

Colyton Grammar School Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2016

Company Registration Number 07445493

Colyton Grammar School Academy Trust

Financial Statements

Year Ended 31 August 2016

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Colyton Grammar School Academy Trust

Reference and Administrative Details

Year Ended 31 August 2016

Members	C J Bastin H Dawson (from 2 November 2016) L Linnell (to 11 October 2016) R Scott (to 1 November 2016) V Wells (from 12 October 2016) F H Wilkinson (to 31 August 2016)
Trustees	C J Bastin (Chairman) * S Burns-Price (Staff Trustee) * G Davis (Staff Trustee) * H Dawson T J Dyer * A Eaton-Hart M Goscomb * (from 1 September 2015) T Harris * (Headteacher/Accounting Officer) (from 1 September 2016) G Hayne (to 31 March 2016) * S Hopkins (Responsible Officer) (to 31 August 2016) L Linnell M R Marsh (to 30 September 2016) * B Merrett * (member of Finance and Resources Committee to 15 October 2015) M Nickells * (from 9 September 2016) B Salter * R Scott * V Wells J Wainwright * (Headteacher/Accounting Officer) (1 September 2015 to 31 August 2016) F H Wilkinson (Vice Chairman) (to 31 August 2016) * * members of the Finance and Resources Committee
Company Secretary	S R Cook (to 10 April 2016) A M Robinson (from 11 April 2016)
Senior Leadership Team:	
- Headteacher	J Wainwright (to 31 August 2016 and then Deputy Headteacher)
- Headteacher	T Harris (from 1 September 2016)
- Acting Deputy Head	R Bush
- Acting Deputy Head	A Gregson
- Acting Deputy Head	R Stidwell
- Business Manager	S R Cook
Principal and Registered Office	Colyton Grammar School Whitwell Lane, Colyford Colyton, EX24 6HN
Company Registration Number	07445493 (England and Wales)
Charity Registration Number	306672 (for Educational Foundation only)
Statutory Auditor	PKF Francis Clark Vantage Point, Woodwater Park, Pynes Hill, Exeter, EX2 5FD
Bankers	Lloyds TSB plc Market Square, Colyton, EX24 6JS
Solicitors	Foot Anstey LLP Senate Court, Southernhay Gardens, Exeter, EX1 1NT

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2016. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for students aged 11 to 18 who come from both the immediate local areas but also more widely from across East Devon, West Dorset and South Somerset. A small number of students travel from west of Exeter. There were 816 students on roll in the school census in January 2016.

Structure, Governance and Management

Constitution

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

The Trustees act as the trustees for the charitable activities of Colyton Grammar School Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Colyton Grammar School Academy Trust.

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

Trustees' Indemnities

The Charitable Company has purchased Trustees' Liability insurance at a cost of £595, and Fidelity Guarantee cover at a cost of £370 (the latter also covers staff).

Method of Recruitment and Appointment or Election of Trustees

The Academy's Governing Body comprises the Headteacher, a minimum of four Parent Trustees, up to two Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust does not exceed one third of the total number of Trustees) and up to eleven Other Trustees. The Articles of Association require there to be a minimum of three Trustees.

Parent Trustees are elected by the parents of current pupils of the Academy Trust.

Staff Trustees are elected by the staff currently employed by the Academy Trust.

With regard to the appointment of Other Trustees, the Board will give consideration to the skills mix and experience of the Trustees in order to ensure that the Board of Trustees has the necessary skills to contribute fully to the Academy's development.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Policies and Procedures Adopted for the Induction and Training of Trustees

All new Trustees participate in an induction programme, and all Trustees are issued with a copy of the annual Governing Body Yearbook giving a wide range of information and guidance relating to the governance of the Academy Trust. The Governance Review considered in the Autumn of 2016 makes a number of proposals for further improving the induction and training of Trustees which are currently under consideration.

The Staffing Committee, in liaison with other Committees, is responsible for arranging a programme of Trustee training. During the period under review, four Trustee Training Evenings were held as follows:

- November 2015: Financial Challenges: Opportunities
- November 2015: Curriculum Structure: Three Year Sixth Form
- January 2016: Multi-Academy Trusts
- February 2016: Financial Challenges – Funding and Budget Issues

Organisational Structure

The Board of Trustees normally meets once each academic term. The Board establishes an overall framework for the governance of the Academy and agrees membership of Committees and Statutory and other Panels. It receives reports, and in particular policy documents, from its Committees for ratification. It monitors the activities of the Committees through the Minutes of their meetings. It also establishes the Terms of Reference and Procedures for its Committees. The Board of Trustees may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Trustees: to determine any proposals for the alteration, closure or change of category of the Academy; to amend the constitution of the Governing Body; to appoint or remove the Chairman and/or Vice Chairman; to appoint the Secretary to the Trustees; to suspend Trustees; to determine the ethos of the school; to delegate specific responsibilities to any Trustee, Committee, the Headteacher or other holder of an executive office, and to determine and review annually the terms of reference, constitution and membership of all Committees; to approve the annual budget plan; to decide school session times and dates of school terms and holidays; to make arrangement for staff dismissal appeals; to set up panels for the selection of the Headteacher; to develop, monitor and review the Academy Trust's Freedom of Information Act 2000 Publication Scheme; to approve the annual Development Plan and to monitor the annual Register of Interests.

There are currently four Committees as follows:

- The Committee of Chairs which meets once a term to discuss consider strategic matters relating to the development of the Academy Trust, in preparation for discussion and presentation for approval by the Board.
- The Admissions, Learning and Standards Committee, which meets once a term to:
 - (i) deal with all matters relating to Admissions, including the provision of effective liaison with Year 6 parents, the annual admissions process, arrangements for the Independent Appeals Panel and setting admissions limits for Years 7 and 12.
 - (ii) monitor, evaluate and review school policy and practice in relation to curriculum planning, communications and publications, target-setting and performance data, assessment, recording and reporting, examinations, literacy and numeracy policies, approval of residential activities and all pastoral issues. This includes arrangements for Special Educational Needs, behaviour and discipline, collective worship and religious education.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

- The Finance and Resources Committee, which meets five times a year to:
 - (i) monitor, evaluate and review school policy and practice in relation to financial planning and monitoring; to decide how to spend the General Annual Grant and other funds under the control of Trustees for the purposes of the Academy Trust; to monitor and ensure compliance with DfE, EFA, Charity Commission and other relevant bodies and all relevant legal requirements in relation to the proper financial management of the Academy Trust; to agree limits of financial delegation; to ensure that adequate accounting records are kept; to arrange appropriate insurance cover; to receive the termly report of the Responsible Officer; to report the Academy Trust's financial position to the Governing Body at least once a term.
 - (ii) develop, monitor and review the Premises Development Plan, to plan and approve specific capital projects (including the consideration and approval of tenders); to ensure the effective security, development and maintenance of the Academy Trust's land, buildings, equipment and vehicles; to develop, monitor and review the Academy Trust's Health and Safety Policy; to make arrangements for the effective provision of services such as catering; to develop and monitor the Sustainable School Policy.
- The Staffing Committee which meets once a term to review the staffing structure of the Academy Trust and decide, within the resources available, how many teaching and support staff should be employed; to advise the Governing Body on the procedures for the selection of the Headteacher; to determine pay and conditions for all staff; to monitor performance management policies for all staff; to approve salary increases linked to performance reviews for the Senior Leadership Team; to make arrangements for the Headteacher's Performance Management review; to review safeguarding checks as part of the employment of new staff; to ensure effective arrangements are in place for succession planning for all staff; to make arrangements for Trustee induction and training.

The Headteacher is the Accounting Officer as required by the Funding Agreement with the Department for Education. The responsibilities of the Accounting Officer are defined in the Statement on Regularity, Propriety and Compliance on page 27.

Arrangements for setting pay and remuneration of key management personnel

The Board has regard to the following criteria when setting the pay of the Senior Leadership Team:

- The recommended pay levels in the current School Teachers' Pay and Review Body report
- Salary levels for posts carrying similar responsibilities in similar schools
- Specific recruitment and retention issues

All members of the Senior Leadership Team, including the Headteacher, are subject to an annual performance review which informs any decision on performance related pay.

Related Parties and other Connected Charities and Organisations

The Academy Trust is an Ordinary Member of the South West Academic Trust, which consists of eleven selective schools in the South West of England, plus the University of Exeter. The South West Academic Trust seeks to advance the education of pupils of any member schools through partnership and collaboration, and staff from the Academy Trust have been actively involved in a wide variety of meetings and training events during the period under review.

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Trustees' Report (continued)

Year Ended 31 August 2016

Objectives and Activities

Objects and Aims

The Academy Trust's object is specifically restricted to the advancement, for the public benefit, of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The principal aim of the Academy Trust is to provide high quality learning that enables all students to fulfil their intellectual potential and become mature and emotionally well-balanced young people.

Further aims are as follows:

- To provide high quality teaching that challenges students and equips them for life by encouraging enquiry, originality, empathy and creativity in a positive atmosphere
- To provide an environment that enables students to learn and teachers to teach effectively
- To promote and recognise high standards of achievement in all spheres of activity
- To help students form successful relationships characterised by understanding others, tolerance, trust and self-respect
- To broaden horizons and to promote an interest in and respect for the local, national and global communities and their cultures
- To develop physical and emotional health and a sense of the importance of morality and personal responsibility
- To encourage discernment, good judgement and self-discipline
- To provide equality of opportunity for all
- To develop an understanding of our responsibility as global citizens to live in a sustainable way

Objectives, Strategies and Activities

The Academy Trust's Development Plan for the period under review focused on the quality of teaching in the classroom and continuing preparations for major changes in national examinations at GCSE and A Level against the background of the continuing uncertainty regarding medium and long term funding.

The main foci were:

(a) Teaching and Learning:

- A variety of approaches to reviewing and improving the quality of teaching and learning in the classroom
- "Evidence Based Teaching" partnership work
- Safeguarding and resilience
- Numeracy and literacy
- Developing the school community through the House and Tutorial systems

(b) Sustaining High Achievement

- New specifications at A Level and GCSE
- Assessment policy and reporting review
- Effective use of curriculum time

(c) Evaluation and Accountability:

- Continuing Department Supported Self Reviews
- School self-evaluation
- Exam review

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

(d) Professional Development:

- Appointment of a new headteacher
- Leadership development and succession planning
- Performance related pay and the Teacher Standards
- Support staff succession planning

(e) Resources:

- Admissions, including changes to the admissions tests for Autumn 2016 and beyond
- Alumni and Friends development
- Major capital projects, including bids under the Condition Improvement Fund for the refurbishment and extension of Staff House and major repairs to the roof, windows and doors of the Feoffees' Building
- Five Year Capital Plan
- Various support services

In addition two major strategic decisions were taken during the year:

(i) Phasing out of the current three year Sixth Form programme

For many years, the school's curriculum structure has been based upon GCSE specifications which had content that students could comfortably manage, and be examined on, at the end of Year 10. This has enabled the school to offer a three-year sixth form experience to give students the opportunity to study subjects in more depth and breadth, while developing independent study and leadership skills.

