



# The King's School Academy Trust

(A Company Limited by Guarantee)

Company Registration: 07560660

DfE Registration: 878/4005

## Annual Report & Financial Statements

Year Ended 31 August 2015

The King's School  
Cadhay Lane  
Ottery-St-Mary  
Devon  
EX11 1RA

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## Reference and Administrative Details

Year Ended August 2015

### Trustees

Mr N Bennett * (terminated 8/9/15)	Mr T Bloomfield
Mr L Bowker **	Mrs S Cade (appointed 11/12/14)
Mrs E Charles #	Mr M Davis
Mrs C Dunford* (staff trustee) (appointed 1/1/15)	Mr S Ellison **
Mrs S Fallows (Chair)*#	Mrs R Francis * (terminated 25/5/15)
Miss K Heathcote #	Miss R Higginson (staff trustee)
Mrs C Hollingshead (appointed 16/10/15)	Mrs R Jacobs* (staff trustee) (terminated 12/12/14)
Miss F Jarrett (Headteacher)*	Mrs L Kennaway* (appointed 11/12/14)
Mr J Lavender*	Cllr R Mitchell
Mr M Molloy* (responsible officer)	Mr D Nicholson (staff trustee)
Mr K Steel*	Mrs S Unwin (terminated 27/6/15)

\* Members of the Resources Committee

# Members of the Trust

### Company Secretary / Business Manager

Mr L Evans

### Senior Leadership Team

Deputy Head	Personalisation	Mrs P Farrand
Deputy Head	Student Support	Mr M Garrick
Deputy Head	Personnel	Miss E Mower
Deputy Head	Curriculum	Mr D Williams
Deputy Head	Student Progress	Mr N Wolfreys
Assistant Head	Sixth Form	Mr R Gerry
Assistant Head	Personal Development	Mr P Dodds

### Principal and registered Office

The King's School  
Cadhay Lane  
Ottery St Mary  
Devon  
EX11 1RA

### Company Registration number

07560660 (England and Wales)

### Independent Auditor

Thompson Jenner LLP  
1 Colleton Crescent,  
Exeter, Devon.  
EX2 4DG

### Bankers

Lloyds TSB  
234 High Street  
Exeter  
Devon  
EX4 3NL

### Solicitors

Browne Jacobson LLP  
1 Manor Court  
Dix's Field  
Exeter  
EX1 1UP

## **Trustees' Report**

Year Ended 31 August 2015

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period from 1 September 2014 to 31 August 2015. The company was incorporated on 11 March 2011 and commenced trading on April 1<sup>st</sup> 2011. The annual report serves the purposes of both a trustees' report, and a directors' report under company law

### **Structure, Governance and Management**

#### **Constitution:**

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trust operates an academy for pupils aged 11 to 18 serving a catchment area in East Devon.

The trustees of The King's School Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as The King's School Ottery St Mary.

Details of the Trustees who have served throughout the year are shown in the Reference and Administrative details on page 3.

#### **Members' liability:**

There are five members of the Charitable Trust: S. Fallows, S. Ellison, L. Bowker, K. Heathcote and E. Charles. Each member of the Charitable Trust 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 cease to be a member.

#### **Trustees' indemnities:**

The Charitable Company has purchased Trustees' Liability insurance with a limit of £2,000,000 at a cost of £964.

#### **Principal Activities:**

The principal activity of the Academy is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

#### **Methods of Recruitment and Appointment or Election of Trustees:**

The number of Trustees shall be not less than three and shall not be more than twenty one.

The Academy's Board of Trustees comprises the Headteacher, up to seven Parent Trustees, up to two Teacher Trustees, one support staff Trustee and up to eleven appointed or co-opted Trustees. The Trustees may also appoint Associate Members operating within the remit or such and without voting rights at the Board of Trustees.

Parent Trustees are elected by the parents of current students of the Academy Trust. As provided for in the Articles of Association, the Members appointed the current Parent Trustees on the basis that they had been elected to serve as Parent Governors of the former King's School.

Staff Trustees (teaching and support) are elected by the staff currently employed at the Academy Trust.

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

All Trustees are appointed to serve for a period of four years with the exception of associate trustees who are appointed on an annual basis and have no voting rights and the Headteacher who is able to serve for the duration of their appointment as Headteacher. The Chair and Vice Chair of Trustees are elected annually.

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

All new trustees participate in an induction programme with training offered from a local provider. All trustees are issued with a copy of the annual Governors Handbook giving a wide range of information and guidance relating to the governance of the academy. A programme of Trustee Training is provided according to need and specific roles. A skills audit is carried out bi-annually and training accessed according to needs indicated. Annually, the Board of Trustees has a training event which looks at Trustees' roles, responsibilities and addresses key issues for Trustee and school development.

#### **Organisational Structure:**

The Board of Trustees normally meets four times a year. The Board establishes an overall framework for the governance of the Academy and agrees membership of Committees and Statutory and other Panels. It receives reports from its Committees and monitors their activities through the minutes of the meetings. It also establishes the Terms of Reference and Procedures for its Committees. The Board of Trustees may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Trustees: to determine any proposals for the alteration, closure or change of category of the Academy; to amend the constitution of the Board of Trustees; to appoint or remove the Chairman and/or Vice Chairman; to appoint the Secretary to the Trustees; to suspend trustees; to delegate specific responsibilities to any trustee, Committee, the Headteacher or other holder of an executive office, and to determine and review annually the terms of reference, constitution and membership of all Committees; to publish an annual report and accounts; to make arrangements for staff dismissal appeals; to set up panels for the selection of the Headteacher; to approve the annual School Development Plan; to approve the school budget and to monitor the annual Register of Interests.

For the period 1 September 2014 until 31 August 2015 there have been three trustee sub-committees as follows:

Committee	Responsibilities
Resources	Dealing with all matters relating to finance, sites and buildings.
Curriculum & Quality	Dealing with all matters relating to the quality of teaching and learning including the curriculum and general staffing issues.
Pay & Performance Committee	Dealing with the specific issues relating to performance related pay for the staff and the Headteacher's Remuneration.

The Headteacher is the Accounting Officer as required by the Funding Agreement with the Department for Education. The responsibilities of the Accounting Officer are defined in the Governance Statement on page 19. A trustee who reports to the Resources Committee for this period is the nominated Responsible Officer.

#### **Risk Management:**

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

The key controls used by the Academy Trust include:

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

- Comprehensive planning and review of admissions processes
- A succession planning policy

The Board of Trustees has reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and has taken steps to mitigate likely risks and to ensure regular monitoring of the primary areas of potential risk. All of these are documented in an academy risk register which is updated and reviewed biennially.

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

#### **Connected Organisations, including Related Party Relationships:**

The King's School is committed to working with other organisations which contribute to the improvement in provision for students and to ensure that their achievement and well being is maximised.

The school is part of a successful and vibrant learning community which includes the 5 partner primary schools. We are working in partnership to provide more effective transition arrangements and best value, involving procurement and services. We have long held relationships with other organisations such as Exeter University in order to provide a high quality training programme for ITE students. We are now a strategic partner within the Jurassic Coast Teaching School Alliance, working alongside schools, Higher Education and the NCTL. We have led on a SEND project as part of the Teaching School and have trained teachers through the School Direct programme, all of which are employed. We are an NPQH Leadership Development School and deliver NPQH training.

The school was a specialist Sports College. The ethos remains at the heart of the school's drive to provide rich and memorable learning experiences which have led to high quality learning and personal development. The impact legacy of specialism is clearly visible through partnership working. The school hosts the East Devon School Games Organiser who works with 61 primary schools, one special school and 8 secondary schools supporting their engagement in the Schools' Games programme.

The school's aspiration is to provide a personalised curriculum suited to meet the needs of students within the resources available. This is achieved in part by working with other organisations such as Exeter College to provide a breadth of curriculum including vocational opportunities. This is very much supported by the school's outstanding careers and work related learning provision supported by local business partners, many of whom are business mentors to some of our most vulnerable young people. We have a close relationship with the Careers SW personal advisor whose services we purchase to provide impartial Careers Education Information Advice and Guidance to students. We work in partnership with two local secondary schools to provide provision for vulnerable students (LAP), and the school's active participation in the East Devon Reintegration Panel supports the school's ethos of 'achievement for all'. The school continues to work closely with the LA and contributes to the Headteachers' Associations. The Head has also sat on, the Devon Safeguarding Children's Board, was the secondary education representative on the Children's Safeguarding Improvement Board (CSIB), sat on the County Inclusive Education Panel, acts as a SIP and assists in the recruitment, training and development of Headteachers new to the LA. The Head and school also work on school to school support with two local maintained schools through the LA's Excellence for All Project.

The school has developed an increasing network of partnerships with other providers such as a SENCo group and is a member of The South West Academies Group – 10 Good or outstanding academies from across the South West who work collaboratively on school improvement.

As well as a strong local network of connected organisations the schools has active links with national and international partners including schools in India and Melanesia. The international links are strengthened further by a student-led link with a charity working in Moldova. Students also take part in foreign language exchange visits to both France and Spain.

The Academy Trust's association with all of these networks is to further promote the opportunities and achievements of our students and to enable our staff to share good practice and so raise the standard of teaching and learning.

## Objectives and Activities

### **Public Benefit:**

The Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. The Academy Trust provides education to children and young people that is:

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

The Academy Trust is an 11-18 comprehensive school serving Ottery St Mary and surrounding villages. It works closely with its five main partner primary schools and draws mainly from these schools to fill its Planned Admission Number (PAN) of 180 from years 7-11. It has a fully mixed ability and gender intake and as it is over-subscribed, it employs Devon Local Authority to manage admissions and all appeals for places. It is subject to the current statutory arrangements as laid down in the National Admissions Code. Current arrangements for entry to the school are available in the section of the school website dealing with admissions arrangements.

### **Objectives:**

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

The King's School ambition is to be one of the best comprehensive schools in the country. Our ambition is to develop all students academically, socially and emotionally in a happy, organised and disciplined environment so that they can make full use of their opportunities in life.

