

REGISTERED COMPANY NUMBER: 07633408 (England and Wales)

**Report of the Trustees and
Financial Statements for the Year Ended 31 August 2017
for
John Colet School**

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

John Colet School

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

| | Page |
|---|----------|
| Reference and Administrative Details | 1 to 2 |
| Report of the Trustees | 3 to 7 |
| Governance Statement | 8 to 11 |
| Statement on Regularity, Propriety and Compliance | 12 |
| Statement of Trustees Responsibilities | 13 |
| Report of the Independent Auditors | 14 to 15 |
| Independent Accountant's Report on Regularity | 16 |
| Statement of Financial Activities | 17 |
| Balance Sheet | 18 to 19 |
| Cash Flow Statement | 20 |
| Notes to the Cash Flow Statement | 21 |
| Notes to the Financial Statements | 22 to 42 |

John Colet School
" "
Reference and Administrative Details
for the Year Ended 31 August 2017
" "

MEMBERS

J Savin
P Dean
J K Martin
J Hodge
M T Johnson
E M Lawrence

TRUSTEES

S R Palmer (appointed 1.9.17)
C M McLintock (resigned 31.8.17)
J Hodge
E M Lawrence
M T Johnson
J E Baxter
M Bowness
P Dean
J K Martin
J Naiman (resigned 31.8.17)
C M Roche (resigned 13.12.16)
J Savin
C Brownhill (appointed 13.12.16)
W S Howell (appointed 6.3.17)
H K Leather (appointed 13.12.16)
A Scully (appointed 13.12.16)

SENIOR LEADERSHIP TEAM

| | |
|------------------------------|--------------------------------|
| Headteacher | C McLintock (resigned 31.8.17) |
| Acting Headteacher | S Palmer |
| Assistant Headteacher | L Abslom |
| Assistant Headteacher | S Gould |
| Assistant Headteacher | P Phillips (resigned 31.8.17) |
| Assistant Headteacher | V Remington (appointed 1.9.16) |
| Head of Finance and Business | K Hart |
| Head of Resources | C Knott |

COMPANY SECRETARY

K Hart

REGISTERED OFFICE

Wharf Road
Wendover
Bucks.
HP22 6HF

REGISTERED COMPANY NUMBER

07633408 (England and Wales)

John Colet School

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

INDEPENDENT AUDITORS

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

SOLICITORS

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

BANKERS

Lloyds TSB
Market Square
Aylesbury
Buckinghamshire
HP20 1TD

John Colet School
Report of the Trustees
for the Year Ended 31 August 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The Trust operates an academy for pupils aged 11 to 18 serving a catchment area in Wendover and South East Aylesbury. It has a pupil capacity of 1,020 and had a roll of 1,013 in the school census in Spring 2017.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Academy Trust's principal activity is 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 broad and balanced curriculum.

In addition, the Academy Trust will promote for the benefit of the inhabitants of Wendover and the surrounding areas the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the conditions of life of the said inhabitants.

Public benefit

The Governors are clear that the Academy Trust has the charitable purpose of the advancement of education. In exercising their power and duties the Governors have taken due regard of the principles of public benefit published by the Charities Commission and the major factors within those principles.

ACHIEVEMENT AND PERFORMANCE

Key financial performance indicators

| | Year ended 31 August 2017 | Year Ended 31 August 2016 |
|---|---------------------------|---------------------------|
| Free School Meals (FSM) | | |
| Academy level FSM | 3% | 3% |
| Income | | |
| Restricted Grants | 4,763,057 | 4,666,837 |
| Expenditure | | |
| Teaching and educational support staff costs | 3,346,286 | 3,339,226 |
| Support staff costs (Clerical/Premises/Support) | 640,805 | 458,144 |

The school action plan for 2016-17 had 5 objectives:

- Embed student work ethic through a curriculum designed for success
- Have outstanding teacher, learning and support
- Ensure that a minimum of 60% of students achieve at least a grade 5 in both Maths and English at GCSE
- Notice and challenge any underperformance
- Work in celebrated partnerships both within and outside the school community

During the period, the School continued to perform at or above national averages.

Work in the local community further developed both with local primary schools and community groups. The Governors would like to thank the Headteachers of local primary schools for their continued support of primary liaison projects. The Governors would also like to thank local businesses who have offered financial support and/or their professional time to help with student activities.

John Colet School
Report of the Trustees
for the Year Ended 31 August 2017

FINANCIAL REVIEW

Financial review

The majority of the Academy Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 months ended 31 August 2017 and the associated expenditure is shown as restricted funds in the statement of financial activities.

Investment policy

The Academy will normally, where possible, use its income in the academic year it is acquired: with the exception of that designated as Reserves. Investment therefore means placing that income in a low risk environment so as to be available when needed, but also maximising returns by making use of appropriate savings and other investment accounts

Reserves policy

The Academy held fund balances as at 31 August 2017 of £3,780,526 which comprised:

At 31 August 2017 the total funds comprised:

| | | |
|--------------|-----------------|------------------|
| Unrestricted | | 154,075 |
| Restricted: | Fixed asset | 6,291,198 |
| | funds | |
| | GAG | (70,059) |
| | Pension reserve | (2,636,000) |
| | Other | <u>41,312</u> |
| | | <u>3,780,526</u> |

The Academy Trust is required to consider what level of reserves it deems is appropriate for the school to hold in order to demonstrate appropriate financial management, stewardship and sustainability and reviews the levels annually. In doing this the Academy Trust has considered the following areas.