In the Autumn of 2015 it became clear that the Government's curriculum reforms and the proposed new GCSE specifications mean that the 2015/16 Year 10 would be the last year group to be examined completely under the old-style examinations.

Staff and Trustees considered in detail the proposed changes and their implications for 2015/16 Year 9 and below. It is clear that the new GCSE examination specifications are going to be more challenging and the style of questions and the rigour will suit our bright, able students. The decision was taken in December 2015, that it would be in the best long-term interests of students in Year 9 and below to take these examinations in Year 11, in line with their peers in other schools. Consequently, the last GCSE examinations taken by a Year 10 were in the summer of 2016. This will provide opportunities for able students to access and excel in the more demanding and rigorous GCSE specifications (graded 1-9) which will be recognised by Higher Education institutions when they come to apply.

(ii) Expansion to five forms of entry

This report has emphasised over a number of years that the school, in common with other institutions, faces a severe funding challenge over the next few years. Trustees and staff have been proactive in considering ways to maximise income and to make savings where these are possible. Trustees have also been active in lobbying, both locally and nationally, to raise awareness of the funding challenges facing schools.

Significant efficiencies have already been achieved (see pages 6 and 24) but it has become increasingly clear that the only way to secure the long-term financial future of the school is to expand from four to five forms of entry. In the Autumn of 2015, following detailed (and ongoing) modelling and in-depth discussion of both the opportunities and challenges, Trustees made the decision to expand from four to five forms of entry from September 2017.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

The Admissions Policy for 2017 was consulted upon on this basis and approved in March 2016.

Other key activities and targets during the year have included the following:

- Continuing collaborative work with other schools on evidence based teaching
- Work on ensuring "Quality in the Classroom" including plans to create a professional research library for staff, strategies for maximising the benefits of lesson observations and further development of mentoring and sharing good practice
- Specific work to support numeracy and literacy skills
- The establishment of a group with responsibility for reviewing and improving online safety
- An external audit of safeguarding policy and procedures
- Embedding last year's work on developing student resilience including a programme of outside speakers
- Continuing preparation and implementation of the Phase One and Two of changes to exam specifications for both A Level and GCSE, including development of new schemes of work, internal assessments and the implications of synoptic assessment
- A review of the school's Assessment Policy and changes to reporting to ensure effective communication with students and parents
- A review of the effective use of curriculum time in order to achieve the most effective balance between time in the classroom and other activities and visits
- Further investigation of ways of developing the school community through the House system
- The continuing programme of biennial supported departmental self-review, and whole school reviews
- A continuing focus for teaching staff on the Teacher Standards and the links with pay progression
- Ongoing review of the support staff structure and succession planning
- An audit of leadership capabilities among middle leaders
- The appointment of Mr Tim Harris to replace Mrs Jayne Wainwright as Headteacher from 1 September 2016
- A continuing strategic review of the funding challenges facing the school
- The preparation and submission of a successful bid under the Condition Improvement Fund programme for major repairs to the roof and the replacement of the windows and doors in the Feoffees' Building
- Preparation and submission of a bid under the Condition Improvement Fund programme, for the Staff House (staff accommodation and proposed lecture theatre). This bid was not successful
- A major revision of the Five Year Capital Plan
- A major internal review of governance which was considered by a Special Board Meeting in October 2016. The review includes significant proposals to strengthen the effective operation of the governing body.
- Separating the role of the Secretary to Trustees from the Business Manager, and appointing a dedicated Secretary to the Trustees
- Major review of the Risk Register, including implementation of an online recording and review system
- Ongoing review of admissions arrangements, and in particular the review of the Centre for Evaluation and Monitoring (CEM) tests introduced in Autumn 2015, and the consultation on the expansion to five forms of entry from September 2017 (see page 6)

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Trustees' Report (continued)

Year Ended 31 August 2016

- The appointment of a Development Officer to build relationships with former students, staff, parents and friends of the school, and to lead the development of fundraising
- In May, BBC4 Radio 4's 'Any Questions' was broadcast live from the Cottrill Hall.

Public Benefit

The Trustees have given due consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Academy Trust provides education to children and young people that is

- balanced and broadly based
- promotes the spiritual, moral, cultural, mental and physical development of students at the school and of society
- prepares students at the school for the opportunities, responsibilities and experiences of later life
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The Academy Trust is a selective school serving East Devon, West Dorset and South Somerset. It is subject to the current statutory arrangements as laid down in the national Admissions Code. In order to ensure that students at the school can benefit fully from the education provided, the Trustees will consider the admission of children who attain the required standards with reference to ability and aptitude. Current arrangements for entry to the school are available in the section of the school website dealing with admissions arrangements:

<http://www.colytongrammar.devon.sch.uk/admissions/index.htm>

Strategic Report

Achievements and Performance

As a co-educational selective school, students represent the top 20-25% of the ability range and go on to achieve outstanding academic results. Students complete Key Stage 3 in two years, and then take GCSE exams at the end of Year 10. The introduction of a three year Sixth Form programme has been welcomed by universities who have been particularly positive about the research elements of the Extended Project completed as part of the AQA Baccalaureate programme.

Results in public examinations in the summer 2016 were maintained at a very high level with 37.8% of all grades at GCSE being the top A*/A grades and the school obtained a provisional Progress 8 score of 0.38 which places the school in the top 25% of schools. In preparation for university and employment, students study a broad curriculum with opportunities for extension work, while continuing to achieve results which place the school at the top end of national performance tables.

DfE National Performance Tables published in January 2016, rate the school very highly.

- 2016 Key Stage 4 tables ranked the school top in the table of all state and independent secondary schools.(for the third year running) for total average point score, and 4th for total average capped point score
- 2016 Key Stage 5 tables ranked the school as 1st in the table of state schools and colleges (2nd in 2015) for total average point score

National Performance Table data for Summer 2016 is not currently available, but at A Level The Times ranked the school as 4th state school and at GCSE 34th state school.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Key Stage 5: GCE 'A' Level - Results

In the period under review, the A*/A rate was maintained at a nationally high level, and represents a further improvement.

Year	A*	A	B	C	D	E	A*/A	A*/A/B
2016	30.4%	39.0%	20.7%	6.9%	2.7%	0.2%	69.4%	90.1%
2015	22.1%	40.2%	22.1%	10.5%	4.3%	0.5%	62.4%	84.5%
2014	19.3%	31.5%	29.7%	11.2%	5.8%	1.8%	50.8%	80.5%
2013	23.6%	35.9%	23.8%	9.9%	4.9%	1.6%	59.5%	83.2%
2012	28.4%	36.5%	24.9%	8.1%	2.1%	0%	64.9%	89.8%

Key Stage 4: Year 11 Results

	2016	2015	2014	2013	2012
% gaining 5+ A*-C including English and Maths	99%	100%	100%	100%	100%
% gaining English Baccalaureate	85%	90%	91%	85%	86%

Key Stage 4: GCSE Results (Year 10)

Grade Distribution	A*	A	A*/A
2016	37.8%	35.4%	73.2%
2015	38.5%	36.4%	74.9%
2014	37.9%	38.7%	76.6%
2013	49.9%	33.7%	83.6%
2012	45.2%	35.4%	80.6%

Year 13 Leaver Destinations

Year	No of Students	HE In Year	HE Deferred	Deferred Application	Meds or Vets	Oxbridge	Russell Group	Employment or Training	Other
2016	109	90	14	15	12	13	72	0	4
2015	110	82	13	13	13	12	74	0	0
2014	108	80	5	13	14	12	72	4	6
2013	114	86	8	18	15	14	78	0	2

National Recognition

At its last inspection, the school was designated 'outstanding' by Ofsted.

The school is a member of the South West Academic Trust partnership of selective schools. The school is also a National Professional Qualification for Headteachers' Development School and is recognised by the Prince's Trust Teaching Initiative for Excellence in Mathematics. The school also holds the Eco-Schools Green Flag Award (renewed Autumn 2015), the International School Award and is a partner school of the University of Exeter for the delivery of initial teacher training. In July 2013, the school was selected to be the fourth UK partner school of the prestigious Goethe Institut by the German Embassy.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Review of Activities

Capital Developments

Major repairs to the roof and the replacement of the windows and doors of the Feoffees' Building were completed during the year, with a Condition Improvement Fund (CIF) grant of £176,690. Outcomes include significant savings in energy costs as a result of improved insulation values for doors and windows.

A further bid under the Condition Improvement Fund (CIF) programme for the refurbishment and extension of the Staff House, including an additional Science Lab and a lecture theatre, was not successful and a revised bid is being prepared for submission in late 2016. The Parents' Association have pledged £100,000 towards the provision of the new Science Lab, and the Wolfson Trust have approved a grant of £26,000 for Science Lab furnishings and equipment.

South West Academic Trust (SWAT)

Directors and Headteachers remain committed to a formal partnership to support and develop the selective schools in the South West peninsula.

Key activities during the year have included:

- The annual Teaching and Learning Conference held at the University of Exeter involving 150 delegates from both SWAT and other partner schools
- A meeting with Sir David Carter to shape SWAT's role in the wider educational system, including Multi Academy Trusts (MATs)
- Beginning the process of sharing the extensive expertise in SWAT schools with other schools across the South West
- A presentation on the impact of the National Funding Formula
- A highly successful Teaching and Learning Conference at Exeter University in June 2015. This was attended by over 150 delegates and involved 24 separate schools
- The expansion of the SWAT group to 12 schools with the addition of Devonport High School for Girls
- The re-establishment of a defined Gifted and Talented group
- The sharing of data was a strong feature of the developing trust between member schools, with information discussed and shared on a range of strategic issues, including:
 - Current budgets
 - Progress 8 data
 - Curriculum structures
 - The role of SENCos
 - Structure of SLTs
 - Meeting the needs of students who are entitled to the pupil premium
 - Governance structures.