To be achieved by creating a place:

- Where all students have the highest aspirations for themselves and each other
- Where all staff have the highest aspirations for their students and themselves
- With staff who are confident in seeking out opportunities to develop their own practice and are happy to share their ideas and expertise with colleagues
- With a curriculum that is best suited to the current and future needs of the individual student in the best learning environment possible
- Where there is universal high quality teaching and learning so that students have true equality of opportunity
- Where there is a consistent message to students in terms of our expectations about behaviour, uniform, how we work together and how we treat each other
- Which empowers and involves its parents in helping and supporting their child to achieve

## Strategic Report

Key influences on the Academy Trust's Development Plan for the period under review were the significant challenges and opportunities arising from national changes in education policy, funding, including the consolidation of working as an academy and the school's response to both local and global issues. The Academy Trust's development plan for the years 2014-2015 was monitored through the Trustee Committees and contains the following objectives:

	Strategic Objectives
Ethos	Maintain and improve where possible, the school's caring and supportive environment with clear focus on social, moral education.
Quality and Standards	Develop teaching and learning practice across the school, so that it is consistently outstanding. Maintain high levels of pupil achievement and progress, by consistently achieving demanding board of trustee targets.
Curriculum	Constantly innovate and develop the school's taught and extracurricular activities, whilst maintaining exceptionally high standards.
Resources	Improve the already efficient management of resources (staff and facilities) so that with minimal detriment to the students' experience the school operates within agreed financial parameters.
Leadership and Management	Develop leadership and management capabilities throughout the school to maintain and improve the existing high standards. Develop trustees' skills and understanding, so that they can successfully fulfil their strategic function and provide high levels of support/challenge for senior leaders and managers.

In order to deliver against the strategic objectives, the trust have established a set of Operational Priorities for over 2015-16. These are:

### Ethos

- Reduce low level disruption in the classroom.
- Significantly improve students' responses to questions relating to incidence of racial/homophobic comments in the School's perception survey.

### Quality and Standards

- Improve the standard of the assessment of students' work and feedback to be consistently outstanding.
- Ensure that the vast majority of students make at least the progress expected of them (Yr 7 – Yr 13).
- Improve the academic performance of boys generally to move closer to that of girls.
- Continue to strive to narrow the gap between disadvantaged and non-disadvantaged students.

### Curriculum

- Deliver a responsive offer that is fundable and meets the needs of Pre and Post 16 students in the school.
- Develop and implement the effective use of teaching technologies.
- Further embed the development of English and Mathematics skills throughout the school (Yr 7 – Yr 13).

### Resources

- Manage staff costs efficiently to reduce the overall burden on the school budget.
- Maintain and improve teaching and non - teaching facilities and their utilisation.

### Leadership and Management

- Explore and develop strategic links and alliances with other schools.
- Improve leadership and management capabilities generally and as an aid to succession planning.
- Develop a strategic planning and reporting cycle that informs Trustees' meetings and decision making.



**Curriculum:**

The King's School ensures that it is fully up to date with the latest Department for Education announcements on curriculum reform. Among many others these include, changes to the Level 2 equivalent qualifications, the introduction of the EBacc qualifications for certain GCSE subjects, the changed structure to existing GCSEs, changes to the format of AS/A2 Levels and the new GCSEs and A Levels planned for 2016 and 2017.

During the academic year 2014-15 we looked closely at our curriculum provision to analyse whether it provided our students with the best possible opportunity for success in the new GCSEs in English and Maths and its overall cost effectiveness given the pressures on whole school budgets.

We therefore made significant changes to our curriculum which have come in to effect from September 2015: In Year 10, English and Maths have seen a curriculum increase of one hour a fortnight. Core and Additional Science have reduced by 2 hours a fortnight whilst we have also worked hard to ensure that our take up for Triple Science is as high as possible. Consequently, the historic lunchtime lesson for Triple Science students has been removed allowing these students to have all of their scheduled lessons within the normal period 1-5 day. This has significantly improved the take-up for Triple Science with now approximately 50% of students choosing this option at GCSE. Moreover, we have introduced new GCSE option subjects for our Triple Science students in order to ensure that they maintain curriculum breadth: these students can therefore choose between Further Maths, Statistics, Music, RE or Film Studies as additional GCSE subject.

The new curriculum model outlined above started in September 2015 for our current Year 10 students. When these students are in Year 11 (2016-17), the curriculum model will change so that the time for Core and Additional Science will increase to 10 hours a fortnight, English and Maths to 8 hours a fortnight and GCSE option subjects will reduce to 4 hours a fortnight. These changes mean that extra time has been given to English and Maths in order to cover the much increased subject content in these subjects. However, subjects which will see a slight decrease in their curriculum time continue to comfortably exceed the recommended learning time for single GCSE subjects as outlined by Ofqual.

As a result of financial constraints that all schools operate under, we decided to reduce the number of teaching classes in Year 9 from 8 to 6. The decision to increase teaching classes in Year 9 was taken a few years ago when financial pressures on schools were not as acute as they are currently. The reduction in classes from 8 to 6 means that we now operate the same number of classes from Year 7 to Year 9.

**Pupil Premium (PP):**

The school receives a sum of money based on Free School Meals (FSM) + 6 (anyone taking or having taken FSM in the last 6 years), students whose parents are in the services, those who are Looked After or adopted from care (post LAC). This is a proxy measure designed to address performance of students who are deemed to be suffering or at risk of deprivation. The school must use the lump sum of money to address progress of any students who we deem to be at risk of deprivation inhibiting their learning and progress. The school spends significantly in excess of the sum we receive to support these students. The money is spent on:

- Reducing class sizes in maths and English through years 7-11 – with some further decrease in year 7 for a targeted literacy lesson each week.
- Buying in additional tutors to release key maths and English staff to provide small group targeted intervention.
- We pay for a member of support staff to work for three days a week in maths to provide specific intervention work. In English we have two teachers each offering three hours a week intervention for targeted groups.
- We have an Alternative Curriculum Manager who provides a highly personalised in-school package of support and qualifications for students. Plans are to extend our provision for these students in-house next year.
- Buy additional mentor time to ensure the targeted students have a mentor in year 10 and 11.
- Providing financial support to families to pay for subject specific materials or trips/visits to enable students to access the full curriculum.
- We provide one-to-one tuition for students in specific areas in which they are not making progress.
- We support families financially to enable their children to access the full range of extra-curricular activities.
- Each student in care has a keyworker who they meet once a fortnight, to monitor progress, set and review short term targets. Carers are then contacted to maintain excellent communication.
- In addition to a designated teacher, the school employs a member of staff to attend Personal Education Plan meetings and any other meeting (and maintain the necessary paperwork) relating to the student in care.

- We purchased an enhanced Cognition Ability Test assessment package to provide staff with specific information on the best ways to support teaching and learning for pupil premium students.
- We have trained pastoral care staff who offer "school survival" courses which incorporates targeted pupil premium students.
- Key workers are provided for specific PP students who are underachieving or identified as children needing this support.
- We purchase additional EWO hours to support improved attendance for our disadvantaged students.

### **Achievements and Performance:**

The King's School consistently maintains extremely high academic standards at both Key Stage 4 and 5. The outcomes for students are significantly above national in terms of 5+ A\*-C grades at GCSE, capped 8 scores, percentage of students achieving 5+A\*-G grades, percentage achieving at least 1 grade C and percentage achieving the E Bacc. The Gifted and Talented threshold of three+ A/A\* grades per student is well above national average. The percentage of students achieving 5+ A\*-C including English and Maths and the KS2 to KS4 levels of progress data in both English and maths have consistently been above national data. In 2014, although English attainment and progress remained high, these figures were affected by GCSE Maths results which inexplicably fell below expectations. This may have reflected the volatility of national exam performance data in 2014. GCSE Maths results in 2015 were once again above the national average.

The school sets targets using Fischer Family Trust benchmarks based on progress in the top 20% of schools nationally. Detailed breakdown of data is available from the school website and from RAISE online.

The attainment and progress of students at A level over the last three years has been outstanding as have the retention rates. The students are consistently achieving a very high average point score per entry and average total point score. All students in the 2015 cohort who applied to university secured a place.

The school does not report outcomes separately for EAL or LAC students as the numbers are too few to be significant and may allow for identification of the individual. SEN data is reported under progress, as is FSM.

The tables below show data for 2014 and 2015:

#### A2 Results 2014:

Grade	No	%	Percentage Grades				
A*	23	8	27				
A	54	19		56			
B	83	29			78		
C	64	22				94	
D	46	16					100
E	19	7					
U	0	0					

#### Points Scores: A2 2014

Group	Average Total Pt score per student	Average Total Pt score per entry
Males	812	216
Females	862	229
All Students	838	223

#### A2 Results 2015:

Grade	No	%	Percentage Grades				
A*	25	8	25				
A	57	17		55			
B	101	30			78		
C	78	23				94	
D	55	16					100
E	19	6					
U	0	0					

#### Points Scores: A2 2015

Group	Average Total Pt score per student	Average Total Pt score per entry
Males	889	221
Females	895	221.8
All Students	893	221.5

Key: A\* = 300 A = 270 B = 240 C = 210 D = 180 E = 150 All results include AS exams taken in Yr 13/14

#### AS Results 2014:

Grade	No	%	Percentage Grades				
A	99	20	20				
B	121	24		44			
C	120	24			68		
D	88	17				85	
E	52	10					95
U	29	6					100

#### Points Scores: AS 2014

Group	Average Total Pt score per students	Average Total Pt score per entry
Males	423	97
Females	416	101
All Students	419	99

#### AS Results 2015:

Grade	No	%	Percentage Grades				
A	81	18	18				
B	85	18		36			
C	122	26			63		
D	95	21				83	
E	52	11					94
U	26	6					100

#### Points Scores: AS 2015

Group	Average Total Pt score per students	Average Total Pt score per entry
Males	384	92
Females	437	103
All Students	419	100