Working Capital

The school's cash flow is strong due to the profile of its incoming resources. In particular, the receipt of core grant funding at the start of the financial year means that reserves are not required for working capital purposes.

Financial risk management

All schools are subject to a wide range of risks, many of which have financial implications. Reserves are appropriate to be held as mitigation against the effect of such risks. The school has a formalised approach to risk management which identifies major risks that it faces, assesses the severity in terms of impact and likelihood, and identifies mitigating actions. The financial risks that are mitigated by the holding of reserves include variability of income, variability of expenditure and the risks identified as serious, major or critical that have financial significance. Specifically, the School maintains to have sufficient cash in the current account to cover all immediate liabilities including payroll and tax liabilities. This normally amounts to at least £304,000 each month. The deficit on the pension reserve relates to the non-teaching staff pension scheme where separate assets are held to fund future liabilities and can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

The Governors will review the funds again at the end of 2017/18 with the view to clearing all the GAG deficit. The Governors have also made the decision to not approve any deficit budgets, although this will mean tight control of costs. There is an expectation of no surplus in future years.

John Colet School
Report of the Trustees
for the Year Ended 31 August 2017

FINANCIAL REVIEW

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 Accounting Policies.

FUTURE PLANS

The plans for the future are articulated and published in the School Improvement plan, through 5 distinct strategic aims.

For 2017-18, the 5 strategic aims are as follows:

- Embed student work ethic through a curriculum designed for success
- Have outstanding teaching, learning and support
- Ensure that a minimum of 60% of students achieve at least a grade 5 in both Maths and English at GCSE

- Notice and challenge any underperformance
- Work in celebrated partnerships both within and outside the school community

To achieve the strategic aims above, recruitment of high quality staff is vital whilst keeping within the approved annual budget and this will be the key responsibility of the Governors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity 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 Governors act as trustees for the charitable activities of John Colet School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as John Colet School. The Charitable Company incorporated on 13 May 2011 and the Academy Trust commenced trading on 1 August 2011.

Details of the Governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Governors of the Academy Trust have made declaration that third party indemnity provisions were in place during the period and at the date of approval of the Governors' Report. Further details are given in Note 11.

Principal activities

The Academy Trust's principal activity is 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 broad and balanced curriculum.

John Colet School

Report of the Trustees for the Year Ended 31 August 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The members may appoint up to nine Governors including the Members. A maximum of two Staff Governors may be appointed and will be elected by the staff of the Academy Trust through such process as the Governors may determine. Parent Governors shall be elected by parents of registered pupils at the Academy Trust. All parents will be informed of the vacancy and will have the opportunity to stand as a candidate and vote in the election. The Governors may appoint up to three Co-opted Governors to balance the skills set of the Governing Body.

Organisational structure

The Governors of the Academy Trust are responsible for setting policies to be used within the Academy Trust. Each of the Governors are on one or more of the Academy Trust's two committees: the Finance, Personnel and General Purposes committee and the Curriculum committee. The Pay Review committee is a sub-committee of the Finance, Personnel and General Purposes committee. The Finance, Personnel and General Purpose, and Curriculum committees have their own Terms of Reference which help to aid the policy making process and outlines the specific responsibilities of each committee.

The current organisational structure consists of the Governors, the Senior Leadership Team and Departmental Heads. The Senior Leadership Team comprises the Headteacher (the Accounting Officer), Deputy Head, three Assistant Headteachers, the Head of Finance and Business and Head of Resources. The Senior Leadership Team implements the policies laid down by the Governors and reports back to them. They are also responsible for the authorisation of spending within agreed budgets with some spending control being devolved to the Departmental Heads with limits set out within the Academy Trust's Scheme of Delegation.

Induction and training of new trustees

The Governing Body and the Headteacher believe it is essential that all new Governors receive a comprehensive induction package covering a broad range of issues and topics. There is a commitment to ensure that new Governors are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of Governors. The Academy Trust is a member of the National Governors' Association, which provides comprehensive guidance, training and assistance with all Governor matters.

Key management remuneration

The national leadership pay range as published by STRB with pay progression determined through yearly appraisal reviews along with external student progress data as benchmark is used for the Deputy and Assistant Headteachers. A similar process is used by the Governors for the Headteacher with the addition of an external advisor. Bucks Pay Ranges with appraisal objectives are used for the Head of Finance and Business, and Head of Resources.

Related parties

The Academy Trust has a very strong link and mutual objectives with a registered charity, the John Colet School Fund (registered charity number 1069632) and provides the Trustees for that charity. The school exerts control over the charity by virtue of the composition of the board, which is made up of senior staff of the school.

Risk management

The major risks to which the Academy is exposed have been identified and systems and procedures have been agreed and put in place to manage or mitigate those risks. A risk register is in place which identifies key risks and mitigation measures, and this is reviewed on a termly basis.

FUNDS HELD AS CUSTODIAN FOR OTHERS

The School acts as custodian to the 16-19 bursary fund. The fund represents monies paid by the EFA to the School and is administered to provide financial assistance to those young people who face a financial barrier to continuing in education or training post 16.