A major event is the annual Teaching and Learning Conference, this year held at the University of Exeter, with 155 delegates from both SWAT and other partner schools.

Most subject areas hold regular meetings, setting their own agendas and sharing good practice and there is also a regular Business Managers' group. Head teachers and Directors meet regularly to discuss the strategic direction of the Trust, to share good practice and to cooperate on partnership programmes.

The Trust partnerships provide costs-effective staff development, targeted at the needs of selective schools, enabling staff to be outward facing while reflecting critically on Colyton's own practice.

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Trustees' Report (continued)

Year Ended 31 August 2016

The University of Exeter has supported the school through the Student Ambassadors programme working with students undertaking the Extended Project. Exeter University students have also supported the Modern Foreign Languages department.

In partnership with Torquay Boys', Torquay Girls', Churston Ferrers and Bishop Wordsworth's grammar schools, the school implemented a common 11+ Test for entry in September 2016, designed to negate the impact of tutoring.

Science Outreach

Academies are expected to maintain a specialism with their core funding, and Trustees have continued to support science preferentially to facilitate this. One key area has been the continued support for gifted and talented students in the primary schools of the Axe Valley Learning Community.

Students and staff continue to contribute to local community science events and the school hosts science lectures for the local community. A programme of community lectures and participation in science festivals run by Exeter University and in Sidmouth continues.

Other Partnership Activities

The school works in partnership with many other schools, including the Axe Valley Learning Community until it ceased to exist in March 2016.

Activities as part of the prestigious Goethe Institut- PASCHE Partnership have included:

- Goethe scholarships have been awarded to two of our A-level German students, who will study for three weeks in Germany, with other PASCHE students from around the world. This is worth more than £,3000 per student and can lead to a UCAS recognized qualification
- A year 12 student was shortlisted for the National final of the German Olympiad.
- Five year 11 students entered the Traumjob (Dream job) video competition and were rewarded with a gift of books from the German Embassy in London.
- Participation in the prestigious European Translation competition and the Wolrd Oympiad for German
- Links with the universities of Salzburg and Exeter
- Colyton Grammar School ran a workshop aimed at SWAT teachers of German and/or Maths linking German to Maths work
- Around 30 of our Y8 and Y9 students took up the offer to study for the FIT in Deutsch Beginners qualification. They were assessed on their written and oral skills and all achieved the qualification.

In partnership with the Jurassic Coast Teaching Schools' Alliance (JCTSA), the following activities have taken place:

- The Head of Maths at Colyton leads the Maths Hub on behalf of the Alliance
- "Trios" of teachers undertaking in-school research on the Evidence Based Teaching model
- Participation in a number of other staff development activities
- Support for teachers in other JCTSA schools

Student Achievement and Activities

A large number of students have participated in a very wide range of activities beyond the classroom.

Key achievements include the following:

- A year 10 student became National Champion in her age category in the British Rowing Championships
- Winner of the Christina Broom and the Suffragettes Writing Challenge

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Trustees' Report (continued)

Year Ended 31 August 2016

- Exmouth Sea Cadets Junior Cadet of the Year 2015 award
- 6 Year 11 Design and Technology students were invited to take part in the Engineering Education Scheme at HMS Raleigh and the team then went on to work with a local company AMSAFE, Bridport, to complete an engineering project
- 7 sixth form students received prestigious Arkwright Engineering Scholarships
- 5 sixth form girls competed in the Girls' into Engineering Robotics Competition - one of only 20 teams to be chosen
- Two Year 8 students were runners up in the vehicle design challenge competing with over 300 schools.
- A team of 5 girls gained a place in the National Finals for 'Girls into STEM' VEX Robotics 'Nothing but Net' competition.
- Six Year 12 students won the 'Best Research and Development' prize in the F1 in Schools National Finals at Silverstone Circuit as well as coming 3rd out of 28 teams in the Reaction Racing category
- A Year 7 girl reached the semi-final of the BBC Junior Bake Off competition
- Four students in Years 8 and 9 secured a place in the national finals for UK Team Mathematics Challenge.
- 2 former students and 2 Year 13 students have been awarded the Gold Duke of Edinburgh Award
- 2 Year 13 students produced and directed a version of 'Footloose', the stage musical
- A year 10 student won a place on the 'German and Sport' residential scholarship, a one-week residential course in Germany to improve both his German and football skills
- A Year 12 student came third in a national competition hosted by Goethe Institut -sponsored "Olympiad"
- A Year 12 student was named overall winner in the Young Geographer of the Year competition in the Key Stage 5 category
- Year 9 students collected donations for the KOS Kindness appeal to help refugees on the Greek island of Kos, They raised over £70 as well as three full car-loads of items such as coats and sleeping bags
- Year 10 students collected food for the Exeter Foodbank Appeal
- The Senior Prefect Team have run various events to raise money for charity including Children in Need
- A team of seven Sixth Form students completed a 260km Charity Cycle ride from Land's End to Lyme Regis
- The school raised £1452.25 for Sport Relief
- A Year 12 student travelled to Calais to give the camp the donations he had collected from the school and wider community.
- Sixth form students represented the school at the Sidmouth Science Festival in October 2015, supervising many hands-on experiences for visitors
- 14 Year 10-13 students took part in annual bar National Mock Trial Competition and were regional runners up
- The Year 9 Mock Trial Team became national champions in prestigious Magistrates' Court Mock Trial Competition
- Nine year 12 students won the regional round of the European Youth Parliament debating competition.
- Six year 12 students won the regional heat of the ICAEW Base National Business and Accounting competition in Exeter.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

- Five teams from Colyton Grammar School reached the semi-finals of the prestigious national IFS Share Challenge.
- 241 students from Years 7 and 9 contributed to a world record attempt to simultaneously complete a World Book Day Bumper Quiz for World Book day. The record was smashed with more than 6,000 adults and children taking part.
- Five teams took part in the Ten Tors challenge on Dartmoor in early May 2016. The senior Colyton team was the first team to complete the 55 mile challenge
- Two Year 11 students published an in-house Psychology magazine
- The Equestrian team won NSEA inter-schools, inter-county U18 Eventers Challenge and came second in the NSEA Show Jumping Competition.
- Colyton Netball teams became County U14, U16 and U19 Finalists
- The U14 Girls became East Devon Hockey Champions
- The mixed U13 athletics team became East Devon indoor athletics champions
- The U13 cricket team became East Devon Indoor Cricket Champions
- The U14 Rounders Team were East Devon Champions
- The Triathlon team were Devon Schools champions
- The Swimming team were East Devon Overall Swimming Champions
- The U13 Boys Handball team were Devon champions
- The U13 Girls Athletics Team were East Devon champions
- A year 13 student gained a place in the Under-17s hockey team representing England in the Sainsbury's School Games
- A team of 6 students won second place in the British School's Score Championship (organised by the British Schools Orienteering Competition)
- A Year 11 student won the Trail Magazine's 'Young Mountaineer of the Year' award
- A vibrant Sports Leaders programme, with 6th formers supporting a wide range of primary school sporting activities including the National School Games Cross Country competition
- Music group visits to a local care home

Key Performance Indicators

For details of examination results including leavers' destinations, please refer to the Achievements and Performance section on pages 8 to 9.

Staffing Costs as a % of Public/GAG income for the year ending:

	2016	2015	2014	2013	2012
Teaching Staff	67.8%	64.0%	60.8%	60.2%	56.8%
Support Staff	8.3%	7.8%	8.2%	8.2%	7.9%
Administrative Staff	7.2%	6.1%	6.1%	6.1%	5.9%
Site Staff	5.8%	5.8%	5.6%	5.5%	5.4%

Teaching Staff

	2016	2015	2014	2013	2012
Full Time Equivalents	47.86	47.76	48.91	47.30	45.89
Pupil Teacher Ratio	17.2	17.2	16.8	17.5	17.7
Contact Ratio	70.8	69.9	70.0	71.0	70.4

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Admissions for Year 7 Entry

2016		2015		2014		2013	
Applications	Accepted	Applications	Accepted	Applications	Accepted	Applications	Accepted
373	124	376	120	378	125	363	121

Going Concern

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

Financial Review

In the current climate of uncertainty about future funding, Trustees have made it a priority to ensure that high standards are maintained within the framework of a budget that is sustainable, and have been rigorous in evaluating any proposals for additional expenditure. Key principles and actions specifically identified in terms of financial planning include:

- Continued detailed modelling of the financial impact of the change to a two year sixth form and the expansion to 5 forms of entry
- To continue to lobby actively to raised awareness of the funding challenges faced by the school
- A continuing policy of "no automatic replacement" for staff
- Rigorous, ongoing evaluation of the curriculum structure to ensure best value
- A continuing sharp focus on teaching and learning, ensuring best value and being efficient
- The importance of investing for both quality and efficiency savings
- In the light of curriculum and assessment changes, to maintain the quality of what the school provides and ensure the capacity to deliver
- Continuing recognition of the importance of clear communication with parents and others about the funding challenges
- The appointment of a Development Officer to focus on building relationships with former students with the medium/long-term aim of raising funds
- To use school reserves as a temporary "cushion" during a period of significant challenge

Key financial policies reviewed during the year include the Finance Policy which establishes the framework for financial management, including the key financial responsibilities of the Board, its committees and the key officers of the academy, as well as delegated authority for spending decisions. This policy is supported by additional policies including the following: Asset Management, Audit, Best Value, Budget Monitoring, Charges for School Activities, Income and Lettings, Insurance, Payroll Organisation and Supervision and Remissions.

Trustees have adopted a Responsible Officer policy and appointed a Trustee, who is not a member of the Finance and Resources Committee, to undertake a programme of internal checks on financial controls and to report to meetings of the Finance and Resources Committee and the Board.

Trustees have also adopted an Investment Policy which establishes the framework for the cash management of the school, including bank and deposit accounts, and identifies the key criteria for the selection and evaluation of other forms of investment.

During the period under review, the principal source of income has been the General Annual Grant and other grant related income received from the EFA and Devon Local Authority. These funds have been

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

applied to the Academy's Educational Operations (see Notes 7 and 8). The very low balance on the General Annual Grant fund at 31 August 2016 is a sign of the increasing funding challenges facing the school, with the consequence that an increasing proportion of the Academy's Educational Operations are being funded from the General Unrestricted Fund.

