
JOHN COLET SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

JOHN COLET SCHOOL
(A company limited by guarantee)

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JOHN COLET SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Dr J Savin Mr P Dean Mr J K Martin Mrs L Greco Mr W Howell Mr C Brownhill Mr T J Ibbotson
Trustees	Mr P E Harty, Headteacher Dr J Savin, Chairman Mr W S Howell, Vice Chairman Ms E M Lawrence Dr P Dean (resigned 1 September 2020) Dr J K Martin Mr C Brownhill Mrs A Scully (resigned 5 June 2020) Mr T J Ibbotson Mrs L Greco Mr P Naik Mr P Robinson Ms C Taylor (resigned 1 September 2020) Mr N Grace (appointed 5 June 2020) Mr A Micallef (appointed 30 June 2020) Mr R J B Moore (appointed 6 October 2020)
Company registered number	07633408
Company name	John Colet School
Principal and registered office	Wharf Road Wendover Buckinghamshire HP22 6HF
Company secretary	Ms C Rawlinson (appointed 24 September 2019)
Senior management team	Mr P Harty, Headteacher Ms S Palmer, Deputy Headteacher Mrs L Abslom, Assistant Headteacher Mrs S Gould, Assistant Headteacher Mrs V Remmington, Assistant Headteacher Mrs D Fanchi, Assistant Headteacher Mrs P Norris, Assistant Headteacher Mrs C Rawlinson, Head of Finance and Business
Bankers	Lloyds Bank PLC Market Square Aylesbury Buckinghamshire HP20 1TD

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

Solicitors

Stoneking LLP
13 Queen Square
Bath
BA1 2HJ

JOHN COLET SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

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

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Wendover and the surrounding area. There were 1045 students on roll in the January Census and 1047 on roll in June, although there was no Summer Census due to Covid-19.

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 (Governors) of John Colet School are also the directors of the charitable company for the purposes of company law. The charitable company is known as John Colet School.

Details of the trustees who served during the period and up to the date of this document are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

Method of Recruitment and Appointment or Election of Trustees

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

- o The Head Teacher (ex officio);
- o Up to 9 governors appointed by the Members (which may include Members);
- o Up to 4 parent governors, appointed by the Trustees;
- o Up to 3 co-opted governors, appointed by the Trustees;
- o Up to 2 staff governors appointed by the Trustees, provided that the maximum number of staff governors does not exceed one third of the total number of governors;
- o Any governors appointed by the Secretary of State for Education (none).

The term of office for any governor is 4 years. The Head Teacher's term of office runs parallel with his term of appointment. Any governor may be reappointed or re-elected.

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

Structure, governance and management (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The Governing Body and the Headteacher provide new Governors with access to a comprehensive induction package covering a broad range of issues and topics.

The Academy Trust is a member of the National Governors' Association, which provides comprehensive guidance, training and assistance with all Governor matters.

All new governors are given a tour of the academy and the chance to meet with staff and students.

Organisational Structure

The 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, five Assistant Headteachers and the Head of Finance and Business. 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 under the Academy Trust's Scheme of Delegation within agreed budgets with some spending control being devolved to the Departmental Heads.

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

In addition to Full Governing Body Meetings, Governors attend one or both of the Academy Trust's two committees: the Finance, Personnel and General Purposes committee (FP&GP) and the Curriculum committee (CC). The Pay Review committee is a sub-committee of FP&GP. Each committee has its own Terms of Reference.

Arrangements for setting pay and remuneration of key management personnel

The national leadership pay range, as published by the 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. The Bucks Pay Range with appraisal objectives are used for the Head of Finance and Business. Nationally standardised exam data was not available for June 2020 exams.

Related Parties and other Connected Charities and Organisations

John Colet School has a very strong link and mutual objectives with the registered charity, the John Colet School PTA (registered charity number 1180583). The PTA raises money to help the school achieve its objectives. It had a difficult year with many events cancelled, due to Covid-19.

Objectives and Activities

Objects 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.