Key: A = 135 B = 120 C = 105 D = 90 E = 75

## GCSE RESULTS

### GCSE Results 2014:

Group	Av total score/ Student	Av score/ entry	Av total best 8 score	Av best eight entry	% 5+ A*-C	% 5+ A*-C E+M	Av VA FFTD target
Boys	430	41.3	335	41.9	79	66	-0.3
Girls	463	45.2	366	45.8	88	71	0.25
Total	449	43.5	352	44.1	84	69	0.03

### GCSE Results 2015:

Group	Av total score/ Student	Av score/ entry	Av total best 8 score	Av best eight entry	% 5+ A*-C	% 5+ A*-C E+M	Av VA FFTD target
Boys	456	45.3	361	45.1	80	75	0.06
Girls	481	48	378	47.3	90	81	-0.32
Total	467	46.5	368	46	84	78	-0.14

Gifted + Talented = 3+ A*/A grades:	<b>2013</b>	46%
	<b>2014</b>	41%
	<b>2015</b>	39%

### GCSE Grade breakdown 2014

% of results at each grade									
A*	A	B	C	D	E	F	G	U	X
11.2	19.6	26.1	23.1	9.3	5.0	1.3	0.5	0.2	0
30.7									
53.6									
81.9									
92.4									
97.8									
99.2									
100									

### GCSE Grade breakdown 2015

% of results at each grade									
A*	A	B	C	D	E	F	G	U	X
9.9	20.7	27.4	25.2	12.0	3.7	0.8	0.2	0	0
30.6									
58									
83									
95									
99									
99.8									
100									

### KS4 pupil progress 2014

	All pupils	Low attainers	Middle attainers	High attainers
Percentage of pupils making expected progress English	79%	60%	72%	87%
Percentage of pupils making expected progress Maths	62%	20%	52%	77%
Best 8 value added	1009	1014.6	1013.0	1003.8
Lower confidence limit	998.2	969.5	997.6	987.6
Upper confidence limit	1019.9	1060.0	1028.4	1020.1

## Narrowing the Gap 2014

	Disadvantaged pupils	Other pupils
Number of Pupils	15	170
Percentage of Pupils	8%	92%
Percentage achieving grades A*-C in English and maths GCSEs	33%	67%
Percentage achieving 5+ A*-C GCSEs (or equivalent) including English and maths GCSEs	33%	66%
Percentage of pupils making expected progress in English	53%	81%
Percentage of pupils making expected progress in maths	60%	62%
Best 8 VA measure	1006.3	1009.3
Best 8 VA lower 95% confidence limit for disadvantaged pupils	969.2	997.9
Best 8 VA upper 95% confidence limit for disadvantaged pupils	1043.3	1020.6
Average entries per pupil - all qualifications	8.6	9.2
Average point score per pupil (best 8) - all qualifications	309.5	353.0

Expected Levels of Progress - English	School	National
All Pupils	79%	70%
Non FSM / LAC	81%	75%
FSM / LAC	53%	58%
Within School Gap	-28%	-17%

Expected Levels of Progress - Maths	School	National
All Pupils	62%	65%
Non FSM / LAC	62%	71%
FSM / LAC	60%	48%
Within School Gap	-2%	-23%

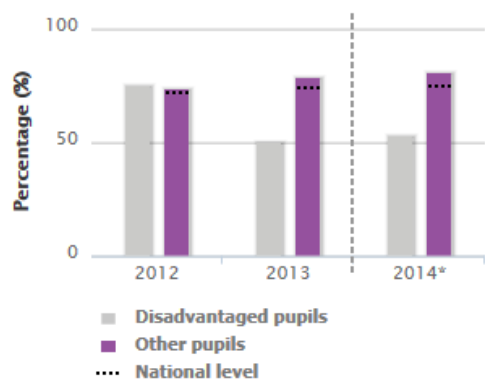
FSM – Free School Meals Students  
LAC – Looked After Children

### Closing the gap between disadvantaged and other pupils

#### English expected progress

In 2014, 53% of disadvantaged pupils achieved expected progress, while 81% of other pupils achieved expected progress.

#### Percentage of pupils who achieved expected progress

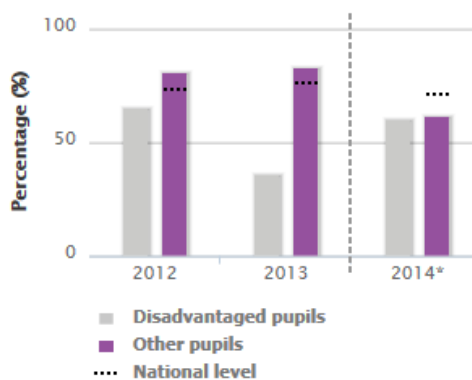


\*2014 results are not comparable due to [changes](#)

#### Mathematics expected progress

In 2014, 60% of disadvantaged pupils achieved expected progress, while 62% of other pupils achieved expected progress.

#### Percentage of pupils who achieved expected progress



\*2014 results are not comparable due to [changes](#)

## Key Performance Indicators

Although the key measures of success for the Academy Trust are reflected in the earlier achievements section of this report, the Trustees have agreed a number of key performance indicators which support the assessment and monitoring of the school's performance. These are as follows:

Key Performance Indicator	Aug 2015	Aug 2014	Aug 2013	Aug 2012	Comment
Total Staffing costs as a percentage of GAG income	88.4%	87.6%	87.7%	83.2%	Staffing costs including non-teaching (excluding catering and cleaning staff)
Income per pupil	£4,840	£4,937	£4,812	£4,872	Income on an annualised basis (excluding catering, Restricted General other Funds, Income from Conversion and Capital) - Pupils on roll at Jan census
Pupil to Teacher (FTE) ratio	17.78	17.34	17.78	17.83	Includes Unqualified Teachers
Current Ratio	3.47	3.32	2.74	2.85	The ability of the school to meet its short term financial obligations
Admissions Ratio	2.14	1.93	1.83	2.04	No of applications (1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Preference) to the number accepted on roll
Non-GAG to GAG ratio	13.84%	12.08%	11.1%	10.1%	Target increasing funding from non-GAG sources (excluding Restricted General other Funds, Income from Conversion and Capital)

## Other Achievements

### Sites and Buildings

The academy trust recognises the importance of improving the environment for students and teachers and our most notable achievements over the period are:

- Having successfully bid for capital investment from the EFGA, starting to invest over £180k in re-covering our main school roof, due for completion early in 2016.
- Replacing our main hall and exam venue lighting systems.
- Provision of better access to sports changing facilities reducing health and safety risks.
- Refurbishment of some of the key circulation spaces in need of updating including our small hall.

### Students

The Academy trust provides for a comprehensive extra-curricular programme which over the period has included:

- Fielding five teams in Ten Tors 2015 – all of whom finished.
- Developed a new link with a Children's home and school in Tamil Nadu India.
- Sent over 150 Christmas boxes and clothes to our link school in Moldova.
- Raising over £9,000 for charity.
- Sending students to Geneva, Paris, Ardeche (and more) as curriculum enhancement.
- Holding a highly successful project week with all students taking part in activities abroad or in the UK.
- Continuing to develop our leadership programme to include a new prefect system to sit alongside JSLA, CSLA, Literacy Leaders, Maths Leaders, Language Leaders, House Leaders and more.
- Further developed a team of Anti-Bullying Ambassadors to work alongside our Teen Health volunteers.
- Building on the successful catering department to run a charity restaurant night at a prestigious local restaurant.
- Revamped the School Parliament so that it is more accountable to the student body.
- Developed a Spanish Exchange Programme with a school in Madrid and a French exchange with a school in Strasbourg.
- A G&T trip to Oxford University forming a strong link with Exeter College Oxford.

## General

- Held a Sports Presentation Evening for students and parents.
- Held an Academic Presentation Evening for students and parents.
- Held a final Record of Achievement ceremony for students and parents.
- Staged a Post 16 Variety Showcase.
- Held workshops by a range of visiting guests.
- Hosted visits from Town and County councillors.
- Trained over 15 new teachers to the profession.
- Maintained and developed our Business Forum to ensure that students get regular contact with local Business Partners and the world beyond school.
- South West Teaching Awards winner 2015 for best school team.

## External Achievements

U15 Boys Indoor Cricket Devon Bronze Medallists	U15 Boys Indoor Cricket East Devon Champions
U12 Girls Hockey East Devon Champions	U13 Girls Hockey East Devon Champions
U14 Girls Hockey East Devon Champions	U15 Girls Hockey East Devon Champions
U16 Girls Hockey East Devon Runners Up	U16 Devon School Games Orienteering Team Champions
U16 Boys Hockey East Devon Champions	U13 Girls Cricket East Devon Champions
U13 Boys Cricket East Devon Champions	U14 Boys Table Tennis East Devon Champions
U14 Boys Table Tennis Devon Winter Games Champions	
U14 Boys Badminton Devon Champions	U14 Boys Badminton East Devon Champions
U13 Boys Badminton East Devon Champions	U15 Boys Badminton East Devon Runners Up
U14 Boys Futsal East Devon Champions	U12 Boys Futsal East Devon Champions
U16 Girls Football East Devon Champions	U16 Boys East Devon Cross Country Champions
U18 Girls East Devon Cross Country Champions	U12 Boys Athletics East Devon Champions
U13 Girls Athletics East Devon Champions	U15 Boys Athletics East Devon Champions
U15 Girls Athletics East Devon Champions	Overall Boys Athletics East Devon Champions
Overall Girls Athletics East Devon Champions	U12 Boys Devon School Games Athletics Champions
U15 Aquathlon team East Devon Silver Medallists	U13 Aquathlon team East Devon Bronze Medallists
U13 Mini Tennis team East Devon Silver Medallists	U13 Cycling team East Devon Silver Medallists
U12 Cycling team East Devon Team Pursuit Bronze Medallists	
Best Engineered Solution in GO4SET STEM Challenge	
Winner of The Kenwood British Cooking School Awards 2014	

## Going Concern

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

## Financial review

Despite continued financial uncertainty and turbulence in government funding and projected in-year deficits from 2016/17 onwards, the Trustees are content that the Academy Trust is in a strong financial position due to a culture and history of prudent financial management and governance. The Trustees remain committed to ensuring that any funds expended, will impact positively on the teaching and learning of our students.