In addition a sum of £288,266 has been used to purchase Fixed Assets to support the Academy's Educational Operations, This sum includes £176,690 Capital Grant funding from the EFA (balance of £15,155 unspent at the year end), £82,947 from GAG funding, £19,120 Devolved Formula Capital Grant and £24,664 from unrestricted funds. These purchases have included the following major items:

- Feoffees' Building roof repairs and replacement door and windows (£161,535)
- Remaining works on Cottrill Hall refurbishment and extension and the replacement Sports Centre Changing Rooms and associated facilities and equipment (£63,738)
- A range of IT projects, including Sharepoint installation (£12,102), core network upgrades (£15,142), replacement hardware (£26,939) and extension of the wireless network (£2,012)
- A number of other minor grounds and premises projects and the purchase of small items of capital equipment and IT

In addition, a sum of £68,000 has been donated by the Parents' Association towards the new Science facilities, as yet not spent.

Funds have also been received from students to pay for a wide range of educational visits and activities, and these have been applied to the associated costs.

Trustees have also designated the Bradbeer Fund as follows:

- £100,000 for anticipated capital repairs to the school's All Weather Pitch
- £200,000 for future capital projects
- £159,395 for other special purposes at the Trustees' discretion

During the period under review, Trustees reviewed proposals for the extension and refurbishment of existing staff accommodation in Staff House. The latter included the provision of a lecture theatre to provide flexible delivery methods for 6th form courses in response to growing A Level group sizes, and the provision of an additional Science Lab to ensure that all Science lessons can be taught in specialist spaces. A bid under the 2015 Condition Improvement Fund (CIF) programme was not successful in gaining funding, but a revised bid is being prepared for submission in December 2016 which will focus on the condition issues in the existing Staff House building. It is planned to provide the additional Science Lab from school funds, which include a pledge of £100,000 from the PA and £26,000 from the Wolfson Trust. A further CIF bid for the first phase of the programme relating to the expansion to five forms of entry is also being prepared for submission in December 2016.

The school's own Site Team continue to undertake a wide range of maintenance and improvement works in-house, ensuring both high standards and value for money.

The Academy Trust's activities expose it primarily to cash flow risk. The Governing Body continually monitors cash flows to ensure the Academy Trust has sufficient funds available to meet debts as they fall due. The Governing Body strives to maintain adequate cash reserves.

The Governing Body acknowledges the defined benefit scheme deficit within the Local Government Pension Scheme which is set out at Note 31 to the annual report. It considers that the Academy Trust is able to meet its known contribution commitments for the foreseeable future.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Reserves Policy

The Academy Trust aims to carry forward a minimum sum equivalent to 7.5% of the current year General Annual Grant allocation (£287,980 for 2015/16) from the General Annual Grant, the General Non-GAG Restricted Fund and the General Unrestricted Fund to cover the medium- and long-term needs for renewal and replacement, for major unforeseen contingencies and to contribute to major capital developments. During a period of significant funding challenges, trustees have determined that these reserves will ensure financial viability. In particular, there is a strong indication from a recent actuarial valuation of the Local Government Pension Scheme that employer contribution rates will rise by an average of 2%. The Board will also need to meet the additional costs relating to the expansion to 5 forms of entry while the lagged benefits from increased funding work through. These requirements have been modelled in detail and will be kept under regular review.

At the end of the period under review the balances held in these funds were as follows:

- General Annual Grant - £3,436 (2015: £0)
- General Non-GAG Restricted Funds - £110,631 (2015: £94,333)
- General Unrestricted Fund - £608,969 (2015: £567,675)

A significant legacy from a former member of staff, shown in the financial statements as the Bradbeer Fund, was transferred to the Academy from the previous school at the date of transfer (1 January 2011). At the end of the period under review, this fund amounted to £459,395 (2015: £449,239). Trustees have made the following designations for these funds:

Future capital projects - £200,000	(including contributions to the project to refurbish and extend the Staff House)
All Weather Pitch - £100,000	Major costs within the next ten years include the replacement of the All Weather Pitch surface
Other special purposes - £159,395	To be applied at the Trustees' discretion

The funds of the Educational Foundation, which are under the control of the Trustees, are restricted to the purposes identified in its charitable deed.

The Special Purposes Fund is restricted and represents monies received for specific purposes such as educational visits and activities, and the related expenditure.

Investment Policy

Trustees are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

Trustees' management of cashflow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. Banks must be selected from the FCA Approved List included in the Financial Services Compensation Scheme (FSCS).

Trustees will seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate. Deposit account providers must be selected from the FCA Approved List included in the Financial Services Compensation Scheme (FSCS) or from the CCLA.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these funds in order to generate a longer term income or capital fund. In addition, the school may at times receive investments as part of a legacy or gift.

The approval of the Finance and Resources Committee is required before any investment is made. The following criteria should be used in selecting an appropriate investment:

- What level of risk does the investment represent? The Trustees' approach to risk is cautious – typical investments will include corporate bonds and fixed interest funds.
- The historical performance of the investment or fund
- The anticipated level of return
- Management fees and associated costs
- Any penalties e.g. for early redemption
- Ease of access should Trustees wish to realise the investment

Principal Risks and Uncertainties

Trustees have identified the following principal risks and uncertainties facing the Academy Trust:

Financial Risk

The Academy Trust has identified that the most serious threats to the academy over the next few years are the impact of various changes in funding for both 11-16 and 16-19 education, which are likely to lead to very significant reductions in the revenue budget. This includes the delay in the implementation of a National Funding Formula for a further 12 months. Trustees are working actively, both to prepare strategically for these challenges and to lobby nationally and locally for a long term solution. Financial planning is focused on maintaining the breadth and quality of future teaching and learning in the context of diminishing budgets.

The risk that the Local Government Pension Scheme will continue to be in significant deficit remains, but Trustees have noted that one of the aims of the triennial valuation is to set contribution rates so as to recover this deficit over a period of 20+ years. In addition, the DfE have given a guarantee that it will take on this liability in the event of an academy closing.

Trustees have also given due consideration to the risks associated with financial mismanagement and/or compliance failures.

Failures in Governance and/or Management

Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. The structure and organisation of the Board has been the subject of a major internal governance review which reported in the Autumn of 2016.

Reputational and Demand Risks

The continuing success of the Academy Trust depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Trustees are clearly focused on monitoring and reviewing the achievement and success of students.

In the same way, Trustees are active in keeping admissions arrangements under regular review and planning for expansion in order to ensure there are sufficient numbers to maintain the future viability of the school.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Trustees continue to give due consideration to other aspects of the school's activities where there could be a reputational risk, including discipline, safeguarding, Health and Safety etc.

Safeguarding and Child Protection Risks

Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection policies in school and in training and support, in order to protect the vulnerable young people in its care. Trustees regularly review arrangements for safeguarding to ensure compliance with legislation and current guidance.

Significant Changes in Staff

Trustees have put in place a clear succession planning policy, and continue to review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from major changes in key staff.

Risk Management

The Trustees are responsible for the management of risks to which the Academy Trust is exposed, and have undertaken a review of risks associated with its activities. The key controls used by the Academy Trust include:

- Formal agendas for Trustees' meeting
- Detailed terms of reference for all committees
- A clear Development Plan identifying key strategic planning objectives and the resources required to achieve them
- Comprehensive budget planning, monitoring and review
- Clear financial delegation levels
- Formal written policies reviewed on a regular basis
- Regular review of the Risk Register
- Clear safeguarding and vetting procedures as required by law to protect children and young people
- Rigorous review of educational achievement to ensure continuing high standards
- Comprehensive planning and review of admissions processes
- A clear succession planning policy

The Board of Trustees has reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and have taken steps to mitigate likely risks and to ensure regular monitoring of the primary areas of potential risk.

The Board of Trustees is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised, however, that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Plans for Future Periods

The School Improvement Plan for 2016/17 has a clear focus on excellence, integrity and leadership. At a time of tremendous change in education, the plan is built around adapting and being resilient, while remaining true the core values of providing an outstanding education for all, no matter what socio-economic background.

It is clear that the school faces significant financial challenges in the medium term and work will continue to reduce costs while trying to preserve the breadth of programme and opportunities for students..

Specific plans include the following:

- Continuing to drive up student achievement and progress, including a proactive response to the introduction of the new Progress 8 measurement
- Embedding the new 3 year Key Stage 4 curriculum and planning for the new 2 year Key Stage 5 programme
- Develop a major outreach programme to increase the numbers of applications from those with disadvantaged backgrounds
- Further work on improving SMSC provision and embedding the focus on active promotion of modern British values
- A major focus on new examination specifications at both Phase One and Phase Two at A Level and GCSE
- Developing the capacity as a leading academic school to promote excellent approaches to teaching and learning through e.g. self-evaluation, reflective practice, CPD and further development of appraisal processes
- A strong focus on developing academic and pastoral leadership
- Promoting student leadership and integrity
- Developing partnership and links with alumni
- Improving parental engagement
- Responding to and implementing the recommendations of the Governance Review
- Detailed planning for the expansion from 4 to 5 forms of entry from September 2017
- Significant changes in senior staff, including the appointment of a new Deputy Head, restructuring of the Senior Leadership Team and the recruitment of a replacement Business Manager
- Ongoing review of strategic financial plans to address the funding challenges over the next few years
- The submission Condition Improvement Fund (CIF) bids for the first phase of the 5 forms of entry expansion and a revised Staff House bid
- Provision of an additional Science Lab
- Ongoing work on the Five Year Capital Plan.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2016

Funds Held as Custodian Trustee on Behalf of Others

The financial statements include the results of the Colyton Educational Foundation, a registered charity (number 306672) which is under the control of the Trustees of the Academy Trust.

The objects of Colyton Educational Foundation are to:

- provide special benefits of any kind not normally provided by the local authority for Colyton Grammar School;
- provide benefits for students at Colyton Grammar School who are in need of financial assistance.

The trustees are Dr Christopher Bastin, Mrs Jayne Wainwright (until 31 August 2016) and Mr Tim Harris (from 1 September 2016).

Auditor

In so far as the Trustees are aware:

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

The Trustees have appointed PKF Francis Clark as auditors.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on 8th December 2016 and signed on its behalf by:

.....


