

Colyton Grammar School Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2015

Company Registration Number 07445493

Colyton Grammar School Academy Trust

Financial Statements

Year Ended 31 August 2015

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Colyton Grammar School Academy Trust

Reference and Administrative Details

Year Ended 31 August 2015

Members	C J Bastin L Linnell R Scott F H Wilkinson
Trustees	P Anderson (to 31 August 2015) * C J Bastin (Chairman) * S Burns-Price (Staff Trustee) * G Davis (Staff Trustee) * H Dawson T J Dyer * A Eaton-Hart P W Evans (Headteacher and Accounting Officer)(to 31 August 2015)* M Goscomb (from 1 September 2015) * G Hayne * S Hopkins (Responsible Officer) L Linnell M R Marsh * B Merrett * B Salter * R Scott * V Wells J Wainwright (Headteacher/Accounting Officer from 1 Sep 2015)* F H Wilkinson (Vice Chairman) * M Williams (to 13 October 2014) * members of the Finance and Resources Committee
Company Secretary	S R Cook
Senior Leadership Team:	
- Deputy Headteacher	J Wainwright (Headteacher from 1 September 2015)
- Assistant Headteacher	R Bush (Acting Deputy Headteacher from 1 September 2015)
- Assistant Headteacher	A Gregson (Acting Deputy Headteacher from 1 September 2015)
- Assistant Headteacher	R Stidwell (Acting Deputy Headteacher from 1 September 2015)
- 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	Francis Clark LLP 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

Year Ended 31 August 2015

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 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

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

There are five members of the Charitable Company: C J Bastin, L Linnell, B Salter, F H Wilkinson and M Williams. 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).

Principal Activities

The principal activity of the Academy is specifically restricted to the following: to advance for the public benefit 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.

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 2015

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 Trustees' Yearbook giving a wide range of information and guidance relating to the governance of the Academy Trust.

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 2014: Careers, Information and Guidance; Educational Research
- January 2015: Three Year Budget
- February 2015: Support Staff Structure and Roles
- May 2015: Safeguarding and Complaints.

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 publish an annual prospectus; 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 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 and all pastoral issues. This includes arrangements for Special Educational Needs, behaviour and discipline, collective worship and religious education.
- 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

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

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 select for appointment Deputy Headteachers, Assistant Headteachers and the Business Manager; 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 24.

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.

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

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

- 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 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:

- Homework to support learning
- Evidence Based Teaching
- "Outstanding" lessons
- Social, Moral, Spiritual and Cultural Education (SMSC)
- A review of arrangement for students with special educational needs and disabilities (SEND)
- Cross- curricular themes in numeracy, literacy and IT
- Raising staff awareness of mental health issues and developing student resilience

(b) Sustaining High Achievement

- New specifications at A Level and GCSE
- Independent learning
- Assessing and tracking performance at Key Stage 5
- Developing the school community through the House System
- Monitoring and supporting the progress of students in specified groups

(c) Evaluation and Accountability:

- Department Supported Self Review
- School self-evaluation

(d) Professional Development:

- Leadership development and succession planning
- Performance related pay and the Teacher Standards
- Support staff succession planning and performance related pay
- "Building Leadership Capital" – middle leadership training course
- Appointment of a new headteacher

(e) Resources:

- Admissions, including changes to the admissions tests for Autumn 2015
- Major capital projects, including the refurbishment and extension of the Cottrill Hall, new changing rooms, extension to Take 5 (school restaurant), East Wing and Site Accommodation
- Five Year Capital Plan

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

- Various support services

Key activities and targets have included the following:

- A review of the use of SIMS to record all homework, an audit of homework across departments and changes to the homework provision
- Collaborative work with other schools on evidence based teaching
- Further work on "outstanding" lessons, in particular learning relationships in the Sixth Form and the use of the school's lesson observation form
- Change to SMSC arising from the previous year's audit
- Specific work to support numeracy, literacy and IT skills
- Staff training on developing student resilience and the review and trialling of materials to use with students in PSHE
- Preparation for 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
- Further development of independent learning led by the Independent Learning Group, additional training and support for Extended Project supervisors and review of the Year 11 Learning Project
- New assessment policy guidance for Year 11, embedding the use of SIMS for recoding ongoing formal assessment grades across Key Stage 5 and further work on the student action planning process
- Investigation of ways of developing the school community through the House system
- Development of a student groups report document
- The continuing programme of biennial supported departmental self-review, and whole school reviews
- Collaborative learning for staff professional development through e.g. the "Building Leadership Capital" course for middle leaders
- Specific training for teaching staff on the Teacher Standards and the links with pay progression
- Ongoing review of the support staff structure and succession planning
- The appointment of a new headteacher to replace Mr Paul Evans from 1 September 2015
- A continuing strategic review of the funding challenges facing the school
- Preparation and submission of a bid under the Condition Improvement Fund programme, for the Staff House (staff accommodation and proposed lecture theatre)
- Completion of the Academies Capital Maintenance Programme projects for the Cottrill Hall and new changing rooms
- Completion of additional minor capital programmes to improve Take Five (the school restaurant) and Site Staff accommodation
- A variety of support services developments
- Continuing work on the Five Year Capital Plan
- Ongoing review of admissions arrangements, and in particular the introduction of the Centre for Evaluation and Monitoring (CEM) tests in Autumn 2015

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

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

- 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 2015 were maintained at a very high level with 38.5% of all grades at GCSE being the top A*/A. 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 2015, rate the school very highly.

- 2015 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
- 2015 Key Stage 5 tables ranked the school as 2nd in the table of state schools and colleges (6th in 2014) for total average point score

National Performance Table data for Summer 2015 is not currently available, but at A Level The Times ranked the school as 13th state mixed school and at GCSE 3rd state mixed school.

Key Stage 5: GCE 'A' Level - Results

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

Year	A*	A	B	C	D	E	A*/A	A*/A/B
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%
2011	33.9%	38.7%	20.2%	5.1%	2.1%	0%	72.6%	92.8%

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Trustees' Report (continued)

Year Ended 31 August 2015

Key Stage 4: Year 11 Results

	2015	2014	2013	2012	2011
% gaining 5+ A*-C including English and Maths	100%	100%	100%	100%	100%
% gaining English Baccalaureate	90%	91%	85%	86%	87%

Key Stage 4: GCSE Results (Year 10)

Grade Distribution	A*	A	A*/A
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%
2011	47.2%	33.5%	80.7%
2010	47.9%	36.8%	84.7%

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
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 and runs a 'Building Leadership Capital' Programme for middle leadership development on behalf of the Trust. 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 2014), 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.