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

Objectives and Activities (continued)

Objectives, Strategies and Activities

The academy has undertaken self-evaluation activities to correctly identify objectives for the next year. These objectives are:

1. The students at John Colet School will progress in their academic learning such that their outcomes at the end of Key Stage 4 will provide them with a good basis for progression to their chosen next stage and external measures will indicate progress that is above the national average.
2. Positive development of character will form a central part of the student experience at John Colet with a wide range of extra-curricular activities, trips, visits, team and leadership opportunities, which will provide them with golden memories of their school experience and prepare them to become well-rounded citizens as they leave the school.
3. Starting from an excellent transition from Year 6 into Year 7 students across the school will demonstrate excellent behaviour and enhance the reputation of John Colet by their conduct in the local community and when representing the school in extra-curricular trips and visits.
4. The school will offer a wide range of Post-16 subjects and broader enrichment opportunities to ensure that the Sixth Form thrives and is an attractive option for Year 11 student progression as well as attracting external applications, resulting in a financially viable cohort demonstrating academic progress that is above the national average.
5. Excellent resources and facilities for staff and students will be provided within sound financial planning that will take account of school population changes and ensure adequate year on year funding to support the school's strategic objectives.

Public Benefit

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.

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. There was additional emphasis placed on ensuring a successful transition from Primary schools to the John Colet and this work continues. The Governors would also like to thank local businesses who have offered financial support and/or their professional time to help with student activities. Many of these activities were suspended from the end of March 2020 but the school used online meetings to ensure a successful transition for the new students who entered the school in September 2020

Strategic Report

Achievements and Performance

The school progressed well towards the objectives noted above until March 2020. Internal data indicated that Year 11 students, due to take GCSE exams in summer 2020, were on track for at least national level of performance. As with all UK schools, due to COVID-19, there were increasing staff and student absences during March. From late March, all students were working online although the school was open for the children of key workers and vulnerable students who wished or needed to attend. These students worked independently and each had a defined space.

The school was open every working day, including school holidays and bank holidays with one exception (May Bank holiday as there were no students who wished to attend) for these students. The staff set online work for all students. This was a major learning experience itself for staff and students. The school has an existing online system for homework and assignments and this was upgraded so assignments could be set and marked. Generally, student engagement was high although this was inevitably variable. When necessary, students were lent Chromebooks.

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

Strategic Report (continued)

Achievements and Performance (continued)

By June, staff were able to run live online tutorials using Zoom or Google meet for groups of students. For Year 11 students, the school developed a rigorous grading system with external validation of overall predicted grade statistics. Generally, students were happy with the centre assessed grades. A few students opted to take physical exam papers in core subjects in November.

Obviously every UK school has faced the same challenges but the school seems to have coped well. Many students who “took” exams in 2020 moved on to further study or apprenticeships. However, a drawback of good centre assessed grades at Year 11 was that Year 12 sixth form entry was slightly down on expectations as students had more choice about external courses. The Year 13 students aiming for higher education all achieved their first choice university place; we wish them every success.

The school returned to face teaching in the current academic year with students in year group bubbles. So far, one staff member and one student have tested positive, at different times, for SARS-CoV-2 and students and staff who had been in contact have been identified and self-isolated. So far, this has not resulted in school wide disruption and lessons moved online as needed. There is no instance of known transmission within school. The Governors would like to thank both students and staff for their adaptability, hard work and commitment in this difficult period. In particular, we thank all staff for developing their online skills. This has involved extra effort for many as they have also had domestic commitments, notably care for their own children. Staff, if they were able to, came into school on a rota to supervise and support attending students; this was essential to operating the school and much appreciated. The Governors particularly thank the Head; Mr Harty who was in school every day that it was open.

For the current academic year, there is a particular emphasis on gaining robust validated data on individual student progress in case exams move to some or all use of Centre assessed grades again. The Governors are particularly focusing on the impact of the March lockdown on student progress in all years and especially looking at the progress of disadvantaged students who may have not progressed as expected. The school is taking advantage of 1:1 online tutoring schemes to provide targeted assistance as needed and this is proving popular and effective. Other aspects such as any impact on the mental health of staff and students, are being evaluated.

On other activities, in 2020, the school completed a partial replacement of the electrical system and upgraded the lobby area. In terms of the longer term development of the school, it was agreed in February 2020 that the school would admit an extra, local authority funded Year 7 class in September 2020 and 2021. It was also agreed that the local authority would fund a program of building at the school to enhance the facilities. This has enabled the school to progress plans for a proper and much needed full kitchen and canteen facility that will be built near the sports hall. This is planned to be open from autumn 2021. It will also be a useful extra meeting and catering space for community events. Governors also agreed to allocate funds to support a grant application for an enhanced sporting facility. This, if gained, will improve the local community sports provision.