C J Bastin
Chair of Trustees

Colyton Grammar School Academy Trust

Governance Statement

Year Ended 31 August 2016

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Colyton Grammar School Academy Trust 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 Governing Body 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 Colyton Grammar School Academy Trust and the Secretary of State for Education. He is also responsible for reporting to the Governing Body 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 governing body has formally met five times during the year. Attendance during the year at meetings of the governing body was as follows:

Trustee	Meetings attended	Out of a possible
C J Bastin (Chairman)	5	5
S Burns-Price (Staff Trustee)	2	5
G Davis (Staff Trustee)	5	5
H Dawson	2	5
T J Dyer	5	5
A Eaton-Hart	5	5
M Goscomb	4	5
G Hayne - to 31 March 2016	4	4
S Hopkins (Responsible Officer) – to 31 August 2016	1	5
L Linnell	5	5
M R Marsh – to 29 September 2016	4	5
B Merrett	2	5
B Salter	4	5
R Scott	5	5
J Wainwright (Accounting Officer) - to 31 August 2016	5	5
V Wells	4	5
F H Wilkinson (Vice Chair) – to 31 August 2016	4	5

H Dawson was re-appointed under Article 50 with effect from 1 September 2016

M Nickells was appointed under Article 50 with effect from 6 July 2016.

As in previous years, the Board undertakes a formal review of the governance arrangements, including the structure, terms of reference and membership of committees, each July. The details for each year are provided in the annual Governing Body Yearbook which includes the Code of Conduct, procedures,

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2016

arrangements for the election of the Chair and Vice Chair, succession planning for Trustees, standing agenda items and policy review arrangements, together with a calendar of meetings.

In addition, the Board initiated a major review of governance arrangements in early 2016 and the full report was considered by a Special Board meeting in September 2016. A detailed implementation plan will be considered at the December meeting of the Board. Full details will be included in next year's Governance Statement.

Each committee is required to develop a "succession planning statement" which must focus on the specific roles and responsibilities of the Chair and Vice Chair. The statement must outline plans to identify and develop leadership among other Trustees who are members of the committee. The Skills and Knowledge Audit, normally undertaken at the time of appointment or re-appointment, has been updated to make this information more easily available to committees to aid this process.

The **Finance and Resources Committee** is a committee of the main governing body. Its purpose is:

- (i) To monitor, evaluate and review school policy and practice in relation to financial planning and monitoring; to decide how to spend the General Annual Grant and other funds under the control of Trustees for the purposes of the Academy Trust; to monitor and ensure compliance with DfE, EFA, Charity Commission and other relevant bodies and all relevant legal requirements in relation to the proper financial management of the Academy Trust; to agree limits of financial delegation; to ensure that full accounts are kept; to arrange appropriate insurance cover; to receive the termly report of the Responsible Officer; to report the Academy Trust's financial position to the Governing Body at least once a term.

- (ii) To develop, monitor and review the Premises Development Plan, to plan and approve specific capital projects (including the consideration and approval of tenders); to ensure the effective security, development and maintenance of the Academy Trust's land, buildings, equipment and vehicles; to develop, monitor and review the Academy Trust's Health and Safety Policy; to make arrangements for the effective provision of services such as catering; to develop and monitor the Sustainable School Policy.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C J Bastin	2	5
S Burns-Price	2	5
G Davis	4	5
T J Dyer (Vice Chairman – Finance)	5	5
M Goscomb	5	5
G Hayne	1	3
M R Marsh	5	5
B Merrett – to 15 October 2015	1	1
B Salter (Vice Chairman – Grounds and Buildings)	5	5
R Scott	5	5
J Wainwright (Headteacher and Accounting Officer)	5	5
F H Wilkinson (Chairman)	4	5

M Goscomb, who was appointed as a Trustee under Article 50 from 1 September 2016, joined the committee.

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2016

B Merrett resigned from the Finance and Resources Committee with effect from 15 October 2015 and G Hayne resigned as a Trustee with effect from 31 March 2016.

During the year, in addition to regular business such as the review of policies and various standing reports, the committee dealt with the following:

- The preparation of the Condition Improvement Fund bids for the Staff House and Feoffees' Roof and Windows projects
- The challenges of providing additional Science accommodation
- The Five Year Budget Plan, and the funding challenges facing the school. A Finance Working Party was established in July 2015 to consider how to generate additional income and reduce expenditure. This Working Party resulted in a training event for all Trustees in November 2015 which considered a range of proposals for further consideration by the Board. A report from this Working Group has been a standing item on committee agendas.
- Proposals for the appointment of a Development Officer
- A review of the Management Agreement for the Sports Centre and All Weather Pitch
- The annual review of insurance arrangements, and in particular the decision to enter the EFA Risk Protection Arrangement from 1 September 2016.
- Major reviews of the Risk Register and Five Year Capital Plan

Review of Value for Money

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

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

(a) A continuing focus on improving educational results and student outcome against a background of reduced funding

Results at both A Level and GCSE in the summer of 2016 were maintained at a very high level against a background of increasing financial challenge.

At A Level, the proportion of A* grades was up from 22.1% in 2015 to 30.4%, and the proportion of A*/A grades rose from 62.4% to 69.4%. Nationally the proportion of A* grades dropped from 8.2% in 2015 to 8.1%, and A*/A grades were down 0.1% to 25.8%.

At GCSE, the proportion of A* grades was maintained at a high level of 37.8% (2015: 38.5%), compared with 6.5% nationally (2015: 6.6%).

Students continued to gain places at prestigious Russell Group universities and a high number gained entry to challenging courses such as Medicine and Veterinary Science (see the tables in the Achievement and Performance section on page 8).

In the January 2016 National Performance Tables for Key Stage 4, the school was 2nd nationally (previously 1st for the 3 preceding years) on the basis of total average point score (696.89 per

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2016

student). At Key Stage 5 the school was first nationally with an average point score per A Level student of 1437.7.

This outstanding level of achievement for students is despite the school's General Annual Grant being based on Devon funding levels which remain among the lowest across all local authorities.

(b) Effective use of school reserves to supplement grant funding for major capital projects

During the year in question the school spent a total of £107,611 from its reserves for the purchase of fixed assets. This included £63,738 for the remaining work on the refurbishment and extension of the Cottrill Hall and the replacement Changing Rooms, and £37,075 on various IT projects.

The school promised a contribution of £500,000 (53%) of the projected cost of the Staff House project (including an additional Science Lab and a lecture theatre) which was the subject of an unsuccessful Condition Improvement Fund (CIF) bid in December 2015. This included a contribution from the Parents' Association of £100,000 and a Wolfson Trust grant for £26,000. A significant school contribution is planned for a further bid in December 2016. The school also promised a contribution of £12,000 to the CIF bid for the Feoffees' Roof and Windows project.

The school's own Site Team continue to undertake a wide range of maintenance and improvements works in-house, ensuring both high standards and value for money.

(c) Robust financial governance oversight

The school has in place robust and well-proven financial systems. As for previous years, the audit completion report from the external auditors for the year ending 31 August 2016 raised no significant issues of concern in respect of internal control. Relevant policies and procedures are reviewed on a least an annual basis, and the Board is supported in its oversight by a Responsible Officer who makes a termly report.

The Board has in place a Best Value Policy which includes an annual Best Value Review focusing on at least one major area of school activity. In the period 2015/16, the Finance and Resources Committee focused on the implications of the expansion to 5 forms of entry.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Colyton Grammar School Trust for the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body and Risk Management training for Trustees is planned in 2017.

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2016

The Risk and Control Framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed S Hopkins, a Trustee, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the RO undertakes a standard series of checks and reviews covering the following areas:

- income
- bank reconciliations
- petty cash
- control account reconciliations
- payroll
- purchases
- charge cards
- headteacher's expenses
- financial reports and returns
- security.

The RO reports to the Finance and Resources Committee and the full Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The RO function has been fully delivered in line with the EFA's requirements. No material control issues arising as a result of the RO's work have been identified.

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2016

Review of Effectiveness

As Accounting Officer, the Headteacher (J Wainwright until 31 August 2016 and T Harris from 1 September 2016), has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and a plan to address any identified weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 8th December 2016 and signed on its behalf by:

CHRISTOPHER J BASTIN

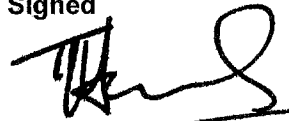
Signed



C J Bastin
Chair of Trustees

TIMOTHY HARRIS

Signed



T Harris
Accounting Officer

Colyton Grammar School Academy Trust

Statement on Regularity, Propriety and Compliance

Year Ended 31 August 2016

As accounting officer of Colyton Grammar School Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

A handwritten signature in black ink, appearing to read 'THS', with a long horizontal flourish underneath.

Timothy Harris
Accounting Officer

8th December 2016

Colyton Grammar School Academy Trust

Statement of Trustees' Responsibilities

Year Ended 31 August 2016

The trustees (who act as governors of Colyton Grammar School Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016
- 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 8th December 2016 and signed on its behalf by:



Signed
C J Bastin

Chair of Trustees

Colyton Grammar School Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Colyton Grammar School Academy Trust

Year Ended 31 August 2016

We have audited the financial statements of Colyton Grammar School Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

Respective Responsibilities Of Trustees And Auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 28, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Annual Accounts Direction 2015 to 2016 issued by the EFA.