John Colet School

Report of the Trustees
for the Year Ended 31 August 2017

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The following areas from the Academy Risk Register are the areas of financial risk which require acknowledgement and action:

- Overall financial control risk
- Financial systems risk
- Revenue and capital budgets risk
- Insurance risk
- Provisions and contingent liability risk
- Related party risk

An assessment has been made for each individual specific risk. The risk register is reviewed annually.

PRINCIPAL RISKS AND UNCERTAINTIES

The Academy Trust has a comprehensive risk assessment strategy in place and it is considered that in the current economic climate, the principal risk and uncertainty is the change to various funding formulae, and the deficit of £2,636k (2016: £2,976k) which is being reported for the Local Government Pension scheme at 31 August 2017. Due to the continued uncertainty in the funding formulae the Trustees will continue to refuse to authorise a deficit budget.

AUDITORS

The auditors, The Fish Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on12 Dec 2017..... and signed on its behalf by:



J Hodge - Chairman

John Colet School
Governance Statement
for the Year Ended 31 August 2017

Scope of Responsibility

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

The board of the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between John Colet School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 11 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Governor | Meetings attended | Out of a possible |
|--|--------------------------|--------------------------|
| J Hodge * (Chairman) | 9 | 11 |
| J Baxter * | 7 | 11 |
| M Johnson * (Responsible Officer) | 9 | 11 |
| E Lawrence * (Vice Chair) | 10 | 11 |
| C McLintock * (Headteacher and Accounting Officer) | 9 | 11 |
| J Naiman * (resigned 31.08.17) | 6 | 11 |
| C Roche * (resigned 31.12.16) | 1 | 3 |
| J Savin * | 9 | 11 |
| P Dean * | 10 | 11 |
| J Martin * | 9 | 11 |
| M Bowness * | 6 | 11 |
| W Howell * (appointed 06.03.17) | 3 | 6 |
| C Brownhill * (appointed 13.12.16) | 8 | 8 |
| H Leather * (appointed 13.12.16) | 6 | 8 |
| A Scully * (appointed 13.12.16) | 2 | 8 |

* members of the Finance, Personnel and General Purposes Committee

The Governing Body carried out an extensive review of its processes in Spring 2014. It now operates largely *through two committees: The Curriculum Committee and the Finance, Personnel and General Purposes Committee.* The overall Governing Body itself has a strategic role.

The curriculum committee evaluates the exam results and assesses the ongoing performance of the school using data on student progress produced across three learning cycles over the academic year. The effective use of data is believed to have strongly contributed to the Ofsted rating of the school as Good in its latest inspection.

-Detailed student tracking IT systems continue to be used intensively across the School. These systems track both individual student academic progress and their attitude to learning. By using a summary of this data, the Governing Body is able to question the senior management team and challenge departmental and overall school performance where necessary.

- The data is also used intensively by the Head and Senior Leadership Team in their management of the school. Importantly, over the last two academic years, the data has also become a crucial tool for departmental Subject Team Leaders to improve student progress in their specific areas.

- The Deputy Head has a crucial role to the effective implementation of these systems and in the presentation of data to Governors.

John Colet School
Governance Statement
for the Year Ended 31 August 2017

The Finance, Personnel and General Purposes Committee (FPGP) continues to monitor the detail of all other aspects of the school.

- The pay review conducted in autumn 2016 was conducted thoroughly, smoothly and on time.
- It was decided in late 2016 to accept a further extra form of entry at year seven in September 2017, on top of the previous 'bulge class' accepted in 2016. This has resulted in a further 30 students joining the school in the current academic year and a consequent increase in school income which will help to offset other changes in school funding. Although national budgets are protected, the way that funding is allocated constantly changes. The school financial system is stable and well managed by the finance and business manager.
- After the initial settling in period, the new professional standard kitchen facility has proved popular with students and effective in providing a wider range of healthy food and drink options at affordable prices before school, at the morning break and at lunchtimes, and processing pupils speedily.
- The agreement with Wendover Swimming CIO for the 30-year lease on the swimming pool is working well. The CIO has implemented plans to renovate the changing areas. The School is pleased that this important community facility is going from strength to strength under the management of the CIO.
- During the academic year 2016 - 17 two staff representatives joined the governing body.
- In March 2017 the Headteacher (Mrs C McLintock) tendered her resignation. Processes were put in place to recruit a new Headteacher, including contingency plans in the event of an interregnum. Following the selection process, Mr Patrick Harty was appointed to the post of Headteacher, and will take up his post from 1 January 2018. It was agreed by the Governors that Ms S Palmer (Deputy Headteacher) would take up the post of Acting Headteacher for the autumn term, beginning on 1 September 2017.
- In the 2016-17 academic year, the Governing Body has been monitoring the high level strategic plan for the whole school and is also involved with plans for a few specific departments where additional support is felt to be needed to ensure good school progress.
- The value of the Governing Body's membership of the National Governors Association (NGA) was realised by the use of an NGA consultant to assist with the recruitment process for the new Headteacher.
- As with all schools, the Governing Body assessed the impact of the changes to the GCSE curriculum and new 1-9 grading system in English and Maths, which was implemented with the summer 2017 exams. Other subjects will make the transition in 2018.
- A new Head of Sixth Form studies took up her post in September 2016 and the Governing Body is continuing to support an action plan to improve and extend the school's post-16 provision.
- The school reported a good set of results in the summer 2017 GCSEs. Of particular note were subject performances in science and history. Overall 5 A*-C (incl. English and maths) equivalent figures rose to 75% from 66%.
- The Governors were pleased that the attainment gap for FSM6 pupils continued to fall, being halved compared to the average of the previous three years. Governors remain focussed on reducing this further and in due course eliminating it.
- The school reported a good result in the new Progress 8 measure, at +0.3 (provisional), and outperforming most other non-selective upper schools in Buckinghamshire.
- The school reported good results at A-level in the summer 2017 examinations, with 67% of results at A*-C and 96% at A*-E.