### *Restricted funds:*

Over this reporting period, the Academy Trust received a General Annual Grant of £5,122k which is the primary mechanism for funding the schools objectives. Despite our GAG carry forward from last year being zero, our additional income from other sources allowed us to spend £5,834k on the academies primary educational operational expenditure (£5,006k of which came from from GAG).

The income relating to pupil premium increased to £935 per eligible pupil (last year £900). The specific interventions relating to Pupil Premium are highlighted earlier in this report, however the expenditure relating to these exceeds the income

received. The expenditure is supplemented by GAG as some interventions support a wider student population than just those who are identified as warranting pupil premium intervention.

The fund to support developing schools across the Jurassic Coast Teaching Schools Alliance (JCTSA), remains in place this year as the project continues. Similarly our role as a School Games Organiser continues therefore the Sports Partnership and Games fund remains. The school was successful in bidding as the lead school for a Character Education grant from the DfE which has been accounted for appropriately. The value of the grant which runs from April 2015 – March 2016 is £193,784 from which £46,606 has been recognised as income and expenditure as the grant payable on costs incurred.

#### *Restricted Fixed Asset Funds:*

During the period, the school has seen significant investment in Capital projects both through The Academies Capital Maintenance Fund and investment directly from the school. The school was successful in securing £147,400 from the EFA Condition Improvement Fund towards a new School Roof which has been tendered and contracted with the work well underway and completion due early in 2016.

#### *Unrestricted:*

The Academy trust brought forward an Unrestricted Fund balance of £527k. During the reporting period incoming resources associated with Canteen Income, Traded activities and donations amounted to £410k and the cost of generating such income was £280k. The unrestricted funds at the end of the period are £696k after taking into account a fund accounting adjustment to reflect prior years..

#### **Reserves Policy:**

The Trustees recognise the need to maintain a reserve to support:

- The need for working capital
- Unexpected expenditure due to risks materialising
- Short-term shortfalls in income if payments from income sources were delayed or incorrect.
- The three year projected costs of the Academy Trust in an environment where government income falls below the inflationary costs of the academy.

The main reason for maintaining reserves is to support significant unforeseen risks that materialise despite mitigations that have been put in place. A level of resources from the Unrestricted Fund will be carried forward as a risk budget but to also support capital investment (at the end of this period £696K).

The amount to be carried forward from the General Annual Grant is no longer subject to restrictions stipulated by the DfE as a deed of variation was agreed between the Trust and the DfE on the 11<sup>th</sup> April 2013 but at the end of this period was £97k.

Balancing the risks associated with a site and facilities that require investment to maintain effectively, the total reserves across the three funds will be in the long term maintained between two thresholds:

Reserve Min: £200,000

Reserve Max: £450,000 (approximately 1 month operational costs)

If the level of reserves exceeds the maximum stated, the Trustees would seek to invest the funds in capital improvements for the benefit of the school. However, at the current time the trust are very conscious that the 3 year forecast for the academy, projects an in-year deficit due to restrained government income coupled with rising costs such as Teachers' Pensions and the abolition of discounted National Insurance contributions for the main pension schemes. Whilst some re-structuring of the curriculum has taken place to ensure the school is on a more sustainable footing, the uncertainty and fluctuations with the Trust's main source of income continues to challenge longer term decision making.

The minimum reserve should be maintained where possible and not used for standard operational expenditure. The reserve is held to meet the objectives described above and as such should only be drawn from in the event of a risk materialising or a short term shortfall in income to meet expenditure. This policy is subject to an annual review and will be adjusted to ensure the needs of the academy are met dependent on the financial environment at the time.



### **Investment Policy:**

Although the current economic climate is not conducive to achieving high returns in low risk investments, the Trustees are committed to ensuring that all funds managed by the academy on their behalf are used in such a way as to maximise return whilst minimising risk. This is not a key activity for the school and the risk profile of any investments made should be low but should provide an effective utilisation of school assets.

The cash held by the school will only be deposited in bank accounts with an FSA Approved provider. Where cash is not required to meet operating expenses, the Trustees will seek to invest this in higher rate, low risk deposit accounts.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these funds in order to generate a longer term income or capital fund. The approval of the resources committee is required before any investments are made.

### **Principal Risks and Uncertainty:**

There remains significant financial uncertainty in the government funding of schools. Turbulence within the national funding structures for GAG (DSG and ESG) is creating large uncertainties. Post 16 formula changes and significant SEN funding changes all add significant uncertainty, complexity and risk into forward financial planning. Coupled with changes to the national curriculum syllabi at KS4 and KS5 this poses a significant challenge in modelling the future financial position of the school, and poses risks to our operational expenditure. In response to these risks and the level of uncertainty in the five year budget, the school continues to ensure its staffing and curriculum model is financially lean and provides excellent value for money and seeks to maintain best value from all of its procurement.

### **Plans for Future Periods:**

Over the next reporting period some of the key features will be the continued embedding of the new Year 9 Key Skills curriculum together with careful monitoring of its impact. We are also looking carefully at year 7 and analysing in detail individual student strengths and weaknesses, particularly with reference to literacy and specific vulnerable students so that appropriate interventions can be put in place. The school will continue to implement measures to close the gap for disadvantaged students and the gender gap in terms of attainment.

The biggest issue facing the school is to maintain excellent educational experiences and make the necessary changes to curriculum to deliver the new syllabi at both GCSE and A level with a significantly reduced income and rising costs. The published School Development Plan details the key aspects of changes or improvements that we are actively pursuing.

### **Auditor:**

In so far as the Trustees are aware:

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

This report of the Trustees was approved by the Board of Trustees on 8<sup>th</sup> December 2015 and signed on its behalf by:



Sue Fallows  
Chair of Trustees

## **Governance Statement**

### **Scope of Responsibility:**

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

The 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 The King's School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the 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 4 times during the reporting period. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meeting Attended	Out of a possible
Neil Bennett	4	4
Ted Bloomfield	3	4
Lester Bowker	4	4
Sue Cade	2	2
Liz Charles	3	4
Mike Davis	1	4
Carol Dunford	2	2
Steve Ellison	4	4
Sue Fallows	4	4
Rhian Francis	2	3
Katharine Heathcote	2	4
Rebecca Higginson	4	4
Becky Jacobs	0	1
Faith Jarrett	4	4
Lucy Kennaway	3	4
John Lavender	3	4
Robin Mitchell	1	4
Maurice Molloy	4	4
Dave Nicholson	4	4
Keith Steel	4	4
Sarah Unwin	2	4

Maurice Molloy as a qualified accountant has accepted the role of Responsible Officer and has sat on the Board of Trustees and the resources committee.

Since the last reporting period, Mrs R Francis and Mrs S Unwin have left the Board of Trustees and Mrs S Cade and Mrs L Kennaway were appointed. Mrs C Dunford replaces Mrs R Jacobs as one of the staff Trustee representatives. Mr M Molloy and Mr T Bloomfield were both re-appointed as Trustees for a further four years.

During the period, the Trustee Board have completed a full skills audit of the board members in order to inform future appointments and identify any gaps in knowledge as well as support development of existing board members.

The table below describes the three formal committees of the Board of Trustees during the period and the attendance is shown in the following table.

Committee	Responsibilities
Resources	Dealing with all matters relating to finance, sites and buildings including all salary related issues.
Curriculum & Quality	Dealing with all matters relating to the quality of teaching and learning including the curriculum and staffing issues.
Pay and Performance	Annual review and approval of staff performance and related salary changes.

	Resources		Curriculum & Quality		Pay & Performance	
Trustee	Meeting Attended	Out of a possible	Meeting Attended	Out of a possible	Meeting Attended	Out of a possible
Neil Bennett	5	5	-	-	-	-
Ted Bloomfield	-	-	4	5	1	1
Lester Bowker	5	5	-	-	-	-
Sue Cade	-	-	2	3	-	-
Liz Charles	-	-	5	5	1	1
Mike Davis	-	-	2	5	-	-
Carol Dunford	2	2	-	-	-	-
Steve Ellison	3	5	-	-	1	1
Sue Fallows	4	5	4	5	-	-
Rhian Francis	2	4	-	-	-	-
Katharine Heathcote	-	-	4	5	-	-
Rebecca Higginson	-	-	5	5	-	-
Becky Jacobs	2	2	-	-	-	-
Faith Jarrett	5	5	4	5	1	1
Lucy Kennaway	5	5	-	-	0	1
John Lavender	4	5	-	-	1	1
Robin Mitchell	-	-	3	5	0	1
Maurice Molloy	3	5	-	-	-	-
Dave Nicholson	-	-	4	5	-	-
Keith Steel	4	5	-	-	-	-
Sarah Unwin	-	-	2	5	0	1

As well as the above formal committees the Governing Board has established working parties in the areas of Academic Data and Site Strategic Planning. Neither group holds any delegated powers or decision making responsibility however both provide support to the relevant committee.

## **Review of Value for Money**

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

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

### *1. Improving outcomes with appropriate use of financial oversight and governance*

The School is governed by a body drawn from staff, parents, and those appointed by the Trustees themselves to ensure that the governing board maintain the breadth of skills required to support and challenge the school. The Board of Trustees meets at least four times a year and is committed to ensuring that governance of the School's financial management is robust. It approves the budget and reviews it throughout the year and is mindful of the need to balance expenditure against income to ensure the Academy remains a "going concern". As such the budget is always completed on an annual income vs. expenditure basis with little or no reliance on the schools reserves. The Board of Trustees takes an active interest in teaching and learning within the Academy, receiving updates on tracking data and holding the Senior Leadership Team accountable for performance.

