



The
King's School
Ottery St. Mary

The King's School Ottery St Mary

(A Company Limited by Guarantee)

Company Registration: 07560660

DfE Registration: 878/4005

DfE URN: 136673

Annual Report & Financial Statements

Year Ended 31 August 2016

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

Reference and Administrative Details

Year Ended August 2016

Trustees

Mr N Bennett * (terminated 8/9/15)	Mr T Bloomfield
Mr L Bowker *#	Mrs S Cade
Mrs E Charles #	Mr M Davis
Mrs C Dunford* (staff trustee)	Mr S Ellison *#
Mrs S Fallows (Chair)*#	Mr R Gammon* (Headteacher) (appointed 01/09/16)
Miss K Heathcote #	Miss R Higginson (staff trustee)
Mrs C Hollingshead (appointed 20/10/15)	Miss F Jarrett* (Headteacher) (terminated 31/08/16)
Dr Jason Fearn-Smith (appointed 20/10/15)	Mrs L Kennaway*
Mr J Lavender*	Cllr R Mitchell
Mr M Molloy*	Mr D Nicholson (staff trustee)
Mr K Steel* (terminated 14/07/16)	

* 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 2016

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period from 1 September 2015 to 31 August 2016. The company was incorporated on 11 March 2011 and commenced trading on April 1st 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 academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

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 and 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 2015 until 31 August 2016 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 and conducts a series of internal audits during the period.

Arrangements for setting pay and remuneration of key management personnel:

The Headteacher must demonstrate sustained high quality of performance, with particular regard to leadership, management and pupil progress at the school and will be subject to a review of performance against their performance objectives before any pay increase will be awarded. The clarification of the application of the criteria (STPCD 2013: 6.1: 11.6.2 guidance) for Leadership Group progression will be taken fully into account. No pay progression for this post is automatic. Any progression is reviewed and agreed by governors taking into account performance in role and national benchmarks including STPCD.

The Senior Leadership Team (SLT) must demonstrate sustained high quality of performance in respect of school leadership and management and pupil progress and will be subject to a review of performance against their performance objectives before any performance points will be awarded. The clarification of the application of the criteria (STPCD 2013: 13.1.1: 13.2.5 guidance) for Leadership Group progression will be taken fully into account. Annual pay progression within the pay range for these posts is not automatic. Any progression will normally be by one point, but the governing body may consider movement by two points in exceptional circumstances. The national leadership scales as agreed by all unions in 2015 based on STPCD recommendations apply.

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 work in partnership to provide 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 and EBT 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 57 primary schools, one special school and 10 secondary schools supporting their engagement in the School 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 careers and work related learning provision in partnership with local business partners, some 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 (EDLAP), 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 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, acted as a SIP and assisted in the recruitment, training and development of Headteachers new to the LA. In the past year the school has worked closely with other schools offering school support to three local maintained schools. This has involved several members of the Senior Leadership Team reaching out to help drive up standards in the local area.

In the summer term four middle leaders were appointed as Senior Leaders in Education and have started working within the Jurassic Teaching School Alliance on school to school support.

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 – ten good or outstanding academies from across the South West who work collaboratively on school improvement.

The school collaborated with four other local secondary schools and Exeter University to lead on a DFE funded Character Education Programme looking at building resilience and better mental health in young people.

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. 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 broad
- 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 2015-2016 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 2016-17. 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.

The curriculum offered at The King's School aims to provide our students with the best possible opportunity for success at every Key Stage.

During the academic year 2015-16 and 2016-17, our new curriculum model has been implemented. This provides significantly more teaching time for English and maths given the increased demand of these subjects and the even greater role that these two subjects play in whole school accountability measures. With the implementation of this new curriculum model, the number of students taking Triple Science has significantly increased with two thirds of our cohort currently studying Triple Science.

For the academic year 2016-17, we have introduced the new GCSE course of Computer Science. This subject can count towards the school's EBacc measure (as a science subject) and increases the choice of academically rigorous subjects for our students. We currently have 19 students taking Computer Science.

In order to ensure that our curriculum is cost effective we have reduced the number of teaching groups in Year 9 to match the number in operation in Years 7-8: 6 linear teaching groups. Moreover, during the academic year 2016-17, we will implement a revised options process in order to ensure that GCSE teaching groups are efficient in terms of class sizes and to create greater equality between class sizes in different teaching subjects.