The 2019-20 academic year was exceptional due to the impact of Covid-19 which results in the school closing from 23 March 2020 to the vast majority of students and examinations for Year 11 and 13 students being cancelled and replaced by Centre Assessed Grades (CAG).

Due to the nature of the CAG it is not possible to provide data on outcomes that are meaningful as there are no comparisons with other schools or national data.

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. The school has spent about £20,000 on measures to combat the spread of SARS-CoV-2 virus. However, the Department of Education is not reimbursing this exceptional expenditure as the school is not in deficit.

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

Strategic Report (continued)

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 2020 and the associated expenditure is shown as restricted funds in the statement of financial activities.

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 sufficient cash in the current account to cover all immediate liabilities including payroll and tax liabilities. This normally amounts to at least £335,000 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 school has a credit balance on the GAG account of £270.00. The school had a cash surplus in 2019-20 of £275k showing prudent management

During the period, ESFA/LA grants received totalled to £5,432,429. Other income included within restricted funds totalled to £96,481. Restricted fund expenditure totalled to £5,444,991.

The main source of unrestricted income is from lettings, mostly by external sports clubs, and donations. Lettings in 2019-20 were strong till March 2020. Most bookings after this have been rolled forward to the 2020-21 financial year and has led to a higher creditor level, as deferred income, as of 31 August 2020 as a result. The overall impact for the two financial years is still very unclear.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

The Governors through the Finance Committee and Head Teacher receive financial progress reports throughout the year and compare against budgets submitted to the Education and Skills Funding Agency. The Finance Committee also review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the aims of the Academy.

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

Reserves Policy

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

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

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

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

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

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

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

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

Principal Risks and Uncertainties

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

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

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

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

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

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a surplus at 31 August 2020. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Fundraising

The academy does not engage in any specific fundraising activities.

Streamlined Energy and Carbon Reporting

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Plans for Future Periods

The Academy has an ongoing programme of repairs and maintenance and a prioritised improvement plan, for which we will be applying for capital grants from the Department of Education and ESFA. Over the past 12 months a new fire and smoke alarm system has been installed.

Auditor

Insofar 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.

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

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



Dr J Savin
Chair of Trustees

JOHN COLET SCHOOL
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GOVERNANCE STATEMENT

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 or loss.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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 Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 12 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Dr J Savin	12	12
Mr C Brownhill	11	12
Mr P E Harty	12	12
Mr W S Howell	10	12
Ms E M Lawrence	10	12
Dr P Dean (resigned 1 September 2020)	12	12
Dr J K Martin	8	12
Mrs A Scully (resigned 5 June 2020)	3	12
Mr T J Ibbotson	7	12
Mrs L Greco	6	12
Mr P Naik	9	12
Mr P Robinson	8	12
Ms C Taylor (resigned 1 September 2020)	5	12
Mr N Grace (appointed 5 June 2020)	2	3
Mr A Micallef (appointed 30 June 2020)	3	3

Trustees typically also serve on a number of other sub committees.

The Trustees intend to perform a self-evaluation review of governance in the coming year.

The Finance, Personnel and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to make sure that the Academy is following the ESFA's financial regulations.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Dr J Savin	3	3
Mr C Brownhill (Chairman)	3	3
Mr P Harty	3	3
Mr W Howell	3	3
Mrs E Lawrence	2	3
Dr P Dean (resigned 1 September 2020)	3	3
Mr T Ibbotson	3	3
Mr P Naik	3	3
Mr P Robinson	3	3
Mr N Grace (appointed 5 June 2020)	1	1
Mr A Micallef (appointed 30 June 2020)	1	1

Review of Value for Money

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

The accounting officer considers how the 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:

- o The use of supply teacher was kept to a minimum wherever possible
- o Retention payments and TLR's were reviewed.
- o Contracts were reviewed and replaced in order to ensure value for money

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports

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GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

- which are reviewed and agreed by the board of trustees
- 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
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties; and
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Raymond Kane as internal auditor.

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

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

On a yearly basis, Landau Baker the auditor reports to the Board of trustees, through the Finance, Personnel and General Purposes Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The Board can confirm that the internal auditor has delivered their schedule of work as planned, provided details of any material control issues arising as a result of their work. During the current and previous period, there were no material control issues noted and thus no remedial action was required to be taken.