Review of Activities

Capital Developments

A major capital project for the refurbishment and extension of the Cottrill Hall and the provision of new changing rooms in the Sports Centre, funded by £1.27m from the Academies Capital Maintenance Programme, was completed during the year. The first major event in the newly opened Cottrill Hall was a major Art Exhibition organised by the Parents' Association. The hall is proving to be an attractive and highly effective facility.

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

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

successful and a revised bid is being prepared for submission in late 2015. A CIF bid is also being prepared for repairs to the roof and replacement of the windows in the Feoffees' Building.

Two further projects for improvements to Take Five (the school Restaurant) and improved accommodation for Site Staff were also completed successfully during the year.

The former West Playground area has been remodelled as the West Court, and includes attractive outside seating areas, table tennis tables and additional car parking spaces for visitors.

South West Academic Trust

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

A number of staff development and student activities have been undertaken successfully during the period under review, including Year 8 and 9 student Challenge Days, Public Speaking and Debating Competition and a Student Voice Conference. 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.

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 has implemented a common 11+ Test for entry in September 2016.

Pensions Auto-Enrolment

The school's "Staging Date" for pensions auto-enrolment was 1 May 2014. All preparations were completed in a timely and accurate manner and the school is fully compliant with the new arrangements.

Science College Specialism

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.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

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

- A London theatre visit and drama workshop
- A visit to the Goethe "Four Elements of Air, Water, Fire and Earth" exhibition
- The development of links with the Maths department
- A number of professional development activities (including a course on FIT, an assessment tool which supports a new Europe-wide qualification in language proficiency)
- A Year 9 "Routes Into Languages project with the University of Exeter

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

- Cross-curricular "Beer Quarry Caves" project, involving Music, Art and English
- Three "trios" of teachers undertaking in-school research on the Evidence Based Teaching model
- Attendance at an "Auditory Processing" conference
- Development work with Poole High School

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:

- 150 students took Associated Board of the Royal Schools of Music (ABRSM) music exams, with 35 gaining the highest Grades 6, 7 and 8. Over half of these students gained a Merit or Distinction, with four achieving this in more than one instrument
- Three students attended the semi-finals of the PolyU Global Student Challenge in Hong Kong and were overall winners
- Participation in the national finals of the Formula One Challenge design competition at the NEC
- Winner of the Young Geographer of the Year competition at Key Stage 4
- Ogden Trust School Physicist of the Year award
- Participation in the Tower Poetry Summer School at Christchurch College, Oxford
- Five students gained Arkwright Engineering Scholarships
- Second place in the national John Betjeman poetry competition
- Selection of a student as the Lord Lieutenant of Devon's Air Cadet
- Selection to sing with the "National Youth Choir of Great Britain" at the Royal Festival Hall as part of the Festival of Remembrance
- An appearance on the "The Munchbox" children's cooking programme on ITV
- Second in Seaton Music's Young Pianists Competition
- Participation in a number of major national competitions with regional and national level success in many, including the Institute of Chartered Accountants "Business, Accounting and Skills Education" (BASE) competition, 2014 Student Short Video Competition, the British Biology Olympiad, the IFS National Investment Competition, the English Speaking Union Public Speaking Competition, Maths Challenge, Magistrates Mock Trial Competition and Young Enterprise
- Fundraising activities for charities including the Poppy Collection, British Red Cross, Teenage Cancer Trust, Great Initiative (Round Table), Crohn's and Colitis UK, Children in Need and Exeter Food Bank
- Sporting achievements include champions and/or runners up for East Devon and Devon Girls' Netball, U14 West Netball final, East Devon Indoor Cricket, East Devon and Devon Girls' Hockey, U14 East Devon Girls' Football, Exeter and East Devon Ruby 7s Tournament, East

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

Devon and Devon Badminton, East Devon Cross Country, East Devon Rounders, U15 East Devon Tennis, East Devon Swimming Champions

- Individual sporting achievements include representing the GB Juniors Pistol Team at the ISSF World Championships in Granada, competing in the Junior Inter-Regional Rowing Regatta in Nottingham, selection for the West Panthers Hockey squad, three Year 7 students selected for the Devon U12 cricket team, qualifying for the National Swimming Championships in Sheffield and the South West Regional Swimming Finals, Year 7 and 8 medal winners at the Devon Summer Games Team Pursuit Cycling Competition, selection for U13 Devon Girls' Cricket team
- A vibrant and popular Duke of Edinburgh Scheme programme, with large numbers participating and gaining success at Bronze, Silver and Gold levels
- A student production of "Guys and Dolls"
- Other individual achievements include participation in the Cambridge University summer school for languages and the Goethe Institut summer school scholarship and travel programmes;
- Four teams entered in the Ten Tors Competition
- The Choir sang in Bristol, Wells, Exeter and Salisbury Cathedrals and completed a successful tour in Nuremburg.
- Student support of a family Science Day at the Norman Lockyer Observatory
- 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

Review of Investments

Details of the investments held by the Academy are included in Note 13.

Key Performance Indicators

Comparative information for periods prior to 1 January 2011 is based on data from the previous Colyton Grammar School. It should be noted that the figures for 2011 cover only eight months following the conversion to academy status in January 2011.

For details of examination results including leavers' destinations, please refer to the Achievements and Performance section on pages 7 to 8.

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

	2015	2014	2013	2012	2011 (8 months only)
Teaching Staff	64.0%	60.8%	60.2%	56.8%	56.2%
Support Staff	7.8%	8.2%	8.2%	7.9%	8.0%
Administrative Staff	6.1%	6.1%	6.1%	5.9%	5.5%
Site Staff	5.8%	5.6%	5.5%	5.4%	5.4%

Teaching Staff

	2015	2014	2013	2012	2011
Full Time Equivalents	47.76	48.91	47.30	45.89	45.29
Pupil Teacher Ratio	17.2	16.8	17.5	17.7	17.9
Contact Ratio	69.9	70.0	71.0	70.4	70.3

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Trustees' Report (continued)

Year Ended 31 August 2015

Admissions for Year 7 Entry

2015		2014		2013		2012	
Applications	Accepted	Applications	Accepted	Applications	Accepted	Applications	Accepted
376	120	378	125	363	121	348	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:

- To continue to lobby actively to raised awareness of the funding challenges faced by the school
- Continuing recognition of the importance of clear communication with parents and others about the funding challenges
- A continuing sharp focus on teaching and learning, ensuring best value and being efficient
- In the light of curriculum and assessment changes, to maintain the quality of what the school provides and ensure the capacity to deliver
- The importance of investing for quality and efficiency
- To delay making major structural decisions due to the uncertainty of the General Election result and the appointment of a new headteacher
- To use school reserves as a temporary "cushion" during a period of significant challenge
- To re-launch the Friends of Colyton Grammar Schools scheme, linked with the development of the Alumni programme
- To continue the "no automatic replacement" policy for staff
- To review educational visits and activities to ensure minimum cover costs
- A recognition that major capital projects will in future rely on grant funding rather than significant contributions from school revenue funds
- Avoid taking on long term commitments
- Be creative in responding to funding challenges
- Plan for significant changes in staffing

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 applied to the Academy's Educational Operations (see Note 7). The zero balance on the General Annual Grant fund at 31 August 2015 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 £1,517,984 has been used to purchase Fixed Assets to support the Academy's Educational Operations, This sum includes £1,086,691 Capital Grant funding from the EFA, £174,695

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Trustees' Report (continued)

Year Ended 31 August 2015

from GAG funding, £17,939 Devolved Formula Capital Grant, £19,972 from other restricted funds and £218,688 from unrestricted funds. These purchases have included the following major items:

- Refurbishment and extension of Cottrill Hall (£1,094,841)
- New Changing Rooms at Sports Centre (£203,949)
- Take Five School Restaurant Extension (£58,600)
- Main School – East Wing and Site Accommodation (£83,654)
- A number of minor grounds and premises projects including the remodelling of West Court (£20,313), the refurbishment of the main Science Prep Room (£10,483), changes to Room 10 and the English Office (£8,156) and the refurbishment of the cricket wicket (£4,317)
- A range of IT projects, including core network upgrades (£11,498) and extension of the wireless network (£5,921)

Other Fixed Asset purchases included minor works and the purchases of small items of capital equipment and IT.

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
- £149,239 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 includes 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 2014 Condition Improvement Fund (CIF) programme was not successful in gaining funding, but a revised bid is being prepared for submission in December 2015. A further CIF bid for works to the Feoffees' Building (roof repairs and window replacements) is also being prepared for submission in December 2015.

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.

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.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

Financial and Risk Management Objectives and Policies

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 30 to the annual report. It considers that the Academy Trust is able to meet its known contribution commitments for the foreseeable future.

Reserves Policy

The Academy Trust aims to carry forward a prudent level of resources 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. At the end of the period under review the balances held in these funds were as follows:

- General Annual Grant - £0 (2014: £178,806)
- General Non-GAG Restricted Funds - £94,333 (2014: £71,023)
- General Unrestricted Fund - £593,685 (2014: £688,917)

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 £449,239 (2014: £450,456). 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 in the next ten years include the replacement of the All Weather Pitch surface
Other special purposes - £149,239	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).

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

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.

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 threat to the academy over the next few years is 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. 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.

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.

Reputational Risk

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.

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.

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

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
- 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.

Plans for Future Periods

The School Development Plan for 2015/16 has a clear focus on the changes to national assessment, both at A Level and GCSE. 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. Trustees will also consider strategies to attract and retain good teachers and school leaders, preparing for senior staff changes in the near future. A new headteacher, Mr Timothy Harris (currently Deputy Head at Reading School) has been appointed for September 2016 and Mr Harris will work closely with Trustees and the current Senior Leadership Team to ensure a smooth transition.

Specific plans include the following:

- A major focus on new examination specifications at both Phase One and Phase Two at A Level and GCSE
- Strategies for promoting and maintaining "quality in the classroom"
- Further work on evidence based teaching approaches
- Continuing work on cross curricular themes in numeracy and literacy
- Developing the school community through the House system
- Approaches to safeguarding and resilience

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

- A review of the assessment policy and reporting
- Effective use of curriculum time
- Further work on self-evaluation (both at school and department level)
- Senior and middle leadership development and succession planning
- Further work on professional development, performance related pay and the national standards for teachers
- Support Staff performance related pay
- Ongoing review of admissions arrangements, including a review of the new arrangements for the admissions test for the 2016 entry
- Ongoing review of strategic financial plans to address the funding challenges over the next few years
- The submission of the revised Staff House bid for the new Condition Improvement Fund (CIF) arrangements
- Ongoing work on the Five Year Capital Plan

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, Mr Paul Evans (until 31 August 2015) and Mrs Jayne Wainwright (from 1 September 2015).

Colyton Grammar School Academy Trust

Trustees' Report (continued)

Year Ended 31 August 2015

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 Francis Clark LLP as auditors.

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on 10th December 2015 and signed on its behalf by:

.....


C J Bastin
Chair of Trustees

Colyton Grammar School Academy Trust

Governance Statement

Year Ended 31 August 2015

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 four times during the year. Attendance during the year at meetings of the governing body was as follows:

Trustee	Meetings attended	Out of a possible
P Anderson	3	4
C J Bastin (Chairman)	4	4
S Burns-Price (Staff Trustee)	2	4
G Davis (Staff Trustee)	3	4
H Dawson	3	4
T J Dyer	4	4
A Eaton-Hart	4	4
P Evans (Headteacher and Accounting Officer)	4	4
G Hayne	4	4
S Hopkins (Responsible Officer)	3	4
L Linnell	4	4
M R Marsh	4	4
B Merrett	3	4
B Salter	4	4
R Scott	4	4
V Wells	3	4
F H Wilkinson (Vice Chair)	4	4
M Williams	0	0

An election for three parent Trustee vacancies was held in October 2014, following the end of the terms of office of B Merrett, V Wells and M Williams. B Merrett and V Wells were elected for a further term of 4 years, and T J Dyer was elected for a term of 4 years.

M Goscomb was appointed under Article 50 with effect from 1 September 2015.

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 Trustees' Yearbook which includes the Code of Conduct, procedures,

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2015

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 more general review of governance arrangements in the summer of 2015. The Chairs' Committee has considered a number of proposals covered in the review and these will be considered in more detail at the Board meeting in December 2015.

Each committee is required to develop a "succession planning statement" at the meeting in the Autumn term 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
P Anderson	1	5
C J Bastin	5	5
S Burns-Price	2	5
G Davis	3	5
T J Dyer	4	4
P Evans (Headteacher and Accounting Officer)	5	5
G Hayne	4	5
M R Marsh	5	5
B Merrett (Vice Chairman – Finance)	3	5
B Salter (Vice Chairman – Grounds and Buildings)	5	5
R Scott	5	5
F H Wilkinson (Chairman)	5	5
M Williams	0	1

T J Dyer, who was elected as a parent Trustee in October 2014, joined the committee during the year.