Due to the curriculum changes at Key Stage 5 whereby A Levels have moved from modular to linear courses, we will, in line with most A Level providers, limit the number of A Level choices to 3 subjects. A very small number of students may choose 4 subjects but application for university places are based solely on success in 3 A Level subjects. This will ensure that our post 16 curriculum is both cost effective whilst ensuring that all of our students are provided with a curriculum that provides them with every opportunity of academic success.

We have also increased the choice available to our Year 12 students of various enrichment opportunities. Together with Community Volunteering, the Duke of Edinburgh award, General Studies and CSLA, we have also introduced a Catering course, ICT and Physical Education. These have been very popular additions to our already successful programme of enrichment activities.

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. Within this provision, we now offer an entry level life skills qualification for specifically targeted students.
- 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 attainment of students at GCSE is significantly above national figures, as shown in the percentages of students achieving A*- C in English and Maths, 5A*-C and 5 A/A*. Progress of students is consistently above that of students of similar abilities nationally.

The attainment of students at A level over the last three years has also been outstanding, with consistently high average total point scores. Value added scores show that our students make progress above national averages. All students in the 2016 cohort who applied to university secured a place.

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 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 2015 and 2016:

A2 Results 2015:

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

A2 Results 2016:

Grade	No	%	Percentage Grades				
A*	23	7.8	21.4	47.5	74.9	93.2	99.7
A	40	13.6					
B	77	26.1					
C	81	27.5					
D	54	18.3					
E	19	6.4					
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

Points Scores: A2 2016

Group	Average Total Pt score per student	Average Total Pt score per entry
Males	803	206.6
Females	898	228.5
All Students	868	221.5

Key: A* = 300 A = 270 B = 240 C = 210 D = 180 E = 150 All results include AS exams taken in Yr 12 or 13

AS Results 2015:

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

AS Results 2016:

Grade	No	%	Percentage Grades					
A	80	19	19	45	67	81	93	100
B	110	26						
C	91	22						
D	58	14						
E	51	12						
U	30	7.1						

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

Points Scores: AS 2016

Group	Average Total Pt score per students	Average Total Pt score per entry
Males	381	97.5
Females	401.5	103
All Students	390.8	100

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

GCSE RESULTS

Pupils		
Whole Cohort		
Excluded Students		0
Students Included		180

Performance		
	Pupils	Percent
5 A* to A	45	25.00%
5 A* to B	99	55.00%
5 A* to C	147	81.67%
Inc EnMa	130	72.22%
5 A* to D	164	91.11%
Inc EnMa	161	89.44%
5 A* to G	178	98.89%
Inc EnMa	176	97.78%
1 A* to G	180	100.00%
Any Grades	180	100.00%

Entries		
	Count	Percent
A*	171	10.08%
A* to A	532	31.37%
A* to B	942	55.54%
A* to C	1356	79.95%
Total	1696.00	-
Avg / Pupil	9.42	-

English				
	Entries	A* to A	A* to C	A* to D
	180	78	149	168
Pupils	100.00%	43.33%	82.78%	93.33%
Entries	-	43.33%	82.78%	93.33%

Maths				
	Entries	A* to A	A* to C	A* to D
	180	47	141	165
Pupils	100.00%	26.11%	78.33%	91.67%
Entries	-	26.11%	78.33%	91.67%

Science			
	Entries	Pupils	Entries
1 Science Entry	179	99.44%	-
A* to C	149	82.78%	83.24%
2 Science Entries	176	97.78%	-
A* to C	136	75.56%	77.27%
3 Science Entries	71	39.44%	-
A* to C	60	33.33%	84.51%

MFL				
	Entries	A* to A	A* to C	A* to G
	76	23	58	76
Pupils	42.22%	12.78%	32.22%	42.22%
Entries	-	30.26%	76.32%	100.00%

Baccalaureate		
	Entered	Achieved
English	180	149
Maths	180	141
Science	176	136
Lang	76	58
Hums	158	134
Overall	74	53
Pupils	41.11%	29.44%
Entries	-	71.62%

English & Maths Threshold		
	Entered	Achieved
	180	131
Pupils	100.00%	72.78%
Entries	-	72.78%