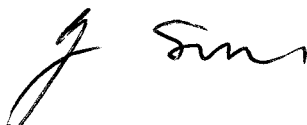
Review of Effectiveness

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

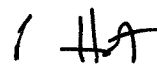
- the work of the internal auditor/reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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



Dr John Savin
Chair of Trustees



Mr Patrick Harty
Accounting Officer

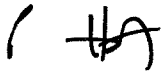
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(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of John Colet School I have considered my responsibility to notify the Academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy board of trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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



Mr Patrick Harty
Accounting Officer
Date: 8 December 2020

JOHN COLET SCHOOL
(A company limited by guarantee)

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

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

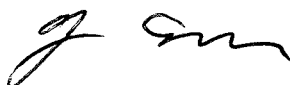
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 8 December 2020 and signed on its behalf by:



Dr J Savin
Chair of Trustees

JOHN COLET SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN
COLET SCHOOL**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

JOHN COLET SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN COLET SCHOOL (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

JOHN COLET SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN COLET SCHOOL (CONTINUED)

Responsibilities of trustees

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

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

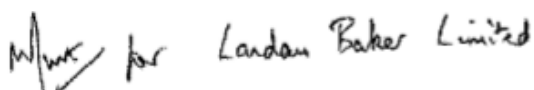
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Advisors

Mountcliff House
154 Brent Street
London
NW4 2DR

8 December 2020

JOHN COLET SCHOOL
(A company limited by guarantee)

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 letter dated 20 May 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by John Colet School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to John Colet School and 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 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 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 dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

JOHN COLET SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOHN
COLET SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Advisors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 8 December 2020

JOHN COLET SCHOOL
(A company limited by guarantee)

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £	
Income from:						
Donations and capital grants	3	-	841	21,747	22,588	1,106,635
Charitable activities	4	93,847	5,474,338	-	5,568,185	5,265,413
Other trading activities	5	55,971	53,731	-	109,702	150,761
Investments	6	451	-	-	451	385
Total income	150,269	5,528,910	21,747	5,700,926	5,700,926	6,523,194
Expenditure on:						
Charitable activities	8	132,522	5,444,991	352,889	5,930,402	5,990,768
Total expenditure	132,522	5,444,991	352,889	5,930,402	5,930,402	5,990,768
Net income/(expenditure)	17,747	83,919	(331,142)	(229,476)	(229,476)	532,426
Transfers between funds	19	-	(63,655)	63,655	-	-
Net movement in funds before other recognised gains/(losses)	17,747	20,264	(267,487)	(229,476)	(229,476)	532,426
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(211,000)	-	(211,000)	(258,000)
Net movement in funds	17,747	(190,736)	(267,487)	(440,476)	(440,476)	274,426
Reconciliation of funds:						
Total funds brought forward	191,245	(2,729,675)	6,960,662	4,422,232	4,422,232	4,147,806
Net movement in funds	17,747	(190,736)	(267,487)	(440,476)	(440,476)	274,426
Total funds carried forward	208,992	(2,920,411)	6,693,175	3,981,756	3,981,756	4,422,232

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 46 form part of these financial statements.

JOHN COLET SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07633408

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	6,693,175	6,186,009
		<u>6,693,175</u>	<u>6,186,009</u>
Current assets			
Debtors	15	244,214	402,973
Cash at bank and in hand	18	752,467	1,114,183
		<u>996,681</u>	<u>1,517,156</u>
Creditors: amounts falling due within one year	16	(482,597)	(460,423)
Net current assets		<u>514,084</u>	<u>1,056,733</u>
Total assets less current liabilities		<u>7,207,259</u>	<u>7,242,742</u>
Creditors: amounts falling due after more than one year	17	(6,503)	(19,510)
Net assets excluding pension liability		<u>7,200,756</u>	<u>7,223,232</u>
Defined benefit pension scheme liability	25	(3,219,000)	(2,801,000)
Total net assets		<u><u>3,981,756</u></u>	<u><u>4,422,232</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	6,693,175	6,960,662
Restricted income funds	19	298,589	71,325
		<u>6,991,764</u>	<u>7,031,987</u>
Restricted funds excluding pension asset	19	6,991,764	7,031,987
Pension reserve	19	(3,219,000)	(2,801,000)
		<u>3,772,764</u>	<u>4,230,987</u>
Total restricted funds	19	3,772,764	4,230,987
Unrestricted income funds	19	208,992	191,245
		<u>3,981,756</u>	<u>4,422,232</u>
Total funds		<u><u>3,981,756</u></u>	<u><u>4,422,232</u></u>

JOHN COLET SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07633408

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 21 to 46 were approved by the Trustees, and authorised for issue on 08 December 2020 and are signed on their behalf, by:



Dr J Savin
Chair of Trustees

The notes on pages 25 to 46 form part of these financial statements.

