571,423)	(1,190,828)
Decrease/(increase) in debtors	2,487,559	(2,854,674)
(Decrease)/increase in creditors	(49,319)	265,841
Defined benefit pension scheme cost less contributions payable	116,000	8,000
Defined benefit pension scheme finance cost	49,000	55,000
<b>Net cash used in operating activities</b>	<u>(153,141)</u>	<u>(174,658)</u>

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**20. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2017 £	2016 £
Cash at bank and in hand	382,741	929,134
	<u>382,741</u>	<u>929,134</u>

**21. CAPITAL COMMITMENTS**

At 31 August 2017 the Academy had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	-	2,213,202
	<u>-</u>	<u>2,213,202</u>

**22. PENSION COMMITMENTS**

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Worcestershire County Council. Both are Multi-employer defined benefit pension schemes.

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

Contributions amounting to £92,258 were payable to the schemes at 31 August 2017 (2016: £88,078) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)

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**22. PENSION COMMITMENTS (continued)**

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

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

The employer's pension costs paid to TPS in the period amounted to £553,482 (2016: £533,318).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £257,000 (2016: £249,000), of which employer's contributions totalled £206,000 (2016: £197,000) and employees' contributions totalled £51,000 (2016: £52,000). The agreed contribution rates for future years are 18.1% for employers and 5.5-7.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.40 %	2.10 %
Rate of increase in salaries	3.70 %	3.30 %
Rate of increase for pensions in payment / inflation	2.20 %	1.90 %
Inflation assumption (CPI)	2.20 %	1.80 %

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

	2017	2016
Retiring today		
Males	22.6	23.5
Females	25.6	25.9
Retiring in 20 years		
Males	24.8	25.8
Females	27.9	28.2

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**22. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	1,590,000	1,002,000
Property	70,000	54,000
Cash and other liquid assets	24,000	28,000
Other bonds	96,000	75,000
Other	66,000	42,000
Total market value of assets	<u>1,846,000</u>	<u>1,201,000</u>

The actual return on scheme assets was £205,000 (2016: £180,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(322,000)	(205,000)
Interest income	25,000	33,000
Interest cost	(74,000)	(88,000)
Total	<u>(371,000)</u>	<u>(260,000)</u>

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

	2017 £	2016 £
Opening defined benefit obligation	3,536,000	2,203,000
Current service cost	322,000	205,000
Interest cost	74,000	88,000
Employee contributions	51,000	52,000
Actuarial (gains)/losses	(46,000)	1,000,000
Benefits paid	(33,000)	(12,000)
Closing defined benefit obligation	<u>3,904,000</u>	<u>3,536,000</u>

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**22. PENSION COMMITMENTS (continued)**

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

	2017 £	2016 £
Opening fair value of scheme assets	1,201,000	787,000
Interest income	25,000	33,000
Actuarial losses	396,000	144,000
Employer contributions	206,000	197,000
Employee contributions	51,000	52,000
Benefits paid	(33,000)	(12,000)
	<u>1,846,000</u>	<u>1,201,000</u>
Closing fair value of scheme assets	<u>1,846,000</u>	<u>1,201,000</u>

**23. OPERATING LEASE COMMITMENTS**

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

	2017 £	2016 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	9,741	74,879
Between 1 and 5 years	36,528	-
Total	<u>46,269</u>	<u>74,879</u>

**24. MEMBERS' LIABILITY**

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

**25. GENERAL INFORMATION**

Christopher Whitehead Language College is a company limited by guarantee, incorporated in England and Wales. The registered office is Bromwich Road, Worcester, Worcestershire, WR2 4AF.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transactions took place in the year:

During the year the academy purchased services from Yarnold Welding Services, a company of which T Yarnold is also a director, totalling £1,644 (including VAT) (2016: £1,800). The services were provided at cost price and in entering the transaction the Academy has complied with the requirements of the ESFA's Academies Financial Handbook.

**27. AGENCY ARRANGEMENTS**

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2017 the Academy received £16,307 and disbursed £16,748 from the fund. An amount of £2,150 was brought forward from the prior year, leaving an amount of £1,709 included in other creditors relating to undistributed funds that are repayable to ESFA.

**28. CONTROLLING PARTY**

Due to the nature of the entity, there is no overall controlling party.