The Governors would like to thank all the staff for their efforts in this time of transition and wishes students well in dealing with the new courses and grading structures.

John Colet School
Governance Statement
for the Year Ended 31 August 2017

The Finance, Personnel and General Purposes Committee is a sub-committee of the main governing body. Its purpose is to monitor financial activity and to provide strategic guidance in the areas of finance, audit, health and safety and premises. Attendance at meetings in the period is as follows:

| Governor | Meetings attended | Out of a possible |
|-----------------|--------------------------|--------------------------|
| J Hodge | 2 | 3 |
| J Baxter | - | 3 |
| M Johnson | 1 | 3 |
| E Lawrence | 2 | 3 |
| C McLintock | 3 | 3 |
| J Naiman | 1 | 3 |
| C Roche | 1 | 3 |
| J Savin (Chair) | 3 | 3 |
| P Dean | 3 | 3 |
| J Martin | 2 | 3 |
| M Bowness | 2 | 3 |
| C Brownhill | 2 | 2 |
| W Howell | - | 1 |
| H Leather | 2 | 2 |
| A Scully | - | 2 |

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 Governors 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:

- Ensuring that the number of Learning Support Assistants employed is directly linked to the number of students requiring this additional support.
- Submitting and being awarded a SALIX loan for the installation of LED internal lighting.
- Having regular budget review meetings with the Head of Finance and Business.
- Retendering for the provision of printing and copying devices within the school.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 John Colet School for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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

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 monthly financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance, Personnel and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint The Fish Partnership as internal auditor for 2017/18.

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

Review of Effectiveness


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

- 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, Personnel and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 12 Dec 2017 and signed on its behalf by:


.....
J Hodge - Chairman


.....
S Palmer - Accounting Officer

John Colet School

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

As accounting officer of John Colet School I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2016.

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



.....
S Palmer - Accounting Officer

Date: 12th December 2017

John Colet School

Statement of Trustees Responsibilities
for the Year Ended 31 August 2017

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Approved by order of the board of trustees on 12 Dec 2017 and signed on it's behalf by:


.....
J Hodge - Chairman

Report of the Independent Auditors to the Members of John Colet School

Opinion

We have audited the financial statements of John Colet School (the 'charitable company') for the year ended 31 August 2017 on pages seventeen to forty two. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency (ESFA).

This report is made solely to the 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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
John Colet School**

Opinion on other matters prescribed by the Companies Act 2006

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees


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

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

Our responsibilities for the audit of the financial statements

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

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



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

Date: 15 DECEMBER 2017

**Independent Reporting Accountant's Assurance Report on Regularity to
John Colet School and the Education and Skills Funding Agency**

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

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

Respective responsibilities of John Colet School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of John Colet School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Conclusion

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



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

Date: 15 DECEMBER 2017

John Colet School

**Statement of Financial Activities
for the Year Ended 31 August 2017**

| | Not es | Unrestricted fund £ | Restricted funds £ | Endowment funds £ | Total 2017 funds £ | Total 2016 funds £ |
|--|-----------|---------------------------|--------------------------|-------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and capital grants | 2 | - | 1,490 | 21,144 | 22,634 | 134,198 |
| Charitable activities | | | | | | |
| Funding for the academy's educational operations | 3 | - | 4,906,979 | - | 4,906,979 | 4,787,217 |
| Other trading activities | 4 | 64,391 | 45,758 | - | 110,149 | 69,456 |
| Investment income | 5 | 367 | - | - | 367 | 580 |
| Total | | 64,758 | 4,954,227 | 21,144 | 5,040,129 | 4,991,451 |
| EXPENDITURE ON | | | | | | |
| Charitable activities | | | | | | |
| Academy's educational operations | | 3,139 | 5,128,252 | 310,467 | 5,441,858 | 5,135,730 |
| Governance costs | | - | 35,009 | - | 35,009 | 48,768 |
| Other | | 4,544 | - | - | 4,544 | 912 |
| Total | 6 | 7,683 | 5,163,261 | 310,467 | 5,481,411 | 5,185,410 |
| NET INCOME/(EXPENDITURE) | | | | | | |
| | | 57,075 | (209,034) | (289,323) | (441,282) | (193,959) |
| Transfers between funds | 20 | (3,000) | (77,550) | 80,550 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Return of fund assets in excess of interest | | - | 601,000 | - | 601,000 | (1,146,000) |
| Net movement in funds | | 54,075 | 314,416 | (208,773) | 159,718 | (1,339,959) |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 100,000 | (2,979,163) | 6,499,971 | 3,620,808 | 4,960,767 |
| TOTAL FUNDS CARRIED FORWARD | | 154,075 | (2,664,747) | 6,291,198 | 3,780,526 | 3,620,808 |