JOHN COLET SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	476,141	(131,567)
Cash flows from investing activities	22	(837,857)	767,715
Change in cash and cash equivalents in the year		(361,716)	636,148
Cash and cash equivalents at the beginning of the year		1,114,183	478,035
Cash and cash equivalents at the end of the year	23, 24	752,467	1,114,183

The notes on pages 25 to 46 form part of these financial statements

JOHN COLET SCHOOL
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Legacies**

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

• **Donations**

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

1.4 Expenditure

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

JOHN COLET SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long-term leasehold property	- Straight line over 10 years and straight line over 35 years
Fixtures, fittings and equipment	- 10% - 33% on cost
Computer equipment	- 33% on cost
Motor vehicles	- 20% on cost

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

1.6 Debtors

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

1.7 Cash at bank and in hand

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

JOHN COLET SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.8 Liabilities

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

JOHN COLET SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	-	841	-	841	11,973
Capital Grants	-	-	21,747	21,747	1,094,662
	-	841	21,747	22,588	1,106,635
<i>Total 2019</i>	11,476	497	1,094,662	1,106,635	

JOHN COLET SCHOOL
(A company limited by guarantee)

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

4. Funding for the Academy's educational activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,926,951	4,926,951	4,806,143
Other ESFA grants	-	436,875	436,875	195,538
	-	5,363,826	5,363,826	5,001,681
Other government grants				
Local authority grants	-	68,603	68,603	88,118
	-	68,603	68,603	88,118
Other funding				
Other income	93,847	41,909	135,756	175,614
	93,847	5,474,338	5,568,185	5,265,413
<i>Total 2019</i>	-	5,265,413	5,265,413	

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of facilities	44,513	-	44,513	49,832
Trip income	11,458	-	11,458	15,794
Other income	-	53,731	53,731	85,135
	55,971	53,731	109,702	150,761
<i>Total 2019</i>	65,626	85,135	150,761	

JOHN COLET SCHOOL
(A company limited by guarantee)

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

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Short term deposits	451	451	385
<i>Total 2019</i>	385	385	

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	<i>Total 2019 £</i>
Educational activities:					
Direct costs	3,804,440	-	636,322	4,440,762	4,221,503
Allocated support costs	619,966	565,218	304,456	1,489,640	1,769,265
	4,424,406	565,218	940,778	5,930,402	5,990,768
<i>Total 2019</i>	4,103,400	820,509	1,066,859	5,990,768	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Educational activities	132,522	5,797,880	5,930,402	5,990,768
<i>Total 2019</i>	50,378	5,940,390	5,990,768	

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9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Educational activities	4,440,762	1,489,640	5,930,402	5,990,768
<i>Total 2019</i>	<u>4,221,503</u>	<u>1,769,265</u>	<u>5,990,768</u>	