More detailed financial oversight is supplied by the Resources Committee, which currently meets five times per year. The Committee has a clear Terms of Reference which is reviewed annually. The Committee membership includes the Head Teacher and Responsible Officer (a qualified accountant). The Committee receives regular budget monitoring management reports which are provided in a consistent format and with explanatory notes. They receive 4 reports a year from the Responsible Officers review of the schools controls and financial management systems. They consider and ratify policies, scrutinise the schools budget forecast and ensure that the school complies with agreed policies and procedures. Spending proposals outside of the budget setting process are brought to the Resources committee for approval. The Committee considers the annual reports and financial statements, and makes recommendations to the Governing Board, who approve the Annual Report and Accounts.

The Resources Committee is also responsible for maintenance of the School's Risk Register, which it reviews at bi-annually, taking into account changes in the wider political and economic climate. This helps direct the school plan strategically to avoid wasting time, money or resources.

The schools senior leadership team reviews the detailed budget performance every half term as a standing agenda item in senior leadership meetings so that the impact on teaching and learning and hence value for money is a key consideration across the senior staff. The school has a clear financial delegation and control framework as set out in our financial policy and management handbook (available on our website) which details budget holders and other responsibilities and accountabilities. When setting the budget the Senior Leadership Team and Trustees, consider a number of options and scenarios to both deliver the core aims and objectives of the academy and elements of the school development plan that require specific financial and other resources.

### *2. Improved Purchasing*

The School takes a prudent approach to expenditure. As over 80% of the Academy's budget is spent on staffing, the staffing is reviewed annually to ensure that value for money in meeting the needs of our students and delivering the objectives detailed in the school development plan. Temporary changes to permanent contracts are frequently used to ensure that longer term value for money is achieved.

All of the schools supply contracts are regularly reviewed (at least annually) to ensure they are delivering value for money and re-negotiated / tendered as appropriate and remain fit for purpose. A particular focus of recent contract negotiation has been success criteria and ensuring that contract wording is focussed on the positive outcomes for the school. The school has a clear procurement and purchasing policy as laid down in the Financial Policy and Management Handbook which is available on our website. All purchasing follows best value principles. A scheme of delegation is in place, as are separation of duties. Purchases of over £5,000 require three written quotations, and contracts and orders over £10,000 are authorised by the Resources Committee. All goods and services ordered with a value of over £50,000, or for a series of contracts which in total exceed £50,000 are subject to formal tendering

procedures and authorised by the Resources Committee. Competitive tendering procedures are detailed in the Finance Policy and Management Handbook.

Locally sourced and national benchmarking data is used to inform the procurement process; however, sharing procurement experiences, detailed approaches to specific requirements and lessons learnt with other organisations has delivered significant benefits. Where possible and beneficial, the school will seek to obtain best value from economies of scale purchasing either between schools, frameworks or using Devon county purchasing services. Caution must be exercised however as we have found that the cost associated with administration and management of some larger bulk contracts (such as cleaning and grounds maintenance and payroll) have not provided value for money and alternative approaches have been adopted. Options for different approaches for delivery of the schools core services are always considered when contracts are reviewed (e.g. bringing Payroll in house which increased the quality of service provided to employees and reduced the total cost by greater than 30%).

### 3. *Improving Income Generation*

The school has a Lettings policy in place and explores opportunities to generate income through the hire of the premises outside of core curriculum time. A proactive approach is taken towards bids for possible future funding as well as seeking opportunities to support the wider educational community in school improvement and support services.

### 4. *Reviewing Costs and Managing Risks*

The Board of Trustees has reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and has taken steps to mitigate likely risks and to ensure regular monitoring of the primary areas of potential risk. All of these are documented in an academy risk register which is updated and reviewed biennially.

The Trustees review the reserve levels of the Academy annually and we have a Reserves Policy in place which is again reviewed annually. The reserves policy is maintained to deal with some unforeseen risks, those that are cost prohibitive to mitigate further, those that are not covered by our comprehensive insurance policy and provide sufficient working capital to cover any delays between receiving income and committing expenditure. Insurance levels are reviewed annually to ensure appropriate cover is in place and the solution is cost effective.

### 5. *Lessons Learned*

The very close link between the curriculum and the budget is even more evident now than ever. The school recognises the importance of early information gathering with regards to option choices at year 9 and 11 so that the curriculum and staffing match can be as accurate as possible. This enables the school to design a timetable and staff timetable which minimises any wastage in staffing costs. The school has also recognised that some of the collaborative partnerships can pool finances to achieve better outcomes: E.g. the purchasing of the NISAI programme by three local schools jointly funding the purchase. As the staffing costs for the school are high compared to other schools we know we have to ensure that this provides value for money in terms of outcomes for students. Currently a large number of our staff are highly experienced thus generate high salary costs. However, we have learnt that in terms of student outcomes we would always appoint the best person for the role irrespective of their staffing cost as they are likely to provide the best outcomes for the students. Our results justify this budgetary decision as does our Outstanding OfSTED judgement in all categories in March 2014. We have also learnt that the proposed curriculum and Post 16 changes are potentially very costly therefore it is essential to maintain a reasonable reserve to enable the school to react to the changes as they happen without creating excessive staffing or curricular turbulence.

### **The Purpose of the System of Internal Control:**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The King's School Academy Trust for the period 1<sup>st</sup> September 2014 to 31 August 2015 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the 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 which are reviewed and agreed by the Board of Trustees
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr M. Molloy, a Trustee and qualified accountant, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems including testing payroll, control accounts and purchasing systems. On a termly basis, the RO reports to the Board of Trustees on the operation of the systems of control.

### **Review of Effectiveness:**

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

- the work of the Responsible Officer;
- the work of the external auditor;
- the work of the Business Manager within the Academy Trust who has 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 Resources 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<sup>th</sup> December 2015 and signed on its behalf by:



Sue Fallows  
Chair of Trustees



Faith Jarrett  
Accounting Officer

## **Statement on Regularity, Propriety and Compliance**

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

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

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



Faith Jarrett  
Accounting Officer

8th December 2015

## **Statement of Trustees' Responsibilities**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 8<sup>th</sup> December 2015 and signed on its behalf by:



Sue Fallows  
Chair of Trustees



## **Independent Auditor's Report on the Financial Statements to the Board of Trustees of The King's School Academy Trust**

We have audited the financial statements of The King's School Academy Trust for the year ended 31 August 2015 which comprises the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### **Respective Responsibilities of Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 23, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the financial statements**

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

### **Opinion**

In our opinion the financial statements:

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

### **Opinion on other matter prescribed by the Companies Act 2006**

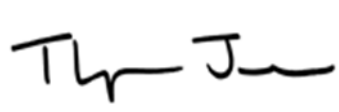
In our opinion the information given by the Trustees' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

## **Independent Auditor's Report on the Financial Statements to the Board of Trustees of The King's School Academy Trust**

### **Matters on which we are required to report by exception**

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

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



SIMON LEWIS (Senior Statutory Auditor)  
For and on behalf of  
Thompson Jenner LLP  
Chartered Accountants and Statutory Auditor  
1 Colleton Crescent,  
Exeter, Devon.  
EX2 4DG

10 DECEMBER 2015

## **Independent Reporting Auditor's Assurance Report on Regularity to the Board of Trustees of The King's School Academy Trust Limited and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 9 March 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the academy trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of The King's School Academy Trust's accounting officer and the reporting auditor**

The accounting officer is responsible, under the requirements of The King's School Academy Trust's funding agreement with the Secretary of State for Education dated 31<sup>st</sup> March 2011 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

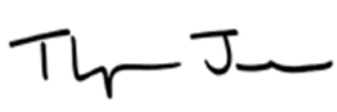
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. The work undertaken to draw to our conclusion includes:

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

**Independent Reporting Auditor's Assurance Report on Regularity to the Board of Trustees of The King's School Academy Trust Limited and the Education Funding Agency Continued**

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

A handwritten signature in black ink, appearing to read 'Th J', is enclosed within a thin black rectangular border.

SIMON LEWIS (Senior Statutory Auditor)  
For and on behalf of  
Thompson Jenner LLP  
Chartered Accountants and Statutory Auditor  
1 Colleton Crescent,  
Exeter, Devon.  
EX2 4DG

10 DECEMBER 2015

**Statement of Financial Activities for Year to 31 August 2015****(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	7,403	-	3,441	<b>10,844</b>	11,259
Transfer from Local Authority on incorporation		-	-	-	-	-
Activities for generating funds	3	399,041	195,589	-	<b>594,630</b>	672,769
Investment income	4	3,619	-	-	<b>3,619</b>	1,042
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	5,471,234	199,551	<b>5,670,785</b>	5,849,293
<b>Total incoming resources</b>		<b>410,063</b>	<b>5,666,823</b>	<b>202,992</b>	<b>6,279,878</b>	<b>6,534,363</b>
<b>Resources expended</b>						
<i>Cost of generating funds:</i>						
Fundraising trading		249,663	205,787	-	<b>455,450</b>	523,075
<i>Charitable activities:</i>						
Academy's educational operations	7	29,901	5,442,616	361,953	<b>5,834,470</b>	5,905,409
Development costs	7	-	-	-	-	-
<i>Governance costs</i>	8	-	7,728	-	<b>7,728</b>	11,650
<b>Total resources expended</b>	6	<b>279,564</b>	<b>5,656,131</b>	<b>361,953</b>	<b>6,297,648</b>	<b>6,440,134</b>
<b>Net incoming (outgoing) resources before transfers</b>		<b>130,499</b>	<b>10,692</b>	<b>(158,961)</b>	<b>(17,770)</b>	<b>94,229</b>
<b>Transfers</b>						
Gross transfers between funds	16	38,362	(18,913)	(19,449)	-	-
<b>Net income / (expenditure) for the year</b>		<b>168,861</b>	<b>(8,221)</b>	<b>(178,410)</b>	<b>(17,770)</b>	<b>94,229</b>
<b>Other recognised gains and losses</b>						
Actuarial (losses) gains on defined benefit pension schemes	16,26	-	(67,000)	-	<b>(67,000)</b>	(24,000)
<b>Net movement in funds</b>		<b>168,861</b>	<b>(75,221)</b>	<b>(178,410)</b>	<b>(84,770)</b>	<b>70,229</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2014	16	526,816	(1,291,703)	15,566,970	<b>14,802,083</b>	14,731,854
<b>Total funds carried forward at 31 August 2015</b>		<b>695,677</b>	<b>(1,366,924)</b>	<b>15,388,560</b>	<b>14,717,313</b>	<b>14,802,083</b>