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2015

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 bid for the Staff House project
- The completion of the ACMF bid for the refurbishment and extension of the Cottrill Hall and the provision of new changing rooms in the Sports Centre
- The completion of the capital projects for the extension of the school restaurant and the changes to the East Wing and Site Staff accommodation
- The challenges of providing additional Science accommodation
- The remodelling of the former West Playground area as the West Court
- The re-launch of the Friends of Colyton Grammar School scheme, linked with the new Alumni programme
- The Three 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
- The annual review of insurance arrangements, and in particular the decision to purchase terrorism cover
- The annual Best Value Review
- Cheque signatory arrangements from 1 September 2015, following the departure of Mr Paul Evans as headteacher from 31 August 2015

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 2015 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 19.3% in 2014 to 22.1%, and the proportion of A*/A grades rose from 50.8% to 62.4%. Nationally the proportion of A* grades remained unchanged at 8.2%, and A*/A grades were down 0.1% to 25.9%.

At GCSE, the proportion of A* grades rose from 37.9% in 2014 to 38.5%, compared with a 0.1% drop to 21.2% nationally.

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 2015 National Performance Tables for Key Stage 4, the school was first nationally for the 3rd year running on the basis of total average point score (703.9 per student) and 4th for

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2015

total average capped point score of 450.6 per student. At Key Stage 5 the school moved up to 2nd nationally with an average point score per A Level student of 1,332.

This is despite a 3.5% drop in the General Annual Grant for the year under review, while Devon remains among the lowest funded 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 £387,435 from its reserves for the purchase of fixed assets, either as part of a school commitment to the ACMF funded project for the Cottrill Hall and new changing rooms (school contribution of £186,089) or to fund other important improvements for which grant funding was not available.

The school promised a contribution of £345,000 (38%) 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 bid. A larger contribution is planned for the revised bid to be submitted in December 2015, with the contribution from the Parents' Association increasing from £20,000 in 2014 to £100,000 in 2015.

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 2015 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 2014/15, the Finance and Resources Committee received a Best Value Review on Income Generation.

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 2015 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 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

Colyton Grammar School Academy Trust

Governance Statement (continued)

Year Ended 31 August 2015

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 reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The 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.

Review of Effectiveness

As Accounting Officer, the Headteacher (P Evans until 31 August 2015 and J Wainwright from 1 September 2015), 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 10th December 2015 and signed on its behalf by:

CHRISTOPHER J BASTIN

Signed



C J Bastin
Chair of Trustees

JAYNE WAINWRIGHT

Signed



J Wainwright
Accounting Officer

Colyton Grammar School Academy Trust

Statement on Regularity, Propriety and Compliance

Year Ended 31 August 2015

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.



Jayne Wainwright
Accounting Officer

10 December 2015

Colyton Grammar School Academy Trust

Statement of Trustees' Responsibilities

Year Ended 31 August 2015

The Trustees (who act as governors for charitable activities 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, incorporating the Strategic Report, and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 year. 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 2005;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 the 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 Governing Body on 10th December 2015 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 2015

We have audited the financial statements of Colyton Grammar School Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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) and the Annual Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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 25, 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 2015 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 2014 to 2015 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 2015

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

FRANCIS CLARK LLP

Chartered Accountants and Statutory Auditor

Vantage Point

Woodwater Park

Pynes Hill

Exeter

EX2 5FD

15 December 2015

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 2015

In accordance with the terms of our engagement letter dated 24 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the academy trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of the Academy's funding agreement with the Secretary of State for Education dated 20 December 2010, the Deed of Variation dated 16 July 2013 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- 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

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 2015

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 2014 to 31 August 2015 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
FRANCIS CLARK LLP

Chartered Accountants and Statutory Auditor

Vantage Point

Woodwater Park

Pynes Hill

Exeter

EX2 5FD

Date: 15 December 2015

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)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	44,786	36,044	-	80,831	43,333
Activities for generating funds	3	384,067	328,224	-	712,291	676,715
Investment income	4	30,362	284	-	30,646	30,825
<i>Incoming resources from charitable activities:</i>						
Funding for the academy trust's educational operations	5	19,337	3,801,649	17,939	3,838,924	5,252,303
Total incoming resources		478,553	4,166,201	17,939	4,662,692	6,003,176
Resources expended						
<i>Cost of generating funds:</i>						
Fundraising trading	6	279,795	37,437	-	317,232	314,346
<i>Charitable activities:</i>						
Academy trust educational operations	7	64,509	4,169,019	307,052	4,540,581	4,439,527
Governance costs	8	-	7,004	-	7,004	11,831
Total resources expended	6	344,304	4,213,460	307,052	4,864,817	4,765,704
Net incoming / (outgoing) resources before transfers		134,249	(47,260)	(289,113)	(202,124)	1,267,473
Gross transfers between funds	20	(218,688)	(194,667)	413,655	-	-
Net income / (expenditure) for the year		(84,439)	(241,927)	124,242	(202,124)	1,267,473
Other recognised gains and losses						
Gains / (losses) on investment assets	13	2,065	(26)	-	2,039	9,547
Actuarial (losses) / gains on defined benefit pension schemes	30	-	(61,000)	-	(61,000)	32,000
Total other recognised gains / (losses)		2,065	(61,026)	-	(58,961)	41,547
Net movement in funds		(82,374)	(302,953)	124,242	(261,085)	1,309,019
Reconciliation of funds						
Total funds b/f at 1 September 2014		1,139,373	(650,921)	8,851,556	9,340,008	8,030,989
Total funds c/f at 31 August 2015		1,056,999	(953,873)	8,975,978	9,078,923	9,340,008

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.