Colyton Grammar School Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Colyton Grammar School Academy Trust

Year Ended 31 August 2016

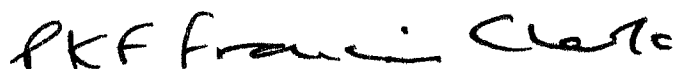
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given by the Trustees' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



CHRISTOPHER BUSH

(Senior Statutory Auditor)

For and on behalf of

PKF FRANCIS CLARK

Chartered Accountants and Statutory Auditor

Vantage Point

Woodwater Park

Pynes Hill

Exeter

EX2 5FD

12 December 2016

Colyton Grammar School Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to the Governing Body of Colyton Grammar School Academy Trust and the Education Funding Agency

Year Ended 31 August 2016

In accordance with the terms of our engagement letter dated 26 October 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Colyton Grammar School Academy Trust during the period 1 September 2015 to 31 August 2016 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 Colyton Grammar School Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Colyton Grammar School Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Colyton Grammar School Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Colyton Grammar School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Colyton Grammar School Academy Trust's funding agreement with the Secretary of State for Education dated 28 July 2016 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Colyton Grammar School Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to the
Governing Body of Colyton Grammar School Academy Trust and the Education
Funding Agency

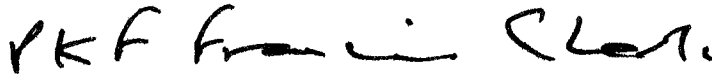
Year Ended 31 August 2016

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- Performing substantive tests on relevant transactions

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



CHRISTOPHER BUSH
(Senior Statutory Auditor)
For and on behalf of
PKF FRANCIS CLARK

Chartered Accountants and Statutory Auditor
Vantage Point
Woodwater Park
Pynes Hill
Exeter
EX2 5FD

Date: 12 December 2016

Colyton Grammar School Academy Trust

Statement of Financial Activities for the year ended 31 August 2016

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £	Total 2015 £
Income from:						
Donations and capital grants	2	36,393	7,120	263,810	307,323	98,769
<i>Charitable activities:</i>						
Funding for the Academy's educational operations	3	368,419	4,156,022	-	4,524,441	4,475,560
Other trading activities	4	36,887	17,078	-	53,965	56,623
Investments	5	23,637	285	-	23,922	30,646
Other	6	-	28,864	-	28,864	1,092
Total		465,336	4,209,369	263,810	4,938,515	4,662,692
Expenditure on:						
Raising funds		-	-	-	-	-
<i>Charitable activities:</i>						
Academy trust educational operations	7/8	376,862	4,211,778	309,485	4,898,125	4,884,817
Total	7/8	376,862	4,211,778	309,485	4,898,125	4,884,817
Net gains/(losses) on investments	14	7,388	302	0	7,690	2,039
Net income/(expenditure)		95,862	(2,106)	(45,675)	48,081	(220,085)
Transfers between funds	21	(24,664)	(82,947)	107,611	-	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	31	-	(753,000)	-	(753,000)	(41,000)
Net movement in funds		71,198	(838,053)	61,936	(704,919)	(261,085)
Reconciliation of funds						
Total funds brought forward		1,056,999	(953,873)	8,975,798	9,078,923	9,340,008
Total funds carried forward		1,128,197	(1,791,927)	9,037,734	8,374,004	9,078,923

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

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The split between difference classes of funds for the comparative information is shown in the additional Statement of Financial Activities for the year ended 31 August 2015 on page 34.

Colyton Grammar School Academy Trust

Statement of Financial Activities for the year ended 31 August 2015

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £
Income from:				
Donations and capital grants	44,786	36,044	17,939	98,769
<i>Charitable activities:</i>				
Funding for the Academy's educational operations	364,960	4,110,601	0	4,475,561
Other trading activities	38,445	18,178	0	56,623
Investments	30,362	284	0	30,646
Other	0	1,093	0	1,093
Total	478,553	4,166,200	17,939	4,662,692
Expenditure on:				
Raising funds	0	0	0	0
<i>Charitable activities:</i>				
Academy trust educational operations	344,304	4,233,461	307,052	4,884,817
Total	344,304	4,233,461	307,052	4,884,817
Net gains/(losses) on investments	2,065	(26)	-	2,039
Net income/(expenditure)	136,314	(67,287)	(289,113)	(220,086)
Transfers between funds	(218,688)	(194,667)	413,355	0
Net income / (expenditure) for the year	(82,374)	(261,954)	124,242	(220,086)
Other recognised gains and losses				
Actuarial (losses) / gains on defined benefit pension schemes	0	(41,000)	0	(41,000)
Net movement in funds	(82,374)	(302,953)	124,242	(261,085)
Reconciliation of funds				
Total funds brought forward	1,139,373	(650,921)	8,851,556	9,340,008
Total funds carried forward	1,056,999	(953,873)	8,975,798	9,078,923

Colyton Grammar School Academy Trust

Balance Sheet as at 31 August 2016

Company registered number 07445493

	Notes	2016 £	2015 £
Fixed assets			
Intangible assets	12	11,900	0
Tangible assets	13	8,942,679	8,975,798
		8,954,579	8,975,798
Current assets			
Investments	14	647,208	628,132
Stock	15	34,323	30,947
Debtors	16	45,943	33,693
Prepayments and Accrued Income	17	107,942	154,994
Cash at bank and in hand		1,086,426	874,285
		1,921,842	1,722,051
Liabilities			
Creditors: amounts falling due within one year	18	(434,983)	(408,349)
		1,486,859	1,313,703
Net current assets			
		10,441,438	10,289,501
<i>Creditors: amounts falling due after more than one year</i>			
Loans	19	(15,426)	(20,569)
Provisions for liabilities and charges	20	(30,008)	(34,009)
		(45,434)	(54,578)
Net assets excluding pension liability	31	10,396,004	10,234,923
Defined benefit pension scheme liability		(2,022,000)	(1,156,000)
Total net assets		8,374,004	9,078,923
Funds of the academy trust:			
Restricted funds			
Fixed asset fund	21	9,037,734	8,975,798
General Annual Grant	21	3,436	0
Pension Reserve	21	(2,022,000)	(1,156,000)
Other restricted funds	21	226,637	202,126
Total restricted funds		7,245,807	8,021,924
Unrestricted income funds	21	1,128,197	1,056,999
Total funds		8,374,004	9,078,923

The financial statements on pages 33 to 57 were approved by the Trustees, and authorised for issue on 8th December 2016 and are signed on their behalf by:



C J Bastin Chair of Trustees

Colyton Grammar School Academy Trust

Statement of Cash Flows for the year ended 31 August 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	25	229,204	1,025,392
Cash flows from investing activities	26	(11,921)	(1,478,256)
Cash flows from financing activities	27	(5,142)	(5,142)
Change in cash and cash equivalents in the reporting period		212,141	(458,006)
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September 2015		874,285	1,332,291
Cash and cash equivalents at 31 August 2016	28	1,086,426	874,285

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

1 Statement of Accounting Policies

Basis of Preparation

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 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Colyton Grammar School Academy Trust meets the definition of a public benefit entity under FRS 102. The financial statements are the first financial statements of Colyton Grammar School Academy Trust prepared in accordance with FRS 102. Refer to Note 34 for more detail on the first time adoption and an explanation of the transition to FRS 102.

The financial statements include the results of the Colyton Educational Foundation, a registered charity (number 306672) which is under the control of the Trustees of the Academy Trust.

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 company 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.

Income

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

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

1 Statement of Accounting Policies (continued)

- **Donations**

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

- **Other income**

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

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**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	20% per year
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Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

1 Statement of Accounting Policies (continued)

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

Freehold buildings:

- Freehold buildings included in the financial statements at depreciated replacement cost are depreciated over their remaining useful lives, up to a maximum of 50 years (2% per annum)
- Other freehold buildings are depreciated over 50 years (2% per annum)

Furniture and equipment	10% per year
Plant and machinery	10% per year
ICT equipment	20% per year (33.3% for assets purchased prior to June 2015)
Motor Vehicles	10% per year

In each case above, where there is a clear indication that the expected useful economic life of a specific asset differs from the standard % for the class of asset, the former will be used.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Where loans and borrowings are due after one year and a market rate of interest is not payable, the liability will be discounted at an appropriate rate and unwound over the length of the repayment period, unless the effect of discounting is considered to be immaterial to the accounts.

Provisions

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

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

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Investments

Investments are shown at market value as at the period end date (see Note 14).

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

1 Statement of Accounting Policies (continued)

Stock

Unsold catering, stationery and other stocks are valued at the lower of cost or net realisable value.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 31, 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.

Fund Accounting

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

- (i) Grants from the Education Funding Agency
- (ii) Other grants from e.g. the Local Authority with a specific restricted educational purpose.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

1 Statement of Accounting Policies (continued)

- (iii) The Colyton Educational Foundation, a separate charity registered with the Charity Commission and under the control of the Trustees
- (iv) The Special Purposes Fund, representing funds received for specific purposes such as educational visits and the related expenditure

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the 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 31, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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 judgement

No critical areas of judgement have been identified which have a significant effect on the amounts recognised in the financial statements.

Agency Arrangements

The academy trust acts as an agent for the following entities:

(a) Colyton Grammar School Parents' Association

The academy trust receives and passes on funds for the Colyton Grammar School Parents' Association. These receipts and payments are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in Note 33.

(b) South West Academic Trust

The academy trust receives funds and makes payments on behalf to the South West Academic Trust. These receipts and payments are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in Note 33.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Capital grants:				
- Devolved Formula Capital allocations	-	19,120	19,120	17,939
- Building grants	-	176,690	176,690	-
Donations fixed assets	-	-	-	-
Capital donations	-	68,000	68,000	0
Other Donations	36,393	7,120	43,513	80,831
	<u>36,393</u>	<u>270,930</u>	<u>307,323</u>	<u>98,770</u>

3 Funding for the Academy Trust's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
DfE / EFA revenue grants				
General Annual Grant (GAG)	-	3,854,103	3,854,103	3,750,803
16-19 Bursary Fund	-	13,350	13,350	12,965
Pupil Premium	-	29,000	29,000	28,579
Other DfE/EFA grants	-	-	-	1,000
	<u>-</u>	<u>3,896,453</u>	<u>3,896,453</u>	<u>3,793,347</u>
Other Government grants				
SEN funding from LA	-	3,173	3,173	3,173
Other LA grants	4,295	-	4,295	24,466
	<u>4,295</u>	<u>3,173</u>	<u>7,468</u>	<u>27,639</u>
Other income from the academy trust's educational operations				
Catering income	312,265	-	312,265	306,685
Educational visit and activities	5,484	218,861	224,345	274,852
Other	46,375	37,535	83,910	73,038
	<u>364,124</u>	<u>256,396</u>	<u>620,520</u>	<u>654,575</u>
Total	<u>368,419</u>	<u>4,156,022</u>	<u>4,524,441</u>	<u>4,475,561</u>

4 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Hire of Facilities	8,699	-	8,699	8,961
Other Services	28,188	17,078	45,266	47,663
	<u>36,887</u>	<u>17,078</u>	<u>53,965</u>	<u>56,624</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Short term deposits	22,225	225	22,450	29,195
Dividends	1,412	60	1,472	1,451
	<u>23,637</u>	<u>285</u>	<u>23,922</u>	<u>30,646</u>

6 Other Income

	2016 £	2015 £
Insurance claims	28,864	1,093

7 Expenditure

	Staff Costs £	Non Pay Expenditure Premises £	Other Costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
Direct costs	2,781,776	184,768	642,069	3,608,613	3,623,130
Allocated support costs	663,766	224,382	401,364	1,289,512	1,241,687
	<u>3,445,542</u>	<u>409,150</u>	<u>1,043,433</u>	<u>4,898,125</u>	<u>4,864,817</u>

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Operating leases		
- Motor vehicles	3,327	3,327
- Plant, machinery and equipment	25,858	25,172
Depreciation	309,283	307,052
Amortisation of intangible fixed assets	202	-
Fees payable to auditor - audit	6,450	6,250

8 Charitable Activities

	Total 2016 £	Total 2015 £
Direct costs – educational operations	3,608,613	3,623,130
Support costs – educational operations	1,289,512	1,261,687
	<u>4,898,125</u>	<u>4,884,817</u>

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Analysis of support costs				
Support staff costs	128,654	564,490	693,144	661,073
Depreciation	-	60,607	60,607	54,407
Technology costs (not capitalised)	273	3,076	3,349	3,640
Premises costs	11,900	190,105	202,005	181,106
Other support costs	188,668	125,929	314,597	354,457
Governance costs	-	15,810	15,810	7,004
	<u>329,495</u>	<u>960,017</u>	<u>1,289,512</u>	<u>1,261,687</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

9 Staff

(a) Staff Costs

Staff costs during the period were:

	2016 £	2015 £
Wages and salaries	2,693,476	2,684,655
Social security costs	219,140	194,367
Pension costs	497,484	377,820
	<u>3,410,100</u>	<u>3,256,842</u>
Agency costs – teaching staff	26,100	10,601
Agency costs – other staff	-	-
Redundancy payments	9,342	-
	<u>3,445,542</u>	<u>3,267,443</u>

(b) Staff severance payments

No staff severance payments were made during the period of account.