Analysis of direct costs

	Educational activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	3,782,511	3,782,511	3,430,671
Depreciation	104,042	104,042	113,367
Educational supplies	172,143	172,143	161,297
Examination fees	67,194	67,194	83,705
Staff development	11,923	11,923	18,563
Educational consultancy	69,125	69,125	68,166
Technology costs	60,798	60,798	50,452
Other direct costs	129,425	129,425	212,814
Teaching supply costs	21,929	21,929	11,065
Recruitment and support	18,246	18,246	66,923
Other staff costs	3,426	3,426	4,480
	<u>4,440,762</u>	<u>4,440,762</u>	<u>4,221,503</u>
<i>Total 2019</i>	<u>4,221,503</u>	<u>4,221,503</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Pension finance cost	50,000	50,000	<i>60,000</i>
Staff costs	619,966	619,966	<i>655,206</i>
Depreciation	248,847	248,847	<i>229,185</i>
Technology costs	11,267	11,267	<i>20,313</i>
Support staff supply costs	-	-	<i>6,458</i>
Catering	29,735	29,735	<i>6,488</i>
Cleaning	128,623	128,623	<i>124,377</i>
Energy	90,143	90,143	<i>100,993</i>
Governance costs	10,650	10,650	<i>14,575</i>
Insurance	21,062	21,062	<i>21,539</i>
Repairs and maintenance	33,156	33,156	<i>122,830</i>
Other occupancy costs	27,749	27,749	<i>33,633</i>
Rent and rates	36,700	36,700	<i>46,564</i>
Other support costs	106,213	106,213	<i>205,999</i>
Professional fees	70,749	70,749	<i>118,605</i>
Other staff costs	4,780	4,780	<i>2,500</i>
	<u>1,489,640</u>	<u>1,489,640</u>	<u><i>1,769,265</i></u>
<i>Total 2019</i>	<u><u>1,769,265</u></u>	<u><u>1,769,265</u></u>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	<i>2019 £</i>
Operating lease rentals	30,591	<i>19,341</i>
Depreciation of tangible fixed assets	352,889	<i>342,551</i>
Fees paid to auditors for:		
- audit	6,000	<i>8,110</i>
- other services	2,000	<i>6,440</i>
	<u><u>361,480</u></u>	<u><u>376,442</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	3,273,020	3,166,197
Social security costs	292,227	293,938
Pension costs	837,230	625,742
	<u>4,402,477</u>	<u>4,085,877</u>
Agency staff costs	21,929	17,523
	<u><u>4,424,406</u></u>	<u><u>4,103,400</u></u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	54	59
Administration and support	41	41
Management	8	8
	<u>103</u>	<u>108</u>

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	1
	<u><u>1</u></u>	<u><u>1</u></u>

d. Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £623,352 (2019 £539,900).

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12. Trustees' remuneration and expenses

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

		2020	<i>2019</i>
		£	<i>£</i>
P Harty, Headteacher	Remuneration	105,000 - 110,000	<i>90,000 - 95,000</i>
	Pension contributions paid	20,000 - 25,000	<i>15,000 - 20,000</i>
H Leather, Staff Trustee (resigned 22 January 2019)	Remuneration	NIL	<i>10,000 - 15,000</i>
	Pension contributions paid	NIL	<i>0 - 5,000</i>
A Scully, Staff Trustee (resigned 5 June 2020)	Remuneration	20,000 - 25,000	<i>20,000 - 25,000</i>
	Pension contributions paid	NIL	<i>NIL</i>
P Robinson, Staff Trustee	Remuneration	45,000 - 50,000	<i>25,000 - 30,000</i>
	Pension contributions paid	10,000 - 15,000	<i>NIL</i>

During the year ended 31 August 2020, no Trustee expenses have been incurred (*2019 - £1,066 to 2 trustees*).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 was £970 (*2019 - £970*). The cost of this insurance is included in the total insurance cost.

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14. Tangible fixed assets

	Long-term leasehold property £	Fixtures, fittings and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2019	7,480,556	472,053	351,358	42,745	8,346,712
Additions	742,369	86,826	30,860	-	860,055
At 31 August 2020	<u>8,222,925</u>	<u>558,879</u>	<u>382,218</u>	<u>42,745</u>	<u>9,206,767</u>
Depreciation					
At 1 September 2019	1,629,592	245,975	260,987	24,149	2,160,703
Charge for the year	248,847	38,960	58,183	6,899	352,889
At 31 August 2020	<u>1,878,439</u>	<u>284,935</u>	<u>319,170</u>	<u>31,048</u>	<u>2,513,592</u>
Net book value					
At 31 August 2020	<u>6,344,486</u>	<u>273,944</u>	<u>63,048</u>	<u>11,697</u>	<u>6,693,175</u>
At 31 August 2019	<u>5,850,964</u>	<u>226,078</u>	<u>90,371</u>	<u>18,596</u>	<u>6,186,009</u>

15. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	35,922	3,251
Other debtors	32,799	57,126
Prepayments and accrued income	175,493	342,596
	<u>244,214</u>	<u>402,973</u>

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16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other loans	13,007	13,007
Trade creditors	174,163	93,972
Other taxation and social security	75,132	80,656
Other creditors	92,680	78,161
Accruals and deferred income	127,615	194,627
	482,597	460,423
	2020 £	2019 £
Deferred income at 1 September 2019	118,145	57,362
Resources deferred during the year	75,171	118,145
Amounts released from previous periods	(118,145)	(57,362)
	75,171	118,145

At the balance sheet date the academy trust was holding funds received in advance for the year 2020/2021 relating to school clubs, virtual school funding and grant funding for IT devices for students.

17. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	6,503	19,510
	6,503	19,510
Included within the above are amounts falling due as follows:		
	2020 £	2019 £
Between one and two years		
Other loans	6,503	13,007
	6,503	13,007
Between two and five years		
Other loans	-	6,503
	-	6,503
Over five years		

This is an interest free Salix loan. The amount repayable at the year end is £19,510 (2019: £32,516). The balance is repayable in seven instalments, the final instalment being payable on 1 September 2021.

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

18. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	752,467	1,114,183

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

19. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	150,141	56,422	(35,171)	-	-	171,392
School fund	41,104	93,847	(97,351)	-	-	37,600
	191,245	150,269	(132,522)	-	-	208,992
Restricted general funds						
General Annual Grant (GAG)	71,325	4,926,951	(4,636,032)	(63,655)	-	298,589
Other DfE/ESFA Grants	-	436,875	(436,875)	-	-	-
Other government grants	-	68,603	(68,603)	-	-	-
Other income	-	41,909	(41,909)	-	-	-
General funds	-	54,572	(54,572)	-	-	-
Pension reserve	(2,801,000)	-	(207,000)	-	(211,000)	(3,219,000)
	(2,729,675)	5,528,910	(5,444,991)	(63,655)	(211,000)	(2,920,411)

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19. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	6,960,662	21,747	(352,889)	63,655	-	6,693,175
Total Restricted funds	4,230,987	5,550,657	(5,797,880)	-	(211,000)	3,772,764
Total funds	4,422,232	5,700,926	(5,930,402)	-	(211,000)	3,981,756

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

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed under the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by other trading activities and reduced by expenditure incurred in the operation of these trading activities.

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	175,612	66,011	(50,378)	-	-	191,245

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Restricted general funds						
General Annual Grant (GAG)	(126,952)	4,806,143	(4,608,265)	(60,591)	-	10,335
Other DfE/ESFA grants	-	195,538	(199,528)	3,990	-	-
Other government grants	-	88,118	(84,128)	(3,990)	-	-
Other income	-	85,532	(82,032)	-	-	3,500
General funds	57,106	175,614	(157,235)	(17,995)	-	57,490
Pension reserve	(2,354,000)	-	(189,000)	-	(258,000)	(2,801,000)
	<u>(2,423,846)</u>	<u>5,350,945</u>	<u>(5,320,188)</u>	<u>(78,586)</u>	<u>(258,000)</u>	<u>(2,729,675)</u>
Restricted fixed asset funds						
Inherited on conversion	5,880,206	-	(195,781)	-	-	5,684,425
DfE capital grants	84,327	1,094,662	(271,150)	(63,847)	-	843,992
Capital expenditure from GAG	423,841	-	(129,566)	119,608	-	413,883
Capital expenditure from school fund	7,666	-	(7,299)	17,995	-	18,362
Lionel Abel-Smith Trust	-	11,576	(16,406)	4,830	-	-
	<u>6,396,040</u>	<u>1,106,238</u>	<u>(620,202)</u>	<u>78,586</u>	<u>-</u>	<u>6,960,662</u>
Total Restricted funds	<u>3,972,194</u>	<u>6,457,183</u>	<u>(5,940,390)</u>	<u>-</u>	<u>(258,000)</u>	<u>4,230,987</u>
Total funds	<u><u>4,147,806</u></u>	<u><u>6,523,194</u></u>	<u><u>(5,990,768)</u></u>	<u><u>-</u></u>	<u><u>(258,000)</u></u>	<u><u>4,422,232</u></u>

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20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	6,693,175	6,693,175
Current assets	208,992	787,689	-	996,681
Creditors due within one year	-	(482,597)	-	(482,597)
Creditors due in more than one year	-	(6,503)	-	(6,503)
Provisions for liabilities and charges	-	(3,219,000)	-	(3,219,000)
Total	208,992	(2,920,411)	6,693,175	3,981,756