Colyton Grammar School Academy Trust

Balance Sheet as at 31 August 2015

Company registered number 07445493

	Notes	2015 £	2014 £
Fixed assets			
Tangible assets	12	8,975,798	7,764,866
Current assets			
Investments	13	628,132	617,236
Stock	14	30,947	35,380
Debtors	15	33,693	950,020
Prepayments and Accrued Income	16	154,994	135,868
Cash at bank and in hand		874,285	1,332,291
		1,722,051	3,070,794
Creditors: Amounts falling due within one year			
Creditors	17	(218,453)	(256,131)
Accruals and Deferred Income	17	(189,896)	(167,141)
		(408,349)	(423,272)
Net current assets		1,313,702	2,647,523
Total assets less current liabilities		10,289,501	10,412,389
Loans	18	(20,569)	(25,711)
Other creditors	18	0	(661)
Provisions for liabilities and charges	19	(34,009)	(34,009)
Pension scheme liability	30	(1,156,000)	(1,012,000)
Net assets including pension liability		9,078,923	9,340,008
Funds of the academy trust:			
Restricted income funds			
Fixed asset funds	20	8,975,798	8,851,556
General fund – General Annual Grant	20	0	178,806
General fund – Non GAG	20	94,333	71,021
Pension Reserve	20	(1,156,000)	(1,012,000)
Special Purposes Fund	20	66,656	70,620
Colyton Educational Foundation	20	41,138	40,631
Total restricted funds		8,021,924	8,200,635
Unrestricted funds			
General fund	20	567,675	688,917
Alumni and Friends Fund	20	40,085	-
Bradbeer Fund (designated)	20	449,239	450,456
Total unrestricted funds		1,056,999	1,139,373
Total funds		9,078,923	9,340,008

The financial statements on pages 30 to 53 were approved by the Trustees, and authorised for issue on 10th December 2015 and are signed on their behalf by:



C J Bastin Chair of Trustees

Colyton Grammar School Academy Trust

Cash Flow Statement for the year ended 31 August 2015

	Notes	2015 £	2014 £
Net cash inflow / (outflow) from operating activities	24	1,020,250	(433,916)
Returns on investments and servicing of finance	25	30,646	30,825
Capital expenditure and financial investment	26	(1,508,902)	802,903
(Decrease) / increase in cash in the year	27	(458,006)	399,812
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		1,332,291	932,478
Net funds at 31 August 2015		874,285	1,332,291

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

1 Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014/15 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 one year from the date of approval of the financial statements.

Incoming Resources

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

- **Grants receivable**

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in the restricted fixed asset fund.

- **Donations**

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

- **Other income**

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

Resources Expended

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

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

1 Statement of Accounting Policies (continued)

- **Costs of generating funds**
These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- **Charitable activities**
These are costs incurred on the Academy Trust's educational operations.
- **Governance Costs**
These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

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.

Land and buildings held by the former Colyton Grammar School prior to the introduction of fixed asset accounting are stated in the balance sheet at valuation, on the basis of depreciated replacement cost, as the open market value for existing use is not available. Land and buildings acquired by the former Colyton Grammar School after the introduction of fixed asset accounting are included in the balance sheet at cost.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset 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 2014)
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.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

1 Statement of Accounting Policies (continued)

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.

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 13).

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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 30, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

1 Statement of Accounting Policies (continued)

costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other 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 the Education Funding Agency 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.
- (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

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 32.

(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 32.

2 Voluntary Income

	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£	£	£	£
Donations fixed assets	-	-	-	-
Private sponsorship	-	-	-	-
Other Donations	44,786	36,044	80,831	43,333
	<u>44,786</u>	<u>36,044</u>	<u>80,831</u>	<u>43,333</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

3 Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Hire of Facilities	8,961	-	8,961	13,284
Catering Income	306,685	-	306,685	310,003
Educational Activities Income	4,542	270,310	274,852	216,768
Other Services	63,879	57,914	121,793	136,660
	<u>384,067</u>	<u>328,224</u>	<u>712,291</u>	<u>676,715</u>

4 Investment Income

	Unrestricted Funds £	Restrict ed Funds £	Total 2015 £	Total 2014 £
Short term deposits	28,971	224	29,195	29,329
Dividends	1,392	59	1,451	1,496
	<u>30,362</u>	<u>284</u>	<u>30,646</u>	<u>30,825</u>

5 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
DfE/EFA capital grant				
. Devolved Formula Capital allocations	-	17,939	17,939	17,686
. Academy main building grants	-	-	-	1,272,215
	<u>-</u>	<u>17,939</u>	<u>17,939</u>	<u>1,289,901</u>
DfE / EFA revenue grants				
General Annual Grant (GAG)	-	3,750,803	3,750,803	3,887,353
Start Up Grants	-	-	-	-
16-19 Bursary Fund	-	12,965	12,965	17,148
Pupil Premium	-	28,579	28,579	39,029
Other DfE/EFA grants	-	1,000	1,000	-
	<u>-</u>	<u>3,793,347</u>	<u>3,793,347</u>	<u>3,943,530</u>
Other Government grants				
. Other LA grants	19,337	5,129	24,466	44,162
. SEN funding from LA	-	3,173	3,173	4,712
	<u>19,337</u>	<u>8,302</u>	<u>27,639</u>	<u>48,873</u>
Total	<u>19,337</u>	<u>3,819,587</u>	<u>3,838,924</u>	<u>5,265,803</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

6 Resources Expended

	Staff Costs	Non Pay Expenditure Premises	Other Costs	Total 2015	Total 2014
	£	£	£	£	£
Costs of generating voluntary income	-	-	-	-	-
Costs of activities for generating funds	108,715	-	208,518	317,232	314,346
Academy's educational operations					
Direct costs	2,691,771	166,720	764,639	3,623,130	3,575,971
Allocated support costs	529,958	202,537	184,956	917,451	863,555
	3,330,443	369,257	1,158,113	4,857,813	4,753,873
Governance costs including allocated support costs	-	-	7,004	7,004	11,831
	3,330,443	369,257	1,165,116	4,864,817	4,765,704

Incoming / (outgoing) resources for the year include:

	2015 £	2014 £
Operating leases		
- Motor vehicles	3,327	3,900
- Plant, machinery and equipment	25,172	24,007
Fees payable to auditor - audit	6,250	6,300
- other services	-	-
(Profit)/loss on disposal of fixed assets	-	39,952

7 Charitable Activities – Academy's educational operations

	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£	£	£	£
Direct costs				
Teaching staff costs	-	2,402,407	2,402,407	2,362,326
Educational support staff costs	-	253,211	253,211	277,885
Depreciation	-	252,645	252,645	273,485
Loss on disposal of fixed assets	-	-	-	37,401
Educational supplies	32,066	408,472	440,538	372,876
Examination fees	-	120,350	120,350	123,634
Educational furniture (not capitalised)	-	2,085	2,085	449
Staff development	279	11,798	12,077	14,915
Educational consultancy	2,712	16,786	19,498	15,976
Other direct costs	3,564	53,755	57,319	58,025
	38,621	3,584,509	3,623,130	3,575,971
Allocated support costs				
Support staff costs	19,377	447,581	466,958	456,806
FRS 17 service cost adjustment LGPS	-	63,000	63,000	39,000
Depreciation	-	54,407	54,407	52,064
Loss on disposal of fixed assets	-	-	-	2,551
Recruitment and support	52	23,217	23,269	9,969