(c) Staff Numbers

The average number of persons (including Senior Leadership Team) employed by the Academy during the year and the full time equivalents (FTE) were as follows:

	2016 No.	2016 FTE	2015 No.	2015 FTE
Charitable Activities				
Teachers	51	43	54	42
Education support	15	12	15	11
Administration and support	32	22	31	22
Management	5	5	6	6
	<u>103</u>	<u>82</u>	<u>106</u>	<u>81</u>

(d) Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2016 No.	2015 No.
£60,001 - £70,000	0	2
£70,001 - £80,000	1	0
£80,001 - £90,000	1	0
£90,001 - £100,000	0	1
	<u>2</u>	<u>3</u>

All three of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for these staff amounted to £25,385 (2015: £30,399 for 3 staff).

(e) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior leadership 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 £388,731 for 5 staff (2015: £451,847 for 6 staff).

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

10 Related Party Transactions - Trustees' remuneration and expenses

The Headteacher and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of the services as Trustees. Other Trustees did not receive any payments in respect of their role as Trustees. The value of Trustees' remuneration was as follows:

P W Evans (previous Headteacher and Trustee)		
Remuneration	£0	(2015: £90,000 to £95,000)
Employer's pension contributions	£0	(2015: £10,000 to £15,000)
J Wainwright (Headteacher and Trustee, former Deputy Headteacher)		
Remuneration	£80,000 to £85,000	(2015: £65,000 to £70,000)
Employer's pension contributions	£10,000 to £15,000	(2015: £5,000 to £10,000)
G Davis (staff Trustee (G Davis))		
Remuneration	£45,000 to £50,000	(2015: £45,000 to £50,000)
Employer's pension contributions	£5,000 to £10,000	(2015: £5,000 to £10,000)
S Burns-Price (staff Trustee)		
Remuneration	£20,000 to £25,000	(2015: £20,000 to £25,000)
Employer's pension contributions	£0 to £5,000	(2015: £0 to £5,000)

During the year ended 31 August 2016, travel and subsistence expenses totalling £792 (2015: £439) were reimbursed to 3 Trustees (2015: 3).

Other related party transactions involving the Trustees are set out in note 32.

11 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2016 was £595 (2015: £600).

12 Intangible fixed assets

	IT Software £	Total £
Cost		
At 1 Sept. 2015	-	-
Additions	12,102	12,102
At 31 August 2016	<u>12,102</u>	<u>12,102</u>
Amortisation		
At 1 Sept. 2015	-	-
Charged in year	202	202
At 31 August 2016	<u>202</u>	<u>202</u>
Net book values		
At 31 August 2016	<u>11,900</u>	<u>11,900</u>
At 31 August 2015	-	-

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

13 Tangible Fixed Assets

	Freehold Land and Buildings £	Plant Machinery and Equipment £	Furniture and Fittings £	IT Equip- ment £	Motor Vehicles £	Under Con- struction £	Total £
Cost							
At 1 Sept. 2015	11,196,459	470,487	395,448	656,030	31,270	8,916	12,758,610
Additions	67,825	-	1,827	44,093	-	162,419	276,164
Transfers	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
At 31 August 2016	11,264,284	470,487	397,275	700,123	31,270	171,335	13,034,774
Depreciation							
At 1 Sept. 2015	2,824,241	157,441	247,253	544,396	9,482	-	3,782,813
Charged in year	210,886	29,461	27,588	39,097	2,250	-	309,282
Disposals	-	-	-	-	-	-	-
At 31 August 2016	3,035,127	186,902	274,841	583,493	11,732	-	4,092,095
Net book values							
At 31 August 2016	8,229,157	283,585	122,434	116,630	19,538	171,335	8,942,679
At 31 August 2015	8,372,218	313,046	148,196	111,634	21,788	8,916	8,975,798

14 Investments

	2016 £	2015 £
Market value at 1 September	628,132	617,236
Additions	11,386	208,907
Disposals	-	(200,050)
Realised gain / (loss) on investments	-	-
Unrealised gain / (loss) on investments	7,690	2,039
Movement in cash holdings	-	-
Market value at 31 August	647,208	628,132
Historical cost at 31 August	618,668	607,282

The following investments held by the Academy are shown at market value:

COIF Property Fund	11,725	11,751
Henderson Fixed Interest Units	57,174	52,795
Invesco Perpetual Dist Fund Acc Shares	34,327	32,476
JPMF UK Growth and Income Fund	3,540	3,332
M&G Charifund (Colyton Educational Foundation)	1,295	1,201
M&G Charifund (General)	16,189	15,006
Close Brothers (12 months)	522,958	511,571
	647,208	628,132

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

15 Stock

	2016	2015
	£	£
Catering	8,541	9,413
Stationery etc.	17,591	14,388
Other (e.g. postage, uniform)	8,191	7,146
	<u>34,323</u>	<u>30,947</u>

16 Debtors

	2016	2015
	£	£
Trade debtors	13,483	15,087
EFA	-	-
HMRC - VAT	26,314	11,806
HMRC – Gift aid	6,146	6,800
Other debtors	-	-
	<u>45,943</u>	<u>33,693</u>

17 Prepayments and Accrued Income

	2016	2015
	£	£
Prepayments	82,773	128,094
Bank and deposit account accrued interest	15,471	14,840
EFA accrued income	4,713	4,919
FITS accrued income	4,985	7,141
	<u>107,942</u>	<u>154,994</u>

18 Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	29,169	26,927
HMRC: PAYE and NIC	60,706	56,758
EFA	-	661
Other creditors	29,254	37,394
Energy Scheme loan	5,142	5,142
Sindalls' Building retention	500	500
Other capital expenditure	146,653	91,069
Accruals and deferred income	163,560	189,897
	<u>434,984</u>	<u>408,349</u>

Deferred income

	2016	2015
	£	£
Deferred income at 1 September 2015	150,066	148,353
Resources deferred in the year	147,649	150,066
Amounts released from previous years	(150,066)	(148,353)
Deferred Income at 31 August 2016	<u>147,649</u>	<u>150,066</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

The deferred income at 31 August 2016 comprises the following:

	£
Catering income received via ParentPay	20,404
Payments for educational visits/activities happening post year-end	92,342
EFA: Devolved Formula Capital for 2016/15	19,103
EFA: Rates for 2016/16	15,800
	<u>147,649</u>

The Energy Scheme loan is a loan of £30,853 from Salix, £10,284 of which has been repaid up to 31 August 2016. The loan is provided on an interest free basis, with the repayment amount projected to be covered by energy efficiency savings over the repayment period of 8 years and 4 months.

The sum of £5,142 included above is the amount repayable within one year.

19 Creditors: amounts falling due more than one year

	2016 £	2015 £
Salix Energy Scheme loan	<u>15,426</u>	<u>20,569</u>
	<u>15,426</u>	<u>20,569</u>

20 Provisions for liabilities and charges MMI Scheme of Arrangement

	2016 £	2015 £
At 1 September 2015	34,009	34,009
Paid in the year	(4,001)	-
Charge for the year	-	-
At 31 August 2016	<u>30,008</u>	<u>34,009</u>

The Academy was notified that the Scheme of Arrangement under section 425 of the Companies Act 1985 (now section 899 of the Companies Act 2006) between Municipal Mutual Insurance and certain of its creditors was triggered on 13 November 2012. Under this scheme, Colyton Grammar School is liable for a maximum payment of £40,010. The School was required to make the second call for £4,001 in the year ending 31 August 2016.

21 Funds

	Balance at 1 Sept. 2015 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant (GAG)	0	3,854,103	(3,767,720)	(82,947)	3,436
Pupil Premium	37,727	29,000	(26,461)	-	40,266
16-19 Bursary Fund	13,536	13,350	(6,800)	-	20,086
LA and other grants	3,322	3,173	(3,173)	-	3,322
General Non-GAG Fund	39,747	60,678	(53,470)	-	46,956
	<u>94,332</u>	<u>3,960,304</u>	<u>(3,857,624)</u>	<u>(82,947)</u>	<u>114,066</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

Restricted other funds					
Colyton Educational Foundation	41,138	535	-	302	41,975
Special Purposes Fund	66,656	248,530	(241,154)	-	74,032
Defined Benefit Pension Scheme	(1,156,000)	-	(113,000)	(753,000)	(2,022,000)
	(1,048,206)	249,065	(354,154)	(752,698)	(1,905,993)
Restricted fixed asset funds					
On Incorporation	6,458,090	-	(192,568)	-	6,265,522
DfE / EFA capital grants	1,437,770	195,810	(43,638)	-	1,589,942
Capital expenditure from GAG	648,023	-	(54,874)	82,947	676,096
Other capital expenditure	431,915	68,000	(18,405)	24,664	506,174
	8,975,798	263,810	(309,485)	107,611	9,037,734
Total restricted funds	8,021,924	4,473,179	(4,521,263)	(728,034)	7,245,807
Unrestricted funds					
General unrestricted fund	567,675	421,415	(356,614)	(23,507)	608,969
Alumni and Friends Fund	40,085	20,458	(710)	-	59,833
Bradbeer Fund	449,239	23,463	(19,538)	6,231	459,395
Total unrestricted funds	1,056,999	465,336	(376,862)	(17,276)	1,128,197
Total funds	9,078,923	4,938,515	(4,898,125)	(745,309)	8,374,004

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

General Annual Grant

Funds received from the EFA under the General Annual Grant arrangements for the recurrent expenditure of the Academy as defined in the Funding Agreement. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Pupil Premium Fund

Additional funding received from the EFA to target those students from low income families who need it the most in order to raise attainment.