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

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

**Balance Sheet as at 31 August 2015**

	Notes	2015 £	2015 £	2014 £	2014 £
<b>Fixed assets</b>					
Tangible assets	12		15,296,399		15,536,159
Total fixed assets			15,296,399		15,536,159
<b>Current assets</b>					
Stock	13	1,000		1,500	
Debtors	14	154,002		123,195	
Cash at bank and in hand		1,183,905		804,737	
Total current assets		1,338,907		929,432	
<b>Liabilities:</b>					
<b>Creditors:</b> Amounts falling due within one year	15	(385,993)		(279,663)	
<b>Net current assets</b>			952,914		649,769
Total assets less current liabilities			16,249,313		16,185,928
<b>Creditors:</b> Amounts falling due after more than one year	15		-		(12,845)
<b>Net assets excluding pension liability</b>			16,249,313		16,173,083
Pension scheme liability	26		(1,532,000)		(1,371,000)
<b>Net assets including pension liability</b>			14,717,313		14,802,083
<b>Funds of the academy:</b>					
<b>Restricted funds</b>					
Fixed asset fund(s)	16		15,388,560		15,566,970
Pension Reserve	16		(1,532,000)		(1,371,000)
Restricted General funds	16		107,452		2,757
Restricted General Other Funds	16		57,624		76,540
<b>Total restricted funds</b>			14,021,636		14,275,267
<b>Unrestricted funds</b>					
General funds	16		695,677		526,816
<b>Total unrestricted funds</b>			695,677		526,816
<b>Total Funds</b>			14,717,313		14,802,083

The financial statements on pages 28 to 50 were approved by the Trustees, and authorised for issue on 8<sup>th</sup> December 2015 and signed on their behalf by:

*Susan Fallows*

**Sue Fallows**  
Chair

**Cash Flow Statement for the year ended 31 August 2015**

		<b>2015 £</b>	<b>2014 £</b>
<b>Net cash inflow/(outflow) from operating activities</b>	20	<b>294,750</b>	223,813
Returns on investments and servicing of finance	21	<b>3,619</b>	1,042
Capital expenditure	22	<b>80,799</b>	(137,304)
<b>Increase/(decrease) in cash in the period</b>	23	<b>379,168</b>	87,551
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net Funds at 1 September 2014		<b>804,737</b>	717,185
<b>Net funds at 31 August 2015</b>		<b>1,183,905</b>	804,737

## **Notes to Financial Statements for the Year Ending August 2015**

### **Note 1. Statement of accounting policies:**

#### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

#### **Going Concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

#### **Incoming Resources**

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

- **Grants receivable**

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

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

- **Donations**

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

- **Other income**

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

#### **Resources Expended**

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

- **Costs of generating funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations.

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.



## Note 1. Statement of accounting policies (Continued):

### Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Assets below this value where they form part of one larger project are also capitalised as part of that project.

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

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

- |                         |                        |
|-------------------------|------------------------|
| • Freehold buildings    | 50 Years straight line |
| • Building Improvements | 10 Years               |
| • Plant and Machinery   | 10 Years               |
| • Vehicles              | 10 years               |
| • Furniture             | 10 Years               |
| • ICT equipment         | 4 Years                |

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

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

### Leased Assets

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

### Stock

Unsold catering material is valued at the lower of cost or net realisable value.

### Taxation

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

## **Note 1. Statement of accounting policies (Continued):**

### **Pensions Benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

### **Fund Accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

**Note 2. Voluntary Income**

	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
	£	£	£	£
Donations for Capital	-	3,441	<b>3,441</b>	-
Other Donations	7,403	-	<b>7,403</b>	11,259
	<b>7,403</b>	<b>3,441</b>	<b>10,844</b>	<b>11,259</b>

**Note 3. Activities for Generating Funds**

	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
	£	£	£	£
Hire of Facilities	10,760	-	<b>10,760</b>	9,558
Catering Income	275,818	-	<b>275,818</b>	256,564
Educational Activities Income	75,104	-	<b>75,104</b>	80,988
Trips and Visits	-	195,589	<b>195,589</b>	282,489
Other Services	37,359	-	<b>37,359</b>	43,170
	<b>399,041</b>	<b>195,589</b>	<b>594,630</b>	<b>672,769</b>

**Note 4. Investment Income**

	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
	£	£	£	£
Short term deposits - Interest	3,619	-	<b>3,619</b>	1,042
	<b>3,619</b>	<b>-</b>	<b>3,619</b>	<b>1,042</b>

**Note 5. Funding for Academy's educational operations**

	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
	£	£	£	£
<b>DfE/EFA capital grant</b>				
Devolved Formula Capital allocations	-	23,651	<b>23,651</b>	23,049
ACMF Capital Grant	-	175,900	<b>175,900</b>	303,529
	<b>-</b>	<b>199,551</b>	<b>199,551</b>	<b>326,578</b>
<b>DfE / EFA revenue grants</b>				
General Annual Grant (GAG)	-	5,121,861	<b>5,121,861</b>	5,193,808
16-19 Bursary Fund	-	14,308	<b>14,308</b>	14,107
Pupil Premium	-	128,616	<b>128,616</b>	111,837
Other DfE / EFA grants	-	46,606	<b>46,606</b>	-
	<b>-</b>	<b>5,311,391</b>	<b>5,311,391</b>	<b>5,319,752</b>
<b>Other Government grants</b>				
SEN from Local Authority	-	109,123	<b>109,123</b>	98,945
Teaching School SEND Project	-	11,500	<b>11,500</b>	17,000
Stepping Stones from LA	-	12,131	<b>12,131</b>	17,123
LA DSG Underspend	-	-	-	27,392
School Games Organiser	-	27,089	<b>27,089</b>	42,503
	<b>-</b>	<b>159,843</b>	<b>159,843</b>	<b>202,963</b>
	<b>-</b>	<b>5,670,785</b>	<b>5,670,785</b>	<b>5,849,293</b>

**Note 6. Resources Expended**

	Staff £	Non Pay Expenditure Premises £	Other Costs £	Total 2015 £	Total 2014 £
Costs of activities for generating funds	<b>95,877</b>	-	<b>359,573</b>	<b>455,450</b>	523,075
Academy's educational operations					
Direct costs	4,181,750	341,482	427,356	<b>4,950,588</b>	4,996,167
Allocated support costs	478,125	294,979	110,778	<b>883,882</b>	909,242
Development costs	-	-	-	-	-
	<b>4,659,875</b>	<b>636,461</b>	<b>538,134</b>	<b>5,834,470</b>	5,905,409
Governance costs including allocated Support Costs	-	-	7,728	<b>7,728</b>	11,650
	<b>4,755,752</b>	<b>636,461</b>	<b>905,435</b>	<b>6,297,648</b>	6,440,134
<b>Net Incoming/(outgoing) resources for the year include:</b>				<b>2015</b>	<b>2014</b>
				£	£
Operating leases				<b>5,437</b>	15,925
Fees payable to auditor	- audit			<b>5,800</b>	7,000
- other				<b>550</b>	-

**Note 7. Charitable Activities - Academy's educational operations**

	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£	£	£	£
<b>Direct costs</b>				
Teaching and educational support staff costs	29,901	4,151,849	<b>4,181,750</b>	4,146,191
Depreciation	-	341,482	<b>341,482</b>	339,505
Technology Costs	-	36,505	<b>36,505</b>	56,620
Educational supplies	-	119,811	<b>119,811</b>	202,129
Examination fees	-	112,974	<b>112,974</b>	100,980
Staff development	-	10,004	<b>10,004</b>	17,114
Educational consultancy	-	21,260	<b>21,260</b>	31,141
Other direct costs	-	126,802	<b>126,802</b>	102,487
	<b>29,901</b>	<b>4,920,687</b>	<b>4,950,588</b>	<b>4,996,167</b>
<b>Allocated support costs</b>				
Support staff costs	-	478,125	<b>478,125</b>	441,090
Depreciation	-	18,336	<b>18,336</b>	17,653
Technology costs	-	19,688	<b>19,688</b>	-
Recruitment and support	-	10,899	<b>10,899</b>	12,694
Maintenance of premises and equipment	-	65,106	<b>65,106</b>	91,981
Water and Telephones	-	26,959	<b>26,959</b>	27,624
Cleaning	-	3,489	<b>3,489</b>	54,329
Rent & rates	-	65,909	<b>65,909</b>	70,262
Energy Costs	-	66,520	<b>66,520</b>	66,422
Insurance	-	35,527	<b>35,527</b>	34,227
Security & Transport	-	13,133	<b>13,133</b>	27,113
Bank interest and charges	-	961	<b>961</b>	886
Pension Finance Charge - FRS 17	-	35,000	<b>35,000</b>	44,000
Other support costs	-	44,230	<b>44,230</b>	20,961
	<b>-</b>	<b>883,882</b>	<b>883,882</b>	<b>909,242</b>
<b>Development costs</b>	-	-	-	-
	<b>29,901</b>	<b>5,804,569</b>	<b>5,834,470</b>	<b>5,905,409</b>

**Note 8. Governance Costs**

	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£	£	£	£
Legal and professional fees	-	797	<b>797</b>	3,005
Auditors' remuneration	-			
Audit of financial statements	-	5,800	<b>5,800</b>	7,000
Other Services	-	550	<b>550</b>	-
Support costs	-	581	<b>581</b>	1,453
Trustees' reimbursed expenses	-	-	-	192
	<b>-</b>	<b>7,728</b>	<b>7,728</b>	<b>11,650</b>

## Note 9. Staff Costs

Staff costs during the period were:

	<b>Total 2015</b>	<b>Total 2014 £</b>
Wages and salaries	<b>3,855,137</b>	3,785,256
Social security costs	<b>264,906</b>	265,290
Other pension costs	<b>609,386</b>	602,520
	<b>4,729,429</b>	<b>4,653,066</b>
Supply teacher costs	<b>26,323</b>	28,584
Compensation payments	-	-
	<b>4,755,752</b>	<b>4,681,650</b>

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

	<b>2015 No.</b>	<b>2014 No</b>
<b><i>Charitable Activities</i></b>		
Teachers	<b>64</b>	65
Administration and support	<b>56</b>	50
Management	<b>9</b>	9
	<b>129</b>	<b>124</b>

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

	<b>2015 No.</b>	<b>2014 No.</b>
£90,000-£100,000	<b>1</b>	1

The above employee participated in the Teachers' Pension Scheme.