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

7 Charitable Activities – Academies educational operations continued

Maintenance of premises and equipment	-	46,974	46,974	44,624
Cleaning	296	9,680	9,976	8,538
Rent & rates	3,135	27,389	30,524	29,484
Water, energy and telephones	-	65,472	65,472	73,231
Insurance	-	33,595	33,595	32,368
Security and transport	284	8,629	8,913	8,788
Bank interest and charges	-	7,110	7,110	6,641
Pension scheme finance charge	-	20,000	20,000	36,000
Other support costs	2,745	84,508	87,252	63,491
	25,888	891,562	917,451	863,555
Total	64,509	4,476,071	4,540,581	4,439,527

8 Governance costs

	Total 2015	Total 2014
	£	£
Legal and professional fees	754	5,531
Auditor's remuneration		
. Audit of financial statements	6,250	6,300
. Other audit costs	-	-
	7,004	11,831

9 Staff

(a) Staff Costs

Staff costs during the period were:	2015	2014
	£	£
Wages and salaries	2,684,655	2,638,147
Social security costs	194,367	191,592
Pension costs	377,820	364,023
	3,256,842	3,193,762
Supply teacher costs	10,601	4,685
Staff restructuring costs	-	25,675
	3,267,443	3,224,122

(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:

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

9 Staff (continued)

	2015 No.	2015 FTE	2014 No.	2014 FTE
Charitable Activities				
Teachers	54	42	56	43
Education support	15	11	15	12
Administration and support	31	22	30	20
Management	6	6	6	6
	<u>106</u>	<u>81</u>	<u>107</u>	<u>81</u>

(d) Higher paid staff

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

	2015 No.	2014 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	0	0
£80,001 - £90,000	0	1
£90,001 - £100,000	1	0
	<u>3</u>	<u>3</u>

All three of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £30,399 (2014: £30,927).

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 (Headteacher and Trustee)		
Remuneration	£90,000 to £95,000	(2014: £85,000 to £90,000)
Employer's pension contributions	£10,000 to £15,000	(2014: £10,000 to £15,000)
G Davis (staff Trustee (G Davis))		
Remuneration	£45,000 to £50,000	(2014: £45,000 to £50,000)
Employer's pension contributions	£5,000 to £10,000	(2014: £5,000 to £10,000)
S Burns-Price (staff Trustee)		
Remuneration	£20,000 to £25,000	(2014: £20,000 to £25,000)
Employer's pension contributions	£0 to £5,000	(2014: £0 to £5,000)

During the year ended 31 August 2015, travel and subsistence expenses totalling £439 (2014: £312) were reimbursed to 3 Trustees (2014: 3).

Other related party transactions involving the Trustees are set out in note 31.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

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 2015 was £600 (2014: £600).

12 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. 2014	9,454,669	470,487	359,096	698,492	31,270	290,770	11,304,785
Additions	1,459,935	-	36,352	21,696	-	-	1,517,984
Transfers	281,855	-	-	-	-	(281,855)	-
Disposals	-	-	-	(64,159)	-	-	(64,159)
At 31 August 2015	11,196,459	470,487	395,448	656,029	31,270	8,915	12,758,610
Depreciation							
At 1 Sept. 2014	2,634,326	127,955	222,505	547,988	7,145	-	3,539,919
Charged in year	189,915	29,486	24,748	60,566	2,337	-	307,052
Disposals	-	-	-	(64,159)	-	-	(64,159)
At 31 August 2015	2,824,241	157,441	247,253	544,396	9,482	-	3,782,812
Net book values							
At 31 August 2015	8,372,218	313,046	148,196	111,634	21,788	8,916	8,975,798
At 31 August 2014	6,820,343	342,532	136,592	150,504	24,125	290,770	7,764,866

13 Investments

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

	2015 £	2014 £
Market value at 1 September	617,236	456,342
Additions	208,907	151,348
Disposals	(200,050)	-
Realised gain / (loss) on investments	-	-
Unrealised gain / (loss) on investments	2,039	9,547
Market value at 31 August	628,132	617,236
Historical cost at 31 August	607,282	598,426

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

13 Investments (continued)

Investments comprise the following:

£50 3.5% War Loan	-	50
COIF Property Fund	11,751	10,832
Henderson Fixed Interest Units	52,795	50,875
Invesco Perpetual Dist Fund Acc Shares	32,475	32,512
JPMF UK Growth and Income Fund	3,332	3,299
M&G Charifund (Colyton Educational Foundation)	1,201	1,260
M&G Charifund (General)	15,006	15,744
Nat West Stepped Fixed Rate Bond (37 months)	-	200,000
Close Brothers (12 months)	511,571	302,665
	628,132	617,236

14 Stock

	2015	2014
	£	£
Catering	9,413	8,611
Stationery etc.	14,387	17,297
Other (e.g. postage, uniform)	7,146	9,473
	30,947	35,380

15 Debtors

	2015	2014
	£	£
Trade debtors	15,087	4,277
EFA	-	890,551
HMRC - VAT	11,806	47,383
HMRC – Gift aid	6,800	1,457
Other debtors	-	6,352
	33,693	950,020

16 Prepayments and Accrued Income

	2015	2014
	£	£
Prepayments	128,093	111,453
Bank and deposit account accrued interest	14,840	11,198
EFA accrued income	4,919	4,652
FITS accrued income	7,141	8,564
	154,994	135,868

17 Creditors: amounts falling due within one year

	2015	2014
	£	£
Trade creditors	26,927	20,697
HMRC: PAYE and NIC	56,758	57,612
EFA	661	661
Other creditors	37,394	6,352
Energy Scheme loan	5,142	5,142

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

17 Creditors: amounts falling due within one year (continued)

Retention building costs	500	500
Capital expenditure	91,069	165,166
Accruals and deferred income	189,896	167,141
	<u>408,348</u>	<u>423,272</u>

Deferred income

	2015	2014
	£	£
Deferred income at 1 September 2014	148,353	178,714
Resources deferred in the year	150,066	148,353
Amounts released from previous years	(148,353)	(178,714)
Deferred Income at 31 August 2015	<u>150,066</u>	<u>148,353</u>

The deferred income at 31 August 2015 comprises the following:

	£
Catering income received via ParentPay	19,839
Payments for educational visits/activities happening post year-end	95,434
EFA: Devolved Formula Capital for 2015/15	19,120
EFA: Rates for 2015/16	15,673
	<u>150,066</u>

The Energy Scheme loan is a loan of £30,853 from Salix, £5,142 of which has been repaid up to 31 August 2015. 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.