Progress 8		
	A8	P8
English	6.01	+0.31
Maths	5.46	0
EBac	5.58	+0.43
Other	5.67	0
Overall	5.67	+0.19
Entries	175	97.22%

Narrowing the Gap 2016

	Disadvantaged pupils	Other pupils
Number of Pupils	25	155
Percentage of Pupils	14%	86%
Percentage achieving grades A*-C in English and maths GCSEs	48%	77%
Attainment 8	4.77 (C-)	5.81 (B-)
Progress 8	-0.31	0.26

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 2016	Aug 2015	Aug 2014	Aug 2013	Aug 2012	Comment
Total Staffing costs as a percentage of GAG income	87.3%	88.4%	87.6%	87.7%	83.2%	Staffing costs including non-teaching (excluding catering and cleaning staff)
Income per pupil	£4,987	£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	18.29	17.78	17.34	17.78	17.83	Includes Unqualified Teachers
Current Ratio	7.35	3.47	3.32	2.74	2.85	The ability of the school to meet its short term financial obligations
Admissions Ratio	2.06	2.14	1.93	1.83	2.04	No of applications (1 st , 2 nd & 3 rd Preference) to the number accepted on roll
Non-GAG to GAG ratio	15.34%	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

Students

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

- Fielding four teams in Ten Tors 2016 – all of whom completed.
- Extended the link with a Children's home and school in Tamil Nadu, India through a UK based charity.
- Sending over 150 Christmas boxes and clothes to our link school in Moldova.
- Raising over £9,000 for charity.
- Sending students to Geneva, New York, Paris, Barcelona, Ardeche, India (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 with advanced leadership schemes sitting alongside the prefect system, JSLA, CSLA, Literacy Leaders, Maths Leaders, Language Leaders, House Leaders and more.
- Encouraging volunteering amongst the student body to achieve both internal and external accreditation.
- Developing a new 6th Form Teen Health Group to work alongside our Teen Health Group, Anti Bullying Ambassadors and Mental Health volunteers.
- Building on the successful catering department to run a charity restaurant night at a prestigious local restaurant.
- Ensuring that the House Councils feed into the School Parliament so that it is more accountable to the student body.
- Further enhanced a Spanish Exchange Programme with a school in Madrid and a French exchange with a school in Strasbourg.
- Extending links with Higher Education providers including a G&T trip to Oxford University developing 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 School Production of The Wizard of Oz
- Staged an Arts and Technology Celebration Evening
- Held workshops by a range of visiting guests.

- Hosted visits from Town and County councillors.
- Trained 13 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.
- Conducted Mock Interviews with local business partners for all Year 11 students.
- Hosted a live "link up" with British Astronaut Tim Peake involving local primary schools as part of a Space Week. Ten of The King's School students won a competition to ask Tim Peake a question via the live link.
- Entered over 100 students in the Junior Maths Challenge
- 26 students completed the bronze Duke of Edinburgh Award and 16 students completed the silver award.

External Achievements

U16 Boys East Devon Cross Country Champions U15 Boys Indoor Cricket East Devon Champions
 U13 Boys Badminton East Devon Champions U15 Boys Badminton East Devon Champions
 U16 Boys Badminton East Devon Runners Up U14 Boys Badminton Devon County Champions
 U14 Boys Badminton Devon County Runners Up U14 Boys Table Tennis East Devon Runners Up
 U15 Boys Indoor Cricket Devon County Champions U13 Girls Hockey East Devon Champions
 U16 Girls Football East Devon Champions U16 Girls Football Devon County Champions
 U16 Boys East Devon Swimming Champions U13 Boys Softball Cricket East Devon Champions
 U13 Boys Softball Cricket Devon County Champions U14 Boys Cricket Devon County Champions
 U15 Boys Softball Cricket Devon County Champions U15 Boys Cricket Devon County Runners Up
 U15 Boys Cricket East Devon Champions U13 Girls East Devon Rounders Champions
 U12 Boys Athletics East Devon Champions U13 Boys Athletics East Devon Champions
 U14 Girls Athletics East Devon Champions U14 Boys Athletics East Devon Champions
 Overall Boys Athletics East Devon Champions Overall Girls Athletics East Devon Champions
 Winner of the National NATRE Spirited arts competition
 Winner of the Exeter Schools Cook off at the Exeter Food Festival
 Winner of the 'Best Overall Project for 2016' in GO4SET STEM Challenge

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 £5,281k which is the primary mechanism for funding the schools objectives. Despite our GAG carry forward from last year being £315k our additional income from other sources allowed us to spend £5,909k on the academies primary educational operational expenditure (£5,063k of which came from from GAG).