The notes form part of these financial statements

John Colet School

**Balance Sheet
At 31 August 2017**

| | Notes | Unrestricted fund £ | Restricted funds £ | Endowment funds £ | 2017 Total funds £ | 2016 Total funds £ |
|--|-------|------------------------|-----------------------|----------------------|--------------------------|--------------------------|
| FIXED ASSETS | | | | | | |
| Tangible assets | 13 | - | - | 6,281,402 | 6,281,402 | 6,484,997 |
| CURRENT ASSETS | | | | | | |
| Debtors | 14 | 12,058 | 195,753 | - | 207,811 | 76,234 |
| Cash at bank and in hand | | <u>147,774</u> | <u>272,320</u> | <u>22,076</u> | <u>442,170</u> | <u>361,463</u> |
| | | 159,832 | 468,073 | 22,076 | 649,981 | 437,697 |
| CREDITORS | | | | | | |
| Amounts falling due within one year | 15 | <u>(5,757)</u> | <u>(477,310)</u> | <u>(12,280)</u> | <u>(495,347)</u> | <u>(325,886)</u> |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>154,075</u> | <u>(9,237)</u> | <u>9,796</u> | <u>154,634</u> | <u>111,811</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 154,075 | (9,237) | 6,291,198 | 6,436,036 | 6,596,808 |
| CREDITORS | | | | | | |
| Amounts falling due after more than one year | 16 | - | (19,510) | - | (19,510) | - |
| PENSION LIABILITY | 21 | - | <u>(2,636,000)</u> | - | <u>(2,636,000)</u> | <u>(2,976,000)</u> |
| NET ASSETS/(LIABILITIES) | | <u>154,075</u> | <u>(2,664,747)</u> | <u>6,291,198</u> | <u>3,780,526</u> | <u>3,620,808</u> |

The notes form part of these financial statements

John Colet School

Balance Sheet - continued

At 31 August 2017

| | Unrestricted fund | Restricted funds | Endowment funds | Total 2017 funds | Total 2016 funds |
|--------------------------------------|-------------------|------------------|-----------------|------------------|------------------|
| Not es 20 | £ | £ | £ | £ | £ |
| FUNDS | | | | | |
| Unrestricted funds: | | | | | |
| General fund | | | | 154,075 | 100,000 |
| Restricted funds: | | | | | |
| Pension reserve | | | | (2,636,000) | (2,976,000) |
| General annual grant | | | | (70,059) | (78,570) |
| Other income | | | | - | 29,914 |
| School fund | | | | <u>41,312</u> | <u>45,493</u> |
| | | | | (2,664,747) | (2,979,163) |
| Endowment funds: | | | | | |
| DfE/EFA capital grants | | | | 98,945 | 114,030 |
| Inherited fixed assets funds | | | | 5,802,286 | 5,990,357 |
| Capital expenditure from GAG fund | | | | 377,701 | 378,718 |
| Capital expenditure from School Fund | | | | <u>12,266</u> | <u>16,866</u> |
| | | | | <u>6,291,198</u> | <u>6,499,971</u> |
| TOTAL FUNDS | | | | <u>3,780,526</u> | <u>3,620,808</u> |

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

The financial statements were approved by the Board of Trustees on 12 Dec 2017 and were signed on its behalf by:


 J Hodge -Chairman

The notes form part of these financial statements

John Colet School
Cash Flow Statement
for the Year Ended 31 August 2017

| | Notes | 2017 £ | 2016 £ |
|---|-------|-----------------|------------------|
| Cash flows from operating activities: | | | |
| Cash generated from operations | 1 | 135,227 | (154,822) |
| Interest paid | | (25) | (25) |
| Tax paid | | <u>4,544</u> | <u>-</u> |
| Net cash provided by (used in) operating activities | | <u>139,746</u> | <u>(154,847)</u> |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (80,550) | (139,766) |
| Interest received | | <u>367</u> | <u>580</u> |
| Net cash provided by (used in) investing activities | | <u>(80,183)</u> | <u>(139,186)</u> |
| Cash flows from financing activities: | | | |
| Income attributable to endowment | | <u>21,144</u> | <u>132,605</u> |
| Net cash provided by (used in) financing activities | | <u>21,144</u> | <u>132,605</u> |
| Change in cash and cash equivalents in the reporting period | | | |
| Cash and cash equivalents at the beginning of the reporting period | | <u>361,463</u> | <u>522,891</u> |
| Cash and cash equivalents at the end of the reporting period | | <u>442,170</u> | <u>361,463</u> |

The notes form part of these financial statements

John Colet School

Notes to the Cash Flow Statement
for the Year Ended 31 August 2017

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2017 £ | 2016 £ |
|--|----------------|------------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | (441,282) | (193,959) |
| Adjustments for: | | |
| Depreciation | 284,145 | 267,370 |
| Interest received | (367) | (580) |
| Interest paid | 25 | 25 |
| Income attributable to endowment | (21,144) | (132,605) |
| (Increase)/decrease in debtors | (131,577) | 95,217 |
| Increase/(decrease) in creditors | 184,427 | (284,290) |
| Difference between pension charge and cash contributions | <u>261,000</u> | <u>94,000</u> |
| Net cash provided by (used in) operating activities | <u>135,227</u> | <u>(154,822)</u> |

John Colet School

Notes to the Financial Statements for the Year Ended 31 August 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

John Colet School meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust 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 and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

John Colet School,

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

1. ACCOUNTING POLICIES - continued

Grants

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

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

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

Donations

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

Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA.