18 Creditors: amounts falling due more than one year

	2015	2014
	£	£
Salix Energy Scheme loan	20,569	25,711
EFA	-	661
	<u>20,569</u>	<u>26,372</u>

19 Provisions for liabilities and charges

MMI Scheme of Arrangement

	2015	2014
	£	£
At 1 September 2014	34,009	40,010
Paid in the year	-	(6,001)
Charge for the year	-	-
At 31 August 2015	<u>34,009</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 first call for £6,001 in the year ending 31 August 2014.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

20 Funds

	Balance at 1 Sept. 2014	Incoming Resources	Resources Expended	Gains, Losses and Transfers	Balance at 31 August 2015
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	178,806	3,750,803	(3,754,915)	(174,695)	0
Pupil Premium	30,355	28,579	(21,207)	-	37,727
16-19 Bursary Fund	7,697	12,965	(7,126)	-	13,536
LA and other grants	3,322	12,711	(12,711)	-	3,322
Other DfE / EFA Grants	19,973	-	-	(19,973)	-
General Non-GAG Fund	9,676	50,683	(20,611)	-	39,749
	249,829	3,855,741	(3,816,569)	(194,667)	94,333
Restricted other funds					
Colyton Educational Foundation	40,631	534	-	(26)	41,138
Special Purposes Fund	70,620	310,111	(314,076)	-	66,655
Defined Benefit Pension Scheme	(1,012,000)	-	(83,000)	(61,000)	(1,156,000)
	(900,749)	310,645	(397,076)	(61,026)	(1,048,206)
Restricted fixed asset funds					
On Incorporation	6,654,586	-	(196,497)	-	6,458,089
DfE / EFA capital grants	1,446,203	17,939	(26,372)	-	1,437,770
Capital expenditure from GAG	543,903	-	(70,574)	174,695	648,023
Other capital expenditure	206,864	-	(13,609)	238,661	431,915
	8,851,555	17,939	(307,052)	413,355	8,975,797
Total restricted funds	8,200,635	4,184,325	(4,520,698)	157,662	8,021,924
Unrestricted funds					
General unrestricted fund	688,917	409,670	(531,094)	181	567,675
Alumni and Friends Fund	-	41,091	(1,006)	-	40,085
Bradbeer Fund	450,456	27,791	(30,893)	1,884	449,238
Total unrestricted funds	1,139,373	478,553	(562,993)	2,065	1,056,999
Total funds	9,340,008	4,662,878	(5,083,690)	159,727	9,078,923

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 2015.

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. The balance at 31 August 2014 reflects clarification of the payment timetable for Pupil Premium, and includes £11,629 which would have been recognised in other financial

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

20 Funds continued

years under previous arrangements.

16-19 Bursary Fund

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

Other DfE/EFA Grants

This line includes the School Lunch Grant – to assist schools with providing healthy meals and increasing take-up of school lunches.

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.

Special Purposes Fund

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

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 - £149,239

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

21 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	8,975,798	8,975,798
Current assets	1,077,894	506,059	138,098	1,722,051
Current liabilities	(20,895)	(269,923)	(117,529)	(408,348)
Loans	-	-	(20,569)	(20,569)
Other creditors due more than one year	-	-	-	-
Provision for liabilities and charges	-	(34,009)	-	(34,009)
Pension scheme liability	-	(1,156,000)	-	(1,156,000)
Total net assets	1,056,999	(953,873)	8,975,798	9,078,923

22 Capital commitments

	2015 £	2014 £
Contracted for, but not provided in the financial statements	-	1,294,821

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

23 Financial commitments

Operating leases

At 31 August 2015 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:

	2015 £	2014 £
Expiring within one year	3,125	4,625
Expiring within two and five years inclusive	42,523	23,282
Expiring in over five years	-	-
	<u>45,648</u>	<u>27,907</u>

24 Reconciliation of net income to net cash inflow from operating activities

	2015 £	2014 £
Net (deficit) / income for the year	(202,124)	1,267,473
Depreciation (note 12)	307,052	325,549
Capital grants from DfE and other capital income	(17,939)	(1,289,901)
Interest receivable (note 4)	(29,195)	(29,329)
Dividends receivable (note 4)	(1,451)	(1,496)
FRS 17 pension cost less contributions payable (note 30)	63,000	39,000
FRS 17 pension finance income (note 30)	20,000	36,000
(Increase) in stocks	4,433	(1,447)
(Increase) / decrease in debtors and prepayments	897,200	(898,293)
Increase in creditors	(15,584)	98,818
Increase in loans	(5,142)	25,711
(Decrease) / increase in provisions	-	(6,001)
Net cash inflow / (outflow) from operating activities	<u>1,020,250</u>	<u>(433,916)</u>

25 Returns on investments and servicing of finance

	2015 £	2014 £
Interest received	29,195	29,329
Dividends received	1,451	1,496
Net cash inflow from returns on investment and servicing of finance	<u>30,646</u>	<u>30,825</u>

26 Capital expenditure and financial investment

	2015 £	2014 £
Purchase of tangible fixed assets	(1,517,984)	(375,602)
Capital grants from DfE/EFA	17,939	1,289,901
Capital funding received from sponsors and others	-	-
Purchase of financial investments	(208,907)	(151,348)
Receipts from sale of financial investments	200,050	-
Receipts from sale of tangible fixed assets	-	-
Loss on disposal of tangible fixed assets	-	39,952
Net cash outflow from capital expenditure and financial investment	<u>(1,508,902)</u>	<u>802,903</u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

27 Analysis of changes in net funds

	At 1 Sept. 2014 £	Cash flows £	At 31 August 2015 £
Cash in hand and at bank	1,332,291	(458,006)	874,285
	<u>1,332,291</u>	<u>(458,006)</u>	<u>874,285</u>

28 Contingent Liabilities

The Trustees are not aware of any contingent liabilities.

29 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.