The income relating to pupil premium remained at the same rate as the prior reporting period at £935 per eligible pupil. 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 last reporting period which has been accounted for appropriately. The value of the grant which runs from April 2015 – March

2016 was £193,784 from which £146,771 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 with capital additions of £190k. The school was successful in securing £147,400 from the EFA Condition Improvement Fund towards a new School Roof which completed in early 2016.

Unrestricted:

The Academy trust brought forward an Unrestricted Fund balance of £696k. During the reporting period incoming resources associated with Canteen Income, Traded activities and donations amounted to £418k and the cost of generating such income was £295k. The unrestricted funds at the end of the period are £754k after a transfer from unrestricted funds to support capital investments made.

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 £754K).

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 11th April 2013 but at the end of this period was £315k.

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 as such reserves are held at a higher level than identified in the policy.

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 include: the smooth changeover in leadership at Head Teacher level; a continued focus on reducing the amount of low level disruption to ensure that all students have the highest expectations of themselves and others; a sharp focus on ensuring that there is consistency in the high quality of teaching and learning across the academy to include the development of marking and feedback; a review of our processes for assessing students' progress at Key Stage 3 and the communication of progress to parents and carers; a review of the curriculum offer for 6th form students.

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 8th 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 5 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	0	0
Ted Bloomfield	5	5
Lester Bowker	4	5
Sue Cade	4	5
Liz Charles	5	5
Mike Davis	4	5
Carol Dunford	4	5
Steve Ellison	3	5
Sue Fallows	4	5
Jason Fearn-Smith	3	5
Katharine Heathcote	4	5
Rebecca Higginson	5	5
Charlotte Hollingshead	5	5
Faith Jarrett	4	5
Lucy Kennaway	5	5
John Lavender	4	5
Robin Mitchell	4	5
Maurice Molloy	5	5
Dave Nicholson	4	5
Alan Patterson	5	5
Keith Steel	3	5

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

Since the last reporting period, Mr N Bennett, Miss F Jarrett and Mr K Steel have left the Board of Trustees and Mr R Gammon, Mrs C Hollingshead, Dr Jason Fearn-Smith and Mr A Patterson were appointed.

The Trustees maintain 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.

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

As well as the above formal committees the Governing Board has established a working party focused on Academic Data. It does not hold any delegated powers or decision making responsibility however supports the relevant committee by deepening governors understanding of academic data.

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 3 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 school's 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 85% of the Academy's government 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 1st September 2015 to 31 August 2016 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 2016 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 6th December 2016 and signed on its behalf by:



Sue Fallows
Chair of Trustees



Robert Gammon
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.



Robert Gammon
Accounting Officer

6th December 2016

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 and the Academies Accounts Direction 2015 to 2016;
- 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 6th December 2016 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 2016 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 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006;
- 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

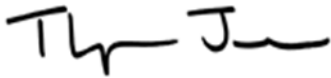
In our opinion the information given by the Trustees' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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 2015 to 2016, 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 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 31st March 2011 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2015 to 2016 issued by 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.

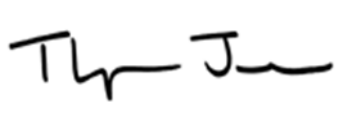
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. The work undertaken to draw to our conclusion includes:

- 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 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