Other income

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

John Colet School

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

1. ACCOUNTING POLICIES - continued

Expenditure

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

Raising Funds

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

Charitable activities

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

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|---|
| Freehold property | - Straight line over 10 years and Straight line over 35 years |
| Fixtures and fittings | - 33% on cost |
| Motor vehicles | - 20% on cost |
| Computer equipment | - 33% on cost |

Tangible fixed assets costing £2,500 (£500 for computer equipment) or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy, the corresponding amount charged to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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.

John Colet School

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

1. ACCOUNTING POLICIES - continued

Financial instruments

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

- Financial Assets: trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

- Cash at Bank: is classified as a basic financial instrument and is measured at face value.

- Financial Liabilities: trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is no obligation to deliver such services rather than cash or another financial instrument.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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 General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency or Department for Education, where the asset acquired or created is held for a specific purpose on a continuing basis.

Hire purchase and leasing commitments

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

John Colet School

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

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Liabilities

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

Provisions

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

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

Concessionary loans

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

John Colet School

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

2. DONATIONS AND CAPITAL GRANTS

| | 2017 £ | 2016 £ |
|---------------------------|---------------|----------------|
| Donations | 1,490 | 1,594 |
| Capital maintenance grant | <u>21,144</u> | <u>132,604</u> |
| | <u>22,634</u> | <u>134,198</u> |

Grants received, included in the above, are as follows:

| | 2017 £ | 2016 £ |
|-----------------------|---------------|----------------|
| Other DfE/ESFA Grants | <u>21,144</u> | <u>132,604</u> |

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | 2017 Total funds £ | 2016 Total funds £ |
|-----------------------|----------------------------|--------------------------|-------------------------|-----------------------------|-----------------------------|
| School trip donations | - | 1,607 | - | 1,607 | 275 |
| School fund income | - | 142,317 | - | 142,317 | 120,105 |
| Grants | - | <u>4,763,055</u> | - | <u>4,763,055</u> | <u>4,666,837</u> |
| | - | <u>4,906,979</u> | - | <u>4,906,979</u> | <u>4,787,217</u> |

An analysis of grants received is given below:

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | 2017 Total funds £ | 2016 Total funds £ |
|-------------------------------|----------------------------|--------------------------|-------------------------|-----------------------------|-----------------------------|
| DfE/ESFA revenue grant | | | | | |
| General Annual Grant(GAG) | - | 4,454,623 | - | 4,454,623 | 4,465,425 |
| Other DfE/ESFA Grants | - | <u>121,041</u> | - | <u>121,041</u> | <u>96,367</u> |
| | - | 4,575,664 | - | 4,575,664 | 4,561,792 |
| Other government grant | | | | | |
| Local Authority grants | - | 123,725 | - | 123,725 | 15,129 |
| Special educational projects | - | <u>63,666</u> | - | <u>63,666</u> | <u>89,916</u> |
| | - | <u>187,391</u> | - | <u>187,391</u> | <u>105,045</u> |
| | - | <u>4,763,055</u> | - | <u>4,763,055</u> | <u>4,666,837</u> |

John Colet School

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

4. OTHER TRADING ACTIVITIES

| | 2017 | 2016 |
|--------------------|----------------|---------------|
| | £ | £ |
| Hire of facilities | 54,311 | 36,252 |
| Resale of items | 7,938 | 6,777 |
| Music lessons | 1,501 | 3,426 |
| Other income | <u>46,399</u> | <u>23,001</u> |
| | <u>110,149</u> | <u>69,456</u> |

5. INVESTMENT INCOME

| | 2017 | 2016 |
|--------------------------|------------|------------|
| | £ | £ |
| Deposit account interest | <u>367</u> | <u>580</u> |

6. EXPENDITURE

| | Non-pay expenditure | | | 2017 | 2016 |
|---|---------------------|----------------|----------------|------------------|------------------|
| | Staff costs | Premises | Other costs | Total | Total |
| | £ | £ | £ | £ | £ |
| Charitable activities | | | | | |
| Academies educational operations | | | | | |
| Direct costs | 3,346,286 | - | 593,817 | 3,940,103 | 3,887,333 |
| Allocated support costs | <u>640,805</u> | <u>597,426</u> | <u>261,524</u> | <u>1,499,755</u> | <u>1,235,383</u> |
| | 3,987,091 | 597,426 | 855,341 | 5,439,858 | 5,122,716 |
| Other | <u>-</u> | <u>-</u> | <u>4,544</u> | <u>4,544</u> | <u>912</u> |
| | <u>3,987,091</u> | <u>597,426</u> | <u>859,885</u> | <u>5,444,402</u> | <u>5,123,628</u> |

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

| | 2017 | 2016 |
|-----------------------------|---------------|---------------|
| | £ | £ |
| Depreciation - owned assets | 284,145 | 267,370 |
| Other operating leases | <u>19,172</u> | <u>20,108</u> |