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	-	6,186,009	<i>6,186,009</i>
Current assets	191,245	490,214	835,697	<i>1,517,156</i>
Creditors due within one year	-	(418,889)	(41,534)	<i>(460,423)</i>
Creditors due in more than one year	-	-	(19,510)	<i>(19,510)</i>
Provisions for liabilities and charges	-	(2,801,000)	-	<i>(2,801,000)</i>
Total	191,245	(2,729,675)	6,960,662	4,422,232

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

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of financial activities)	(229,476)	532,426
Adjustments for:		
Depreciation	352,889	342,551
Capital grants from DfE and other capital income	(21,747)	(1,106,238)
Interest receivable	(451)	(385)
Defined benefit pension scheme cost less contributions payable	157,000	129,000
Defined benefit pension scheme finance cost	50,000	60,000
Decrease/(increase) in debtors	158,759	(21,000)
Increase/(decrease) in creditors	9,167	(67,921)
Net cash provided by/(used in) operating activities	476,141	(131,567)

22. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	451	385
Purchase of tangible fixed assets	(860,055)	(137,603)
Capital grants from DfE Group	21,747	893,357
Capital funding received from sponsors and others	-	11,576
Net cash (used in)/provided by investing activities	(837,857)	767,715

23. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	752,467	1,114,183
Total cash and cash equivalents	752,467	1,114,183

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

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,114,183	(361,716)	752,467
Debt due within 1 year	(13,007)	-	(13,007)
Debt due after 1 year	(19,510)	13,007	(6,503)
	<u>1,081,666</u>	<u>(348,709)</u>	<u>732,957</u>

25. Pension commitments

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

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

Contributions amounting to £81,066 were payable to the schemes at 31 August 2020 (2019 - £61,484) and are included within creditors.

Teachers' Pension Scheme

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

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

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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £499,433 (2019 - £329,175).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £229,000 (2019 - £215,000), of which employer's contributions totalled £181,000 (2019 - £170,000) and employees' contributions totalled £ 48,000 (2019 - £45,000). The agreed contribution rates for future years are 22.8 per cent for employers and between 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

Buckinghamshire Pension Fund

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

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25. Pension commitments (continued)

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

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

Share of scheme assets

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

	2020 £	2019 £
Equities	1,844,000	1,564,000
Gilts	527,000	341,000
Corporate bonds	355,000	414,000
Property	210,000	199,000
Cash and other liquid assets	88,000	94,000
Other assets	339,000	299,000
Total market value of assets	3,363,000	2,911,000

The actual return on scheme assets was £92,000 (2019 - £235,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Current service cost	(335,000)	(283,000)
Past service cost	-	(20,000)
Interest income	55,000	71,000
Interest cost	(105,000)	(131,000)
Administrative expenses	(3,000)	(2,000)
Total amount recognised in the Statement of Financial Activities	(388,000)	(365,000)

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25. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	5,712,000	5,002,000
Current service cost	335,000	283,000
Interest cost	105,000	131,000
Employee contributions	48,000	45,000
Actuarial losses	467,000	422,000
Benefits paid	(85,000)	(273,000)
Past service costs	-	20,000
Effects of non-routine settlements	-	82,000
At 31 August	6,582,000	5,712,000

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

	2020 £	2019 £
At 1 September	2,911,000	2,648,000
Interest income	55,000	71,000
Actuarial gains	256,000	164,000
Employer contributions	181,000	170,000
Employee contributions	48,000	45,000
Benefits paid	(85,000)	(273,000)
Effects of non-routine settlements	-	88,000
Administration expenses	(3,000)	(2,000)
At 31 August	3,363,000	2,911,000

26. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	43,286	30,591
Later than 1 year and not later than 5 years	87,764	12,467
	131,050	43,058

JOHN COLET SCHOOL
(A company limited by guarantee)

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27. 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.

28. Related party transactions

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

During the year ending 31 August 2020 a donation of £1,537 (2019: £4,510) was received from John Colet School PTA, a registered charity which aims to support the school.

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

29. Agency arrangements

The academy trust distributes 16 -19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the trust received £5,528 (2019: £6,203) and disbursed £5,096 (2019: £4,777) from the funds. An amount of £11,614 (2019: £12,046) is included in other creditors relating to undistributed funds that are repayable to the ESFA.