A handwritten signature in black ink, appearing to read 'Th J', enclosed in 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 2016
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £	Total 2015 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Donations and Capital Grants	2	11,580	-	24,390	35,970	210,395
Transfer from Local Authority on incorporation		-	-	-	-	-
income from other trading activities	3	399,445	267,844	-	667,289	594,630
Investment income	4	7,423	-	-	7,423	3,619
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	-	5,719,522	-	5,719,522	5,471,234
Total incoming resources		418,448	5,987,366	24,390	6,430,204	6,279,878
Resources expended						
<i>Cost of generating funds:</i>						
Fundraising trading		269,944	266,930	-	536,874	455,450
<i>Charitable activities:</i>						
Academy's educational operations	7	24,910	5,643,829	372,163	6,040,902	5,863,198
Development costs	7	-	-	-	-	-
Total resources expended	6	294,854	5,910,759	372,163	6,577,776	6,318,648
Net incoming (outgoing) resources before transfers		123,594	76,607	(347,773)	(147,572)	(38,770)
Transfers						
Gross transfers between funds	15	(65,101)	-	65,101	-	-
Net income / (expenditure) for the year		58,493	76,607	(282,672)	(147,572)	(38,770)
Other recognised gains and losses						
Actuarial (losses) gains on defined benefit pension schemes	15,25	-	(1,096,000)	-	(1,096,000)	(46,000)
Net movement in funds		58,493	(1,019,393)	(282,672)	(1,243,572)	(84,770)
Reconciliation of funds						
Total funds brought forward at 1 September 2015	15	695,677	(1,366,924)	15,388,560	14,717,313	14,802,083
Total funds carried forward at 31 August 2016		754,170	(2,386,317)	15,105,888	13,473,741	14,717,313

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

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 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	11		15,114,275		15,296,399
Total fixed assets			15,114,275		15,296,399
Current assets					
Stock	12	1,000		1,000	
Debtors	13	90,671		154,002	
Cash at bank and in hand		1,201,999		1,183,905	
Total current assets		1,293,670		1,338,907	
Liabilities:					
Creditors: Amounts falling due within one year	14	(182,204)		(385,993)	
Net current assets			1,111,466		952,914
Total assets less current liabilities			16,225,741		16,249,313
Creditors: Amounts falling due after more than one year	14		-		-
Net assets excluding pension liability			16,225,741		16,249,313
Pension scheme liability	25		(2,752,000)		(1,532,000)
Net assets including pension liability			13,473,741		14,717,313
Funds of the academy:					
Restricted funds					
Fixed asset fund(s)	15		15,105,888		15,388,560
Pension Reserve	15		(2,752,000)		(1,532,000)
Restricted General funds	15		323,970		107,452
Restricted General Other Funds	15		41,713		57,624
Total restricted funds			12,719,571		14,021,636
Unrestricted funds					
General funds	15		754,170		695,677
Total unrestricted funds			754,170		695,677
Total Funds			13,473,741		14,717,313

The financial statements on pages 28 to 50 were approved by the Trustees, and authorised for issue on 6th December 2016 and signed on their behalf by:



Sue Fallows
Chair

Cash Flow Statement for the year ended 31 August 2016

		2016	2015
		£	£
Net cash inflow/(outflow) from operating activities	20	176,320	294,750
Returns on investments and servicing of finance	21	7,423	3,619
Capital expenditure	22	(165,649)	80,799
Increase/(decrease) in cash in the period	23	18,094	379,168
Reconciliation of net cash flow to movement in net funds			
Net Funds at 1 September 2015		1,183,905	804,737
Net funds at 31 August 2016		1,201,999	1,183,905

Notes to Financial Statements for the Year Ending August 2016

Note 1. Statement of accounting policies:

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006. The King's School Academy Trust meets the definition of a public benefit entity under FRS 102.

These financial statements are the first financial statements of The King's School Academy prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of The King's School Academy for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005. Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Reconciliations to previous UK GAAP for the comparative figures are included in note 27

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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Note 1. Statement of accounting policies (Continued):

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Resources Expended

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

- **Costs of generating funds**

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

- **Charitable activities**

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

- **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.

Liabilities

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

Note 1. Statement of accounting policies (Continued):

Provisions

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

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 29, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Note 2. Donations and capital grants

	Unrestricted Funds	Restricted Funds	2016 Total	2015 Total
	£	£	£	£
Devolved Formula Capital allocations	-	24,390	24,390	23,651
CIF Capital Grant	-	-	-	175,900
Donations for Capital	-	-	-	3,441
Other Donations	11,580	-	11,580	7,403
	11,580	24,390	35,970	210,395

The income from donations and capital grants was £35,970 (2015: £210,395) of which £11,580 was unrestricted (2015: £7,403), £nil restricted (2015: £nil) and £24,390 restricted fixed assets (2015: £202,992).