John Colet School

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

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | 2017 Total funds £ | 2016 Total funds £ |
|----------------------|----------------------------|--------------------------|-------------------------|-----------------------------|-----------------------------|
| Direct costs | - | 3,870,136 | 69,967 | 3,940,103 | 3,887,333 |
| Support costs | <u>3,139</u> | <u>1,256,116</u> | <u>240,500</u> | <u>1,499,755</u> | <u>1,235,383</u> |
| | <u>3,139</u> | <u>5,126,252</u> | <u>310,467</u> | <u>5,439,858</u> | <u>5,122,716</u> |

| | 2017 Total £ | 2016 Total £ |
|----------------------------------|--------------------|--------------------|
| Analysis of support costs | | |
| Support staff costs | 640,805 | 458,144 |
| Premises costs | 597,426 | 501,742 |
| Other support costs | <u>261,524</u> | <u>275,497</u> |
| Total support costs | <u>1,499,755</u> | <u>1,235,383</u> |

8. AUDITORS' REMUNERATION

| | 2017 £ | 2016 £ |
|--|--------------|--------------|
| Fees payable to the charity's auditors for the audit of the charity's financial statements | 11,000 | 24,422 |
| Other non-audit services | <u>6,000</u> | <u>6,165</u> |

Included in auditor's remuneration for non-audit services is £3,250 (2016: £nil) in relation to Responsible Officer assurance services and £1,500 (2016: £1,250) in respect of services supplied to associated pension schemes (TPS).

John Colet School

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

9. TRUSTEES' REMUNERATION AND BENEFITS

The Headteacher and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment and not in respect of their services as Governors. Other Governors did not receive any payments from the Academy Trust in respect of their role as governors.

The value of the Headteacher's (C McLintock - resigned 31 August 2017) remuneration was £92,099 in 2017 (2016: £88,101). The Headteacher was accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £15,178 (2016: £14,519).

The aggregate value of staff Governors' remuneration was £40,581 (2016: £nil) for H Leather and A Scully (both appointed 13 December 2016). H Leather is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £4,120 (2016: £nil). No retirements benefits were accruing for A Scully during the year (2016: £nil).

Trustees' expenses

During the year ended 31 August 2017, travel and subsistence expenses totalling £146 (2016: £881) were reimbursed to 1 trustees (2016: 1).

John Colet School

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

10. STAFF COSTS

| | 2017 | 2016 |
|--|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,926,101 | 2,972,187 |
| Social security costs | 281,113 | 242,549 |
| Operating costs of defined benefit pension schemes | <u>670,004</u> | <u>499,932</u> |
| | 3,877,218 | 3,714,668 |
| Supply teacher costs | 101,323 | 82,702 |
| Compensation payments | 8,550 | - |
| Governance costs | <u>16,436</u> | <u>16,274</u> |
| | <u>4,003,527</u> | <u>3,813,644</u> |

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £8,550 (2016: £nil). Individually the payments were: £8,550 only.

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

| | 2017 | 2016 |
|----------------------------|------------|------------|
| Teachers | 49 | 51 |
| Administration and support | 45 | 54 |
| Management | <u>8</u> | <u>7</u> |
| | <u>102</u> | <u>112</u> |

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

| | 2017 | 2016 |
|--------------------|----------|----------|
| £60,001 - £70,000 | 1 | 1 |
| £80,001 - £90,000 | - | 1 |
| £90,001 - £100,000 | <u>1</u> | <u>-</u> |
| | <u>2</u> | <u>2</u> |

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £544,406 (2016: £465,793).

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 £2,000,000 on any one claim and the cost for the period ended 31 August 2017 was £970 (2016: £970).

The cost of this insurance is included in the total insurance cost.

John Colet School

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ | Restricted funds £ | Endowment funds £ | Total funds £ |
|--|---------------------------|---------------------------|-------------------------|-------------------------|
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations and capital grants | - | 1,594 | 132,604 | 134,198 |
| Charitable activities | | | | |
| Funding for the academy's educational operations | - | 4,787,217 | - | 4,787,217 |
| Other trading activities | 45,376 | 24,079 | 1 | 69,456 |
| Investment income | <u>580</u> | <u>-</u> | <u>-</u> | <u>580</u> |
| Total | 45,956 | 4,812,890 | 132,605 | 4,991,451 |
| EXPENDITURE ON | | | | |
| Charitable activities | | | | |
| Academy's educational operations | 3,554 | 4,836,073 | 296,103 | 5,135,730 |
| Governance costs | - | 48,768 | - | 48,768 |
| Other | <u>912</u> | <u>-</u> | <u>-</u> | <u>912</u> |
| Total | 4,466 | 4,884,841 | 296,103 | 5,185,410 |
| NET INCOME/(EXPENDITURE) | 41,490 | (71,951) | (163,498) | (193,959) |
| Transfers between funds | <u>(188,692)</u> | <u>147,982</u> | <u>40,710</u> | <u>-</u> |
| Other recognised gains/(losses) | | | | |
| Return of fund assets in excess of interest | <u>-</u> | <u>(1,146,000)</u> | <u>-</u> | <u>(1,146,000)</u> |
| Net movement in funds | (147,202) | (1,069,969) | (122,788) | (1,339,959) |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | 247,202 | (1,909,194) | 6,622,759 | 4,960,767 |
| TOTAL FUNDS CARRIED FORWARD | <u>100,000</u> | <u>(2,979,163)</u> | <u>6,499,971</u> | <u>3,620,808</u> |