## Note 10. Related Party Transactions - Trustees' Remuneration and Expenses

The Headteacher and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The remuneration for those staff Trustees that have voting rights and are trustees are shown below.

	Sept '14 to Aug '15 £	Sept '13 to Aug '14 £
<b>Miss F Jarrett (Headteacher)</b>		
Remuneration	£92,529	£91,612
Employer's Pension contributions	£13,047	£12,917
<b>Mrs C Dunford (Staff Trustee)</b>		
Remuneration	£40,000 - £45,000	-
Employer's Pension contributions	£5,000 - £10,000	-
<b>Miss R Higginson (Staff Trustee)</b>		
Remuneration	£35,000 - £40,000	£40,000 - £45,000
Employer's Pension contributions	£5,000 - £10,000	£5,000 - £10,000
<b>Mrs R Jacobs (Staff Trustee)</b>		
Remuneration	£40,000 - £45,000	£40,000 - £45,000
Employer's Pension contributions	£5,000 - £10,000	£5,000 - £10,000
<b>Mr D Nicholson (Staff Trustee)</b>		
Remuneration	£20,000 - £25,000	£15,000 - £20,000
Employer's Pension contributions	£0 - £5,000	£0 - £5,000
<b>Ms K Heathcote (Invigilator)</b>		
Remuneration	£0 - £5,000	£0 - £5,000
Employer's Pension contributions	-	-

During the period ended 31 August 2015, travel and subsistence expenses totalling £0 (2014 - £192) were reimbursed to 0 Trustees (2014 – 2 Trustees).

Other related party transactions involving the trustees are set out in note 27.

## Note 11: Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 in any one period of insurance and the cost for the period ending 31 August 2015 was £964 (2014 - £1,026).

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



**Note 12: Tangible Fixed Assets**

	Freehold Land and Buildings	Furniture and Equipment	Plant & Machinery	Computer Equipment	Motor Vehicles	Building Improve	Assets Under Construction	Total £
<b>Cost</b>								
At 1 Sept 2014	15,523,716	64,125	183,100	314,114	51,040	534,354	-	<b>16,670,449</b>
Additions	-	2,664	1,995	6,883	-	64,327	46,852	<b>122,721</b>
Transfers	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(10,000)	-	-	<b>(10,000)</b>
At 31 Aug 2015	15,523,716	66,789	185,095	320,997	41,040	598,681	46,852	<b>16,783,170</b>
<b>Depreciation</b>								
At 1 Sept 2014	764,627	18,834	28,326	266,113	17,769	38,621	-	<b>1,134,290</b>
Charged in year	253,377	6,363	18,336	24,064	4,104	53,574	-	<b>359,818</b>
Disposals	-	-	-	-	(7,337)	-	-	<b>(7,337)</b>
At 31 Aug 2015	1,018,004	25,197	46,662	290,177	14,536	92,195	-	<b>1,486,771</b>
<b>Net book values</b>								
At 31 Aug 2015	<b>14,505,712</b>	<b>41,592</b>	<b>138,433</b>	<b>30,820</b>	<b>26,504</b>	<b>506,486</b>	<b>46,852</b>	<b>15,296,399</b>
At 1st Sept 2014	<b>14,759,089</b>	<b>45,291</b>	<b>154,774</b>	<b>48,001</b>	<b>33,271</b>	<b>495,733</b>	-	<b>15,536,159</b>

**Note 13: Stock**

	2015 £	2014 £
Catering	1,000	1,500
	<b>1,000</b>	<b>1,500</b>

**Note 14: Debtors**

	2015 £	2014 £
Trade debtors	12,901	960
Prepayments	76,615	78,474
Accrued Income	44,725	14,057
Other debtors	-	3,906
VAT recoverable	19,761	25,798
	<b>154,002</b>	<b>123,195</b>

**Note 15: Creditors**

<b>Creditors: Amounts falling due within one year</b>	2015 £	2014 £
Trade creditors	125,126	94,057
Taxation and social security	-	164
Pension creditors	-	-
Other Creditors	22,852	15,968
Accruals and deferred income	238,015	169,474
	<b>385,993</b>	<b>279,663</b>

**Deferred income**

	£
Deferred Income at 1 September 2014	90,083
Resources deferred in the year	125,162
Amounts released from previous years	(90,083)
Deferred Income at 31 August 2015	<b>125,162</b>

Deferred Income at 31st August 2015 comprises the following:

	£
EFA 2015/16 Devolved Capital	14,175
EFA Rates	16,719
Trips and Visits	69,768
Local Authority SEN Funding	2,984
EDLAP	5,833
Ottery Local Learning Community	1,800
Sports Games Organiser	13,883
	<b>125,162</b>

**Creditors: Amounts falling due after more than one year**

	2015 £	2014 £
EFA SEN LACSEG Adjustment	-	12,845
	<b>-</b>	<b>12,845</b>

**Note 16: Funds**

	Balance at 1 September 2014	Incoming Resources	Resources Expended	Gains, losses and transfers	Balance at 31 August 2015
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	5,121,861	(5,006,029)	(18,913)	<b>96,919</b>
Pupil Premium	2,568	128,616	(124,325)	-	<b>6,859</b>
16-19 Bursary	189	14,308	(10,823)	-	<b>3,674</b>
Local Authority SEN	-	109,123	(109,123)	-	-
DfE CEG Grant	-	46,606	(46,606)	-	-
	<b>2,757</b>	<b>5,420,514</b>	<b>(5,296,906)</b>	<b>(18,913)</b>	<b>107,452</b>
<b>Restricted general other funds</b>					
JCTSA	8,485	11,500	(8,955)	-	<b>11,030</b>
LA EDLAP	-	12,131	(12,131)	-	-
School Sports & Games Partnership	48,673	27,089	(38,352)	-	<b>37,410</b>
Trips and Visits	19,382	195,589	(205,787)	-	<b>9,184</b>
	<b>76,540</b>	<b>246,309</b>	<b>(265,225)</b>	-	<b>57,624</b>
Defined Benefit Pension Scheme	(1,371,000)	-	(94,000)	(67,000)	<b>(1,532,000)</b>
	<b>(1,294,460)</b>	<b>246,309</b>	<b>(359,225)</b>	<b>(67,000)</b>	<b>(1,474,376)</b>
<b>Restricted fixed asset funds</b>					
On Conversion	12,722,976	-	(215,774)	-	<b>12,507,202</b>
DfE/EFA Devolved Capital Grant	103,417	23,651	(18,532)	-	<b>108,536</b>
ACMF Capital Grant	2,426,894	175,900	(87,473)	18,913	<b>2,534,234</b>
Capital expenditure from GAG / Unrestricted	313,683	-	(39,775)	(38,362)	<b>235,546</b>
Capital expenditure from Donations	-	3,441	(399)	-	<b>3,042</b>
	<b>15,566,970</b>	<b>202,992</b>	<b>(361,953)</b>	<b>(19,449)</b>	<b>15,388,560</b>
<b>Total restricted funds</b>	<b>14,275,267</b>	<b>5,869,815</b>	<b>(6,018,084)</b>	<b>(105,362)</b>	<b>14,021,636</b>
<b>Unrestricted funds</b>					
Unrestricted funds	526,816	410,063	(279,564)	38,362	<b>695,677</b>
<b>Total unrestricted funds</b>	<b>526,816</b>	<b>410,063</b>	<b>(279,564)</b>	<b>38,362</b>	<b>695,677</b>
<b>Total funds</b>	<b>14,802,083</b>	<b>6,279,878</b>	<b>(6,297,648)</b>	<b>(67,000)</b>	<b>14,717,313</b>

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

**General Annual Grant**

This includes all monies received from the EFA to carry out the objectives of the Academy. It includes the School Budget Share, ESG (Educational Services Grant), Insurance and rates grant.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward on the 31 August 2015.

**Pupil Premium**

The school receives a grant from the EFA based on Free School Meals + 6 (anyone taking or having taken FSM in the last 6 years), students whose parents are in the services, those who are Looked After or adopted from care. This is a proxy measure designed to address performance of students who are deemed to be suffering or at risk of deprivation. The school must use the funds to address progress of any students who we deem to be at risk of deprivation inhibiting their learning and progress. Details are contained in the Trustees' report. The fund includes money received from the EFA for Year 7 Catch Up

and funds transferred from local authorities for Pupil Premium students who may move into the school mid-way through the year.

#### East Devon Local Areas Partnership (EDLAP)

The East Devon Local Areas Partnership (EDLAP) is a partnership between The King's School, Sidmouth College and Clyst Vale Community College. The aim of this partnership is to offer early interventions to students at risk of exclusion or those with poor attendance. During the reporting year, as a partnership we made no permanent exclusions and the EDLAP area is the lowest area for permanent exclusions in Devon. In the next period as a partnership we are looking to further develop our provisions using the Thrive methods and as such now have dedicated trained Thrive practitioners in all schools.

#### 16-19 Bursary

A grant provided to the academy from the EFA to provide bursary support directly to students in the 6<sup>th</sup> Form that are in need of financial support to complete their studies.

#### JCTSA

The fund associated with our work as part of the Jurassic Coast Teaching Alliance. This supports the development of best practice across the alliance and has included a specific focus on the SEND area.