Note 3. Income from other trading activities

	Unrestricted Funds	Restricted Funds	2016 Total	2015 Total
	£	£	£	£
Hire of Facilities	9,450	-	9,450	10,760
Catering Income	288,308	-	288,308	275,818
Educational Activities Income	65,533	-	65,533	80,988
Trips and Visits	-	267,844	267,844	195,589
Other Services	36,154	-	36,154	37,359
	399,445	267,844	667,289	594,630

The activities for generating funds was £667,289 (2015: £594,630) of which £399,445 was unrestricted (2015: £399,041), £267,844 restricted (2015: £195,589) and £nil restricted fixed assets (2015: £nil).

Note 4. Investment income

	Unrestricted Funds	Restricted Funds	2016 Total	2015 Total
	£	£	£	£
Short term deposits - Interest	7,423	-	7,423	3,619
	7,423	-	7,423	3,619

The investment income was £7,423 (2015: £3,619) of which £7,423 was unrestricted (2015: £3,619), £nil restricted (2015: nil) and £nil restricted fixed assets (2015: £nil).

Note 5. Funding for Academy's educational operations

	Unrestricted Funds	Restricted Funds	2016 Total	2015 Total
	£	£	£	£
DfE / EFA revenue grants				
General Annual Grant (GAG)	-	5,280,575	5,280,575	5,121,861
16-19 Bursary Fund	-	14,664	14,664	14,308
Pupil Premium	-	128,522	128,522	128,616
Other DfE / EFA grants	-	146,771	146,771	46,606
	-	5,570,532	5,570,532	5,311,391
Other Government grants				
SEN from Local Authority	-	101,503	101,503	109,123
JCTSA	-	8,000	8,000	11,500
EDLAP from LA	-	12,984	12,984	12,131
LA DSG Underspend	-	-	-	-
School Games Organiser	-	26,503	26,503	27,089
	-	148,990	148,990	159,843
	-	5,719,522	5,719,522	5,471,234

The funding of the academies educational operations was £5,719,522 (2015: £5,471,234) of which £nil was unrestricted (2015: £nil), £5,719,522 restricted (2015: £5,471,234) and £nil restricted fixed assets (2015: £nil).

Note 6. Resources Expended

	Staff £	Non Pay Expenditure		Total 2016 £	Total 2015 £
		Premises £	Other Costs £		
Costs of activities for generating funds	103,819	-	433,055	536,874	455,450
Academy's educational operations					
Direct costs	4,225,463	353,553	489,795	5,068,811	4,950,588
Allocated support costs	522,384	294,213	155,494	972,091	912,610
Development costs	-	-	-	-	-
	4,851,666	647,766	1,078,344	6,577,776	6,318,648

Net Incoming/(outgoing) resources for the year include:

		2016 £	2015 £
Operating leases		5,437	5,437
Fees payable to auditor	- audit	5,000	5,800
	- other	1,300	550

The resources expended was £6,453,776 (2015: £6,318,648) of which £294,854 was unrestricted (2015: £279,564), £5,786,759 restricted (2015: £5,677,131) and £372,163 restricted fixed assets (2015: £361,953).

Note 7. Charitable Activities - Academy's educational operations

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Direct costs				
Teaching and educational support staff costs	24,910	4,200,553	4,225,463	4,181,750
Depreciation	-	353,553	353,553	341,482
Technology Costs	-	21,435	21,435	36,505
Educational supplies	-	133,556	133,556	119,811
Examination fees	-	115,957	115,957	112,974
Staff development	-	28,915	28,915	10,004
Educational consultancy	-	52,401	52,401	21,260
Other direct costs	-	137,531	137,531	126,802
	24,910	5,043,901	5,068,811	4,950,588
Allocated support costs				
Support staff costs	-	522,384	522,384	478,125
Depreciation	-	18,610	18,610	18,336
Technology costs	-	31,942	31,942	19,688
Recruitment and support	-	18,387	18,387	10,899
Maintenance of premises and equipment	-	66,941	66,941	65,106
Water and Telephones	-	22,393	22,393	26,959
Cleaning	-	3,623	3,623	3,489
Rent & rates	-	62,697	62,697	65,909
Energy Costs	-	71,899	71,899	66,520
Insurance	-	35,574	35,574	35,527
Security & Transport	-	12,476	12,476	13,133
Bank interest and charges	-	1,072	1,072	961
Pension Finance Charge	-	59,000	59,000	56,000
Other support costs	-	37,956	37,956	44,230
Governance Costs	-	7,137	7,137	7,728
	-	972,091	972,091	912,610
Development costs				
	-	-	-	-
	24,910	6,015,992	6,040,902	5,863,198