John Colet School

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

13. TANGIBLE FIXED ASSETS

| | Freehold property £ | Fixtures and fittings £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|-----------------------|---------------------------|-------------------------------|------------------------|----------------------------|------------------|
| COST | | | | | |
| At 1 September 2016 | 7,210,056 | 302,814 | 24,750 | 179,680 | 7,717,300 |
| Additions | <u>-</u> | <u>19,786</u> | <u>-</u> | <u>60,764</u> | <u>80,550</u> |
| At 31 August 2017 | <u>7,210,056</u> | <u>322,600</u> | <u>24,750</u> | <u>240,444</u> | <u>7,797,850</u> |
| DEPRECIATION | | | | | |
| At 1 September 2016 | 974,843 | 123,309 | 6,600 | 127,551 | 1,232,303 |
| Charge for year | <u>214,178</u> | <u>34,547</u> | <u>4,950</u> | <u>30,470</u> | <u>284,145</u> |
| At 31 August 2017 | <u>1,189,021</u> | <u>157,856</u> | <u>11,550</u> | <u>158,021</u> | <u>1,516,448</u> |
| NET BOOK VALUE | | | | | |
| At 31 August 2017 | <u>6,021,035</u> | <u>164,744</u> | <u>13,200</u> | <u>82,423</u> | <u>6,281,402</u> |
| At 31 August 2016 | <u>6,235,213</u> | <u>179,505</u> | <u>18,150</u> | <u>52,129</u> | <u>6,484,997</u> |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 £ | 2016 £ |
|--------------------------------|----------------|---------------|
| Trade debtors | 29,996 | 3,527 |
| Other debtors | 17,362 | - |
| VAT | 47,709 | 34,878 |
| Prepayments and accrued income | <u>112,744</u> | <u>37,829</u> |
| | <u>207,811</u> | <u>76,234</u> |

John Colet School

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

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2017 | 2016 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Other loans (see note 17) | 6,503 | - |
| Trade creditors | 193,313 | 63,153 |
| Tax | 4,544 | - |
| Social security and other taxes | 69,992 | 71,554 |
| Other creditors | 65,420 | 70,348 |
| Accruals and deferred income | <u>155,575</u> | <u>120,831</u> |
| | <u>495,347</u> | <u>325,886</u> |

| | 2017 | 2016 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Deferred income at 1 September 2016 | 73,206 | 93,176 |
| Released from previous years | (73,206) | (93,176) |
| Resources deferred in the year | <u>87,542</u> | <u>73,206</u> |
| Deferred income at 31 August 2017 | <u>87,542</u> | <u>73,206</u> |

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2017 | 2016 |
|---------------------------|---------------|----------|
| | £ | £ |
| Other loans (see note 17) | <u>19,510</u> | <u>-</u> |

17. LOANS

An analysis of the maturity of loans is given below:

| | 2017 | 2016 |
|---|---------------|----------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Other loans | <u>6,503</u> | <u>-</u> |
| Amounts falling due between two and five years: | | |
| Other loans - 2-5 years | <u>19,510</u> | <u>-</u> |

This is an interest free Salix loan. The amount repayable at the year-end is £26,013 (2016: £nil). The balance is repayable in four instalments, the final instalment being payable on 1 September 2019. The Academy has committed to a further loan of £26,013, but had not taken this up by the year end.

John Colet School

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

18. LEASING AGREEMENTS

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

| | 2017 £ | 2016 £ |
|----------------------------|---------------|--------------|
| Within one year | 13,168 | 9,181 |
| Between one and five years | <u>22,575</u> | <u>-</u> |
| | <u>35,743</u> | <u>9,181</u> |

19. MEMBERS' LIABILITY

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

20. MOVEMENT IN FUNDS

| | At 1.9.16 £ | Net movement in funds £ | Transfers between funds £ | At 31.8.17 £ |
|--------------------------------------|------------------|----------------------------------|------------------------------------|------------------|
| Unrestricted funds | | | | |
| General fund | 100,000 | 57,075 | (3,000) | 154,075 |
| Restricted funds | | | | |
| Pension reserve | (2,976,000) | 340,000 | - | (2,636,000) |
| General annual grant | (78,570) | 31,005 | (22,494) | (70,059) |
| Other income | 29,914 | - | (29,914) | - |
| School fund | <u>45,493</u> | <u>20,961</u> | <u>(25,142)</u> | <u>41,312</u> |
| | (2,979,163) | 391,966 | (77,550) | (2,664,747) |
| Endowment funds | | | | |
| DfE/EFA capital grants | 114,030 | (15,085) | - | 98,945 |
| Inherited fixed assets funds | 5,990,357 | (188,071) | - | 5,802,286 |
| Capital expenditure from GAG fund | 378,718 | (81,567) | 80,550 | 377,701 |
| Capital expenditure from School Fund | <u>16,866</u> | <u>(4,600)</u> | <u>-</u> | <u>12,266</u> |
| | 6,499,971 | (289,323) | 80,550 | 6,291,198 |
| TOTAL FUNDS | <u>3,620,808</u> | <u>159,718</u> | <u>-</u> | <u>3,780,526</u> |