30 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 Barnett Waddingham. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

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

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

30 Pension and similar obligations (continued)

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

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation 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 (2014: £272,955).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2015/06/publication-of-the-valuation-report.aspx>).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, 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 2015 was £133,923, of which employer's contributions totalled £100,754 and employees' contributions totalled £33,169. The agreed contribution rates for future years are 14.8 per cent for employers, plus a sum of £20,000 for 2015/16 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.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

30 Pension and similar obligations (continued)

	At 31 August 2015	At 31 August 2014
Principal Actuarial Assumptions		
Rate of increase in salaries	4.4%	4.4%
Rate of increase for pensions in payment / inflation	2.6%	2.6%
Discount rate for scheme liabilities	3.9%	3.9%
Inflation assumption (CPI)	2.6%	2.6%

The following table sets out the impact of a small change in the discount rates 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	2,105	2,146	2,188
Projected Service Cost	164	167	170
Adjustment to mortality age rating assumption	+1 year	None	-1 Year
Present value of Total Obligation	2,204	2,146	2,090
Projected Service Cost	171	167	163

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 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.8	22.7
Females	26.1	26.0
<i>Retiring in 20 years</i>		
Males	25.1	24.9
Females	28.4	28.3

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

	Expected return at 31 August 2015	Fair value at 31 August 2015 £'000	Expected return at 31 August 2014	Fair value at 31 August 2014 £'000
Gilts	5.0%	48	6.0%	53
Equities	25.0%	247	26.0%	243
Overseas Equities	32.0%	320	33.0%	319
Property	11.00%	106	10.0%	92
Infrastructure	3.0%	30	3.0%	27
Target Return Portfolio	15.0%	149	14.0%	137
Cash	2.0%	23	2.0%	19
Other Bonds	5.0%	49	4.0%	38
Alternative assets	2.0%	18	2.0%	17
Total market value of assets		990		945

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

30 Pension and similar obligations (continued)

Present value of scheme liabilities		
- Funded	2,146	1,957
Deficit in the scheme	<u><u>(1,156)</u></u>	<u><u>(1,012)</u></u>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2014 for the accounting period to 31 August 2015). The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was a loss of £3,000 (2014: gain of £77,000).

Amounts recognised in the statement of financial activities

	2015 £000	2014 £000
Current service cost (net of employee contributions)	(164)	(131)
Past service cost	-	-
Total operating charge	<u><u>(164)</u></u>	<u><u>(131)</u></u>

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	58	49
Interest on pension liabilities	(78)	(85)
Pension finance income / (costs)	<u><u>(20)</u></u>	<u><u>(36)</u></u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £288,000 loss (2014: £227,000 loss).

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

	2015 £'000	2014 £'000
At 1 September 2014	1,957	1,751
Current service cost	164	131
Interest cost	78	85
Employee contributions	33	29
Actuarial (gain)/loss	-	7
Benefits paid	(86)	(46)
Past Service cost	-	-
Curtailments and settlements	-	-
At 31 August 2015	<u><u>2,146</u></u>	<u><u>1,957</u></u>

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

30 Pension and similar obligations (continued)

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

	2015	2014
	£'000	£'000
At 1 September 2014	945	782
Expected return on assets	58	49
Actuarial gain/(loss)	(61)	39
Employer contributions	101	92
Employee contributions	33	29
Benefits paid	(86)	(46)
At 31 August 2015	990	945

The estimated value of employer contributions for the year ended 31 August 2015 is £101,000.

The five-year history of experience adjustments is as follows:

	2015	2014	2013	2012	2011
	£'000	£'000	£'000	£'000	£'000
Present value of defined benefit obligations	(2,146)	(1,957)	(1,751)	(1,525)	(1,103)
Fair value of share of scheme assets	990	945	782	641	475
Deficit in the scheme	(1,156)	(1,012)	(969)	(884)	(628)

Experience adjustments on share of scheme assets

Amount (£61,000)

Experience adjustments on scheme liabilities:

Amount £nil

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

31 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 transactions took place in the period of account.

Mrs Serena Evans – spouse of Mr P W Evans (Headteacher and a trustee of the trust)

The trust employed Mrs Evans as a part-time teacher of Geography, a supply teacher and an occasional pool cover supervisor and exam invigilator during the period of account.

Mrs Evans was paid at the standard school rates for each post, and contributions to the Teachers' Pension Scheme were paid at the standard national rate.

Mrs Evans was paid as follows:

	2015		2014	
	Payment	Employer's contributions to the Teacher's Pension Scheme	Payment	Employer's contributions to the Teacher's Pension Scheme
- part-time Geography teacher	£4,125	£582	Nil	Nil
- supply teacher	£89	£13	£201	£25
- occasional cover supervisor	£414	Nil	£238	Nil
- occasional exam invigilator	£407	Nil	Nil	Nil

There were £nil employer's national insurance contributions payable on these amounts (2014: nil).

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

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

Mrs Christina Cook – spouse of Mr S R Cook (Company Secretary, Business Manager and Secretary to the Trustees)

Mrs Cook works on a self-employed basis as part of a team of Visiting Music Teachers whose contractual relationship is directly with the parents of the students involved, and not the trust.

The trust's Pupil Premium policy enables students receiving Free School Meals at any point during the relevant academic year to have access to a "Pupil Premium" account to spend at the parent's discretion on additional costs such educational visits and activities, including the cost of music lessons.

The parent of one such student chose to spend £505 (2014: £73) from the relevant Pupil Premium account on piano lessons and music provided by Mrs Cook.

Colyton Grammar School Academy Trust

Notes to the Financial Statements for the year ended 31 August 2015

Mrs Cook charges the standard £15 per lesson as charged by other Visiting Music Teachers.

This arrangement was made at arm's length in accordance with the trust's financial regulations. Mr Cook neither participated in, or influenced, the arrangement.

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

32 Agency Arrangements

The trust acts as an agent for the following entities:

(a) Colyton Grammar School Parents' Association

At 1 September 2014 the trust was owed £60 as an agent for the Colyton Grammar School Parents' Association.

In the accounting period ending 31 August 2015 the trust received £3,904 on behalf of the Colyton Grammar School Parents' Association and passed on £3,884, being the total of funds received less the £60 owed to the trust from the previous year. No funds received as an agent on behalf of the Colyton Grammar School Parents' Association were held at the end of the current accounting period.

(b) South West Academic Trust

At 1 September 2014 the trust held a balance of £1,758 as an agent for the South West Academic Trust.

In the accounting period ending 31 August 2015 the trust received £7,903 and made payments of £2,871 as an agent for the South West Academic Trust.

A balance of £6,790 is included in other creditors falling due within one year.