16-19 Bursary Fund

To support the most vulnerable young people to participate in and benefit from post-16 education and training.

General Non-GAG Restricted Fund

General monies received for restricted educational purposes not forming part of General Annual Grant income or expenditure.

Colyton Educational Foundation

A separate charity registered with the Charity Commission and under the control of the Trustees of the Academy.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

Special Purposes Fund

Funds received for specific purposes such and income for educational visit and activities, and the related expenditure.

Restricted Fixed Asset Funds

Funds received for the purchase of fixed assets in the following categories:

- On Incorporation – fixed assets transferred to the Academy on incorporation
- DfE/EFA Capital Grants
- Capital expenditure from the General Annual Grant (GAG)
- Other capital expenditure – capital donations, capital transfers from unrestricted funds

In addition, the Bradbeer Fund (Unrestricted) has been designated by the Trustees as follows:

- Future capital projects - £200,000
- All Weather Pitch capital repairs - £100,000
- Other special purposes at the Trustees' discretion - £159,395

The entire Alumni and Friends Fund (Unrestricted) has also been designated by the Trustees for special purposes as agreed by the Board.

22 Analysis of net assets between funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	11,900	11,900
Tangible fixed assets	-	-	8,942,679	8,942,679
Current assets	1,151,002	500,861	269,979	1,921,842
Current liabilities	(22,805)	(240,780)	(171,398)	(434,983)
Non-current liabilities	-	-	(15,426)	(15,426)
Provision for liabilities and charges	-	(30,008)	-	(30,008)
Pension scheme liability	-	(2,022,000)	-	(2,022,000)
Total net assets	1,128,197	(1,791,927)	9,037,734	8,374,004

23 Capital commitments

There were no capital commitments contracted for, but not provided in the financial statements at 31 August 2016.

24 Financial commitments

Operating leases

At 31 August 2016 the Academy had no annual commitments under non-cancellable operating leases for land and buildings. Other annual commitments under non-cancellable operating leases were as follows:

	2016 £	2015 £
Amounts due within one year	28,807	29,093
Amounts due within two and five years inclusive	18,451	38,272
Amounts due in over five years	-	-
	47,258	67,365

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

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

	2016	2015
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	48,081	(200,085)
Amortisation (note 12)	202	-
Depreciation (note 13)	309,282	307,052
Capital grants from DfE and other capital income	(263,810)	(17,939)
Interest receivable (note 5)	(22,450)	(29,195)
Returns on investments (note 5)	(1,472)	(1,451)
Unrealised (gains)/losses on investments (note 14)	(7,690)	(2,039)
Defined benefit pension scheme cost less contributions payable (note 31)	70,000	63,000
Defined benefit pension scheme finance cost (note 31)	43,000	20,000
(Increase) in stocks	(3,376)	4,433
(Increase) / decrease in debtors and prepayments	34,803	897,200
Increase / (decrease) in creditors	26,635	(15,584)
Increase / (decrease) in provisions	(4,001)	-
Net cash provided by/(used in) operating activities	229,204	1,025,392

26 Cash flows from investing activities

	2016	2015
	£	£
Interest received	22,450	29,195
Dividends received	1,472	1,451
Purchase of intangible fixed assets	(12,102)	-
Purchase of tangible fixed assets	(276,164)	(1,517,984)
Capital grants from DfE/EFA	195,810	17,939
Capital funding received from sponsors and others	68,000	-
Purchase of investments	(11,387)	(208,907)
Receipts from sale of investments	-	200,050
Net cash provided by/(used in) investing activities	(11,921)	(1,478,256)

27 Cash flows from financing activities

	2016	2015
	£	£
Repayments of borrowing	(5,142)	(5,142)
Cash inflows from new borrowing	-	-
Net cash provided by/(used in) financing activities	(5,142)	(5,142)

28 Analysis of cash and cash equivalents

	At 31 August 2016	At 31 August 2015
	£	£
Cash in hand and at bank	450,158	163,027
Notice deposits (less than 3 months)	636,268	711,258
	1,086,426	874,285

29 Contingent Liabilities

The Trustees are not aware of any contingent liabilities.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

30 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.

31 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £469 were payable to the Teacher' Pension Scheme at 31 August 2016 (2015: £0) 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

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

31 Pension and similar obligations (continued)

- 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 will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £277,712 (2015: £272,955).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2016/06/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 the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £135,467 (2015: £133,923), of which employer's contributions totalled £102,072 (2015: £100,754) including a sum of £20,000 (2015: £20,000) for the past service deficit, and employees' contributions totalled £33,395 (2015: £33,169). The agreed contribution rates for future years are 14.8 per cent for employers, plus a sum of £20,000 for 2016/17 for the past service deficit, and a range of 5.5 per cent to 12.5 per cent depending on full-time equivalent salary 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.

	At 31 August 2016	At 31 August 2015
Principal Actuarial Assumptions		
Rate of increase in salaries	4.1%	4.4%
Rate of increase for pensions in payment / inflation	2.3%	2.6%
Discount rate for scheme liabilities	2.1%	3.9%
Inflation assumption (CPI)	2.3%	2.6%
Commutation of pensions to lump sums	50.0%	50.0%

The following table sets out the impact of a small change in the discount rates, long term salary increases, pension increases and deferred revaluation on the defined benefit obligation and projected service costs along with a +/- 1 year age rating adjustment to the mortality assumption.

Sensitivity Analysis	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of Total Obligation	3,089	3,151	3,214
Projected Service Cost	238	243	248

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

31 Pension and similar obligations (continued)

Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of Total Obligation	3,160	3,151	3,142
Projected Service Cost	243	243	243

Sensitivity Analysis	£'000	£'000	£'000
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of Total Obligation	3,205	3,151	3,098
Projected Service Cost	248	243	238
Adjustment to life expectancy assumptions	+1 year	None	-1 Year
Present value of Total Obligation	3,239	3,151	3,066
Projected Service Cost	249	243	237

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

	At 31 August 2016	At 31 August 2015
<i>Retiring today</i>		
Males	22.9	22.8
Females	26.2	26.1
<i>Retiring in 20 years</i>		
Males	25.2	25.1
Females	28.6	28.4

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

	Expected return at 31 August 2016	Fair value at 31 August 2016 £'000	Expected return at 31 August 2015	Fair value at 31 August 2015 £'000
Gilts	3.0%	37	5.0%	48
Equities	24.0%	276	25.0%	247
Overseas Equities	34.0%	386	32.0%	320
Property	10.00%	111	11.0%	106
Infrastructure	4.0%	46	3.0%	30
Target Return Portfolio	14.0%	160	15.0%	149
Cash	2.0%	19	2.0%	23
Other Bonds	3.0%	30	5.0%	49
Alternative assets	6.0%	64	2.0%	18
Total market value of assets		1,129		990

The actual return on scheme assets was £137,000 (2015: loss of £3,000).

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Notes to the Financial Statements for the year ended 31 August 2016

31 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2016 £000	2015 £000
Current service cost (net of employee contributions)	(168)	(164)
Net interest cost	(43)	(40)
Administration expenses	(1)	-
Total operating charge	<u>(212)</u>	<u>(204)</u>

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

	2016 £'000	2015 £'000
At 1 September	2,146	1,957
Current service cost	168	164
Interest cost	82	78
Employee contributions	33	33
Actuarial (gain)/loss	851	-
Benefits paid	(129)	(86)
At 31 August	<u>3,151</u>	<u>2,146</u>

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

	2016 £'000	2015 £'000
At 1 September	990	945
Interest income	39	38
Return on plan assets (excluding net interest on the net defined pension liability)	98	(41)
Administration expenses	(1)	-
Employer contributions	99	101
Employee contributions	33	33
Benefits paid	(129)	(86)
At 31 August	<u>1,129</u>	<u>990</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016

32 Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The following related party transaction took place in the period of account.

Ms Sarah Taylor – partner of Mr R Stidwell (Acting Deputy Headteacher)

The trust employed Ms Taylor as a part-time Learning Support Assistant and an Entrance Exam Invigilator during the period of account.

Ms Taylor was paid at the standard school rates for each post, and contributions to the Local Government Pension Scheme were paid at the standard rate.

Ms Taylor was paid as follows:

	2016		2015	
	Payment	Employer's contributions to the Local Government Pension Scheme	Payment	Employer's contributions to the Teacher's Pension Scheme
- part-time Learning Support Assistant	£11,564	£1,711	£10,943	£1,620
- Entrance Exam Invigilator	£57	Nil	£112	Nil

There were £374 employer's national insurance contributions payable on these amounts (2015: £205).

This arrangement was made at arms' length following the normal recruitment exercises in accordance with the trust's employment regulations, which Mr Sdtidwell neither participated in, nor influenced.

In entering into the transaction the trust has complied with the requirements of the EFA's Academies Financial Handbook.

33 Agency Arrangements

The trust acts as an agent for the following entities:

(a) Colyton Grammar School Parents' Association

At 1 September 2015 the trust held no funds as an agent for the Colyton Grammar School Parents' Association.

In the accounting period ending 31 August 2016 the trust received £7,515 on behalf of the Colyton Grammar School Parents' Association and passed on £7,500. A sum of £15 received as an agent on behalf of the Colyton Grammar School Parents' Association was held at the end of the current accounting period.

A balance of £15 is included in other creditors falling due within one year.

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Notes to the Financial Statements for the year ended 31 August 2016

(b) South West Academic Trust

At 1 September 2015 the trust held a balance of £6,790 as an agent for the South West Academic Trust.

In the accounting period ending 31 August 2016 the trust received £2,275 and made payments of £5,287 as an agent for the South West Academic Trust.

A balance of £3,778 is included in other creditors falling due within one year.

34 Transition to FRS 102

First time adoption of FRS 102

These financial statements are the first financial statements of Colyton Grammar Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Colyton Grammar School Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to income/expense by £20,000 and reduce the debit in other recognised gains and losses in the SOFA by an equivalent amount.