#### School Sports and Games partnership

The fund includes monies received from a number of sources in support of our work as a sports games coordinator, community sports, and other monies specifically targeted at sports participation.

#### Trips and Visits

This represents funds provided by parents and carers to support the expenditure associated with curricular and extra-curricular trips and visits.

#### Defined Benefit Pension Scheme

This represents the negative reserve in respect of the LGPS scheme transferred over and subsequent movements – see Note 26.

#### Restricted Fixed Asset Funds

The fund includes the value of the Fixed Assets of the Academy on conversion, monies received from The EFA specifically for the Capital Expenditure on Fixed Assets and monies transferred from GAG for the purchase of Fixed Assets. Donations to the school for the purchase of specific fixed assets are also included.

### Note 17: Analysis of Net Assets between Funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted General fund	Restricted General fund	Restricted Fixed asset fund	Total 2015
	£	£	£	£
Tangible fixed assets	-	-	15,296,399	<b>15,296,399</b>
Current assets	695,677	503,918	139,312	<b>1,338,907</b>
Current liabilities	-	(338,842)	(47,151)	<b>(385,993)</b>
Non-Current Liabilities	-	-	-	-
Pension scheme liability	-	(1,532,000)	-	<b>(1,532,000)</b>
<b>Total net assets</b>	<b>695,677</b>	<b>(1,366,924)</b>	<b>15,388,560</b>	<b>14,717,313</b>

**Note 18: Capital Commitments**

	2015 £	2014 £
Contracted for, but not provided in the financial statements	<b>137,954</b>	-

**Note 19: Finance Commitments*****Operating leases***

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
<u>Land and buildings</u>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
		-
<u>Other</u>		
Expiring within one year	-	-
Expiring within two and five years inclusive	5,437	5,437
Expiring in over five years	-	-
	<b>5,437</b>	<b>5,437</b>

**Note 20: Reconciliation of consolidated operating surplus to net cash inflow/(outflow) from operating activities**

	2015 £	2014 £
Net Income for the period	(17,770)	94,229
Depreciation (note 12)	359,818	357,158
Net Assets Transferred on Conversion	-	-
Loss on Disposal of Tangible Fixed Assets	2,135	-
Capital grants from DfE and other capital income	(202,992)	(326,578)
Interest receivable (note 4)	(3,619)	(1,042)
FRS 17 pension cost less contributions payable (note 26)	59,000	56,000
FRS 17 pension finance income (note 26)	35,000	44,000
Decrease in stock	500	(500)
Increase in debtors	(30,807)	23,650
Increase in creditors	93,485	(23,104)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>294,750</b>	<b>223,813</b>

**Note 21: Returns on investments and servicing of finance**

	2015 £	2014 £
Interest received	3,619	1,042
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>3,619</b>	<b>1,042</b>

**Note 22: Capital expenditure and financial investment**

	2015 £	2014 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(122,721)	(463,882)
Capital grants from DfE/EFA	199,551	326,578
Capital funding received from sponsors and others	3,441	-
Receipts from sale of tangible fixed assets	528	-
<b>Net cash (outflow) / inflow from capital expenditure and financial investment</b>	<b>80,799</b>	<b>(137,304)</b>

**Note 23: Analysis of changes in net funds**

Analysis of changes in net funds	At 1 September 2014 £	Cash flows £	At 31 August 2015 £
Cash in hand and at bank	804,737	379,171	1,183,908
	<b>804,737</b>	<b>379,171</b>	<b>1,183,908</b>

**Note 24: Contingent Liabilities**

The Trustees are not aware of any contingent liabilities.

**Note 25: 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.

## Note 26: Pension and Similar Obligations

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Barnett Waddington. Both are defined-benefit schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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

### Teachers' Pension Scheme

#### Introduction

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

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

#### Valuation of the Teachers' Pension Scheme

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

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £402,029

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

## Note 26: Pension and Similar Obligations (Continued)

### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £194,017 of which employer's contributions totalled £149,143 and employees' contributions totalled £44,874. The agreed contribution rates for future years are 14.8% plus a fixed past service deficit charge for employers and a range of 5.5 per cent to 7.5 per cent depending on full-time equivalent salary for employees.

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

Principal Actuarial Assumptions	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	4.5%	4.5%
Rate of increase for pensions in payment / inflation	2.7%	2.7%
Discount rate for scheme liabilities	4.0%	4.0%
Inflation assumption (CPI)	2.7%	2.7%
Inflation assumption (RPI)	3.6%	3.5%
Commutation of pensions to lump sums	50%	50%

It is also assumed that active Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age and that 10% of active members will take up the option under the new LGPS to pay 50% of contributions for 50% of benefits

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption.

	£000's	£000's	£000's
<b>Adjustment to Discount Rate</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present Value of Total Obligation	2,623	2,688	2,755
Projected Service Cost	211	216	221
<b>Adjustment to Long Term Salary Increase</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present Value of Total Obligation	2,705	2,688	2,671
Projected Service Cost	216	216	216
<b>Adjustment to pension increases and deferred revaluation</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present Value of Total Obligation	2,739	2,688	2,638
Projected Service Cost	221	216	211
<b>Adjustment to mortality age rating assumption</b>	<b>+1 Year</b>	<b>None</b>	<b>-1 Year</b>
Present Value of Total Obligation	2,759	2,688	2,619
Projected Service Cost	222	216	211

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

	At 31 August 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.8	22.7
Females	26.1	26
<i>Retiring in 20 years</i>		
Males	25.1	24.9
Females	28.4	28.3



**Note 26: Pension and Similar Obligations (Continued)**

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

	<b>Fair value at 31 August 2015</b>	<b>Expected return at 31 August 2014</b>	<b>Fair value at 31 August 2014</b>
	£000's		£000's
Equities - UK	288	6.7%	257
Equities - Overseas	374	6.7%	337
Gilts	57	3.0%	55
Other Bonds	57	3.6%	41
Property	124	5.9%	97
Infrastructure	35	3.6%	28
Cash	27	2.9%	21
Alternative Assets	21	5.9%	18
Target Return Portfolio	173	5.9%	144
<b>Total market value of assets</b>	<b>1156</b>		<b>998</b>
Present value of scheme liabilities			
- Funded	(2,688)		(2,369)
<b>Deficit in the scheme</b>	<b>(1,532)</b>		<b>(1,371)</b>

For the year to 31 August 2015, the expected return was 6.0% p.a., which has been used to determine the profit and loss charge for the year ended 31 August 2015.

None of the fair values of the assets shown above include any of the Academy's own financial instruments or any property occupied by, or other assets used by, the Academy.

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

The actual loss on the scheme assets was £4,000 (2014 was a return of £119,000)

**Total expenditure recognised in the Statement of Financial Activities**

	<b>2015 £000</b>	<b>2014 £000</b>
Current service cost (net of employee contributions)	208	208
Past service cost	0	0
<b>Total operating charge</b>	<b>208</b>	<b>208</b>

**Analysis of pension finance income / (costs)**

Expected return on pension scheme assets	64	76
Interest on pension liabilities	(99)	(120)
<b>Pension finance income / (costs)</b>	<b>(35)</b>	<b>(44)</b>

**Note 26: Pension and Similar Obligations (Continued)**

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £524k loss.

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

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
<b>At 1 September</b>	2,369	2,548
Current service cost	208	208
Interest cost	99	120
Employee contributions	45	47
Actuarial loss	(1)	(294)
Benefits paid	(32)	(260)
Past Service cost	-	-
Curtailments and settlements	-	-
<b>At 31 August</b>	<b>2,688</b>	<b>2,369</b>

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

	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
<b>At 1 September</b>	998	1,301
Expected return on assets	64	76
Actuarial gains	(68)	(318)
Employer contributions	149	152
Employee contributions	45	47
Benefits paid	(32)	(260)
<b>At 31 August</b>	<b>1,156</b>	<b>998</b>

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

	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Defined benefit obligation at end of year	(2,688)	(2,369)	(2,548)	(2,086)	(1,341)
Fair value of plan assets at end of year	1,156	998	1,301	981	644
Deficit	(1,532)	(1,371)	(1,247)	(1,105)	(697)

**Experience adjustments on share of scheme assets**

Amount £'000*	(68)	(318)	87	18	-
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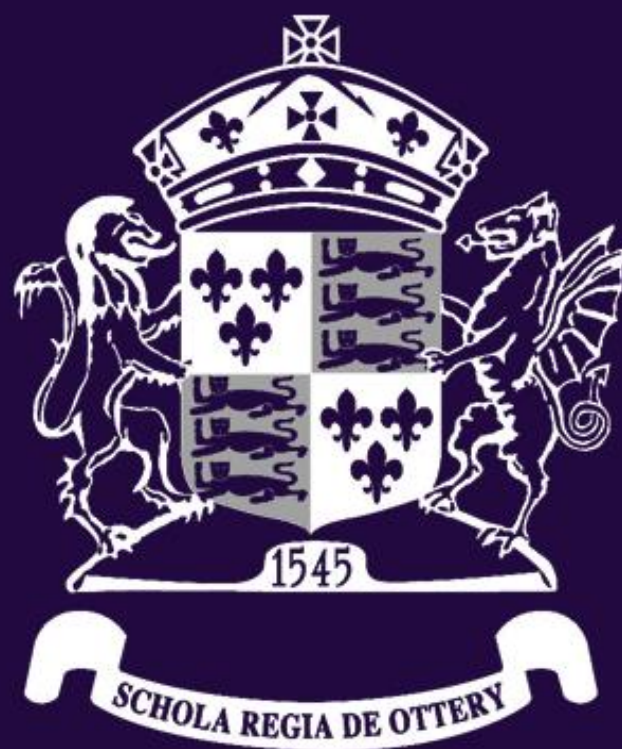
**Experience adjustments on scheme liabilities:**

Amount £'000*	-	409	-	-	-
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## **Note 27: Related Party Transactions**

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

No related party transactions took place in the period of account.



— *The* —  
**King's School**  
— *Ottery St. Mary* —