The resources expended for the Academy's educational operations was £6,040,902 (2015: £5,863,198) of which £24,910 was unrestricted (2015: £29,901), £6,015,992 restricted (2015: £5,471,344) and £372,163 restricted fixed assets (2015: £361,953).

Note 8. Staff Costs

Staff costs during the period were:

	Total 2016	Total 2015 £
Wages and salaries	3,830,277	3,855,137
Social security costs	299,049	264,906
Other pension costs	675,895	609,386
	4,805,221	4,729,429
Supply teacher costs	46,445	26,323
Compensation payments	-	-
	4,851,666	4,755,752

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

	2016 No.	2015 No
<i>Charitable Activities</i>		
Teachers	62	64
Administration and support	55	56
Management	9	9
	126	129

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

	2016 No.	2015 No.
£90,000-£100,000	1	1

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions amounted to £15,401 (2015: £13,047)

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £690,429 (2015: £664,552)

Note 9. 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 '15 to Aug '16 £	Sept '14 to Aug '15 £
Miss F Jarrett (Headteacher)		
Remuneration	£93,454	£92,529
Employer's Pension contributions	£15,401	£13,047
Mrs C Dunford (Staff Trustee)		
Remuneration	£40,000 - £45,000	£40,000 - £45,000
Employer's Pension contributions	£5,000 - £10,000	£5,000 - £10,000
Miss R Higginson (Staff Trustee)		
Remuneration	£40,000 - £45,000	£35,000 - £40,000
Employer's Pension contributions	£5,000 - £10,000	£5,000 - £10,000
Mrs R Jacobs (Staff Trustee)		
Remuneration	-	£40,000 - £45,000
Employer's Pension contributions	-	£5,000 - £10,000
Mr D Nicholson (Staff Trustee)		
Remuneration	£20,000 - £25,000	£20,000 - £25,000
Employer's Pension contributions	£0 - £5,000	£0 - £5,000
Ms K Heathcote (Invigilator)		
Remuneration	£0 - £5,000	£0 - £5,000
Employer's Pension contributions	-	-

During the period ended 31 August 2016, travel and subsistence expenses totalling £37 (2015 - £0) were reimbursed to 1 Trustees (2015 - 0 Trustees).

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

Note 10: Trustees' and Officers' Insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

Note 11: Tangible Fixed Assets

	Freehold Land and Buildings	Furniture and Equipment	Plant & Machinery	Computer Equipment	Motor Vehicles	Building Improve	Assets Under Construction	Total £
Cost								
At 1 Sept 2015	15,523,716	66,789	185,095	320,997	41,040	598,681	46,852	16,783,170
Additions	-	6,880	5,924	23,390	-	-	153,845	190,039
Transfers	-	-	-	-	-	200,697	(200,697)	-
Disposals								
At 31 Aug 2016	15,523,716	73,669	191,019	344,387	41,040	799,378	-	16,973,209
Depreciation								
At 1 Sept 2015	1,018,004	25,197	46,662	290,177	14,536	92,195	-	1,486,771
Charged in year	253,377	6,529	18,610	17,967	4,104	71,576	-	372,163
Disposals	-	-	-	-	-	-	-	-
At 31 Aug 2016	1,271,381	31,726	65,272	308,144	18,640	163,771	-	1,858,934
Net book values								
At 31 Aug 2016	14,252,335	41,943	125,747	36,243	22,400	635,607	-	15,114,275
At 1st Sept 2015	14,505,712	41,592	138,433	30,820	26,504	506,486	46,852	15,296,399

Note 12: Stock

	2016 £	2015 £
Catering	1,000	1,000
	1,000	1,000

Note 13: Debtors

	2016 £	2015 £
Trade debtors	1,068	12,901
Prepayments	12,931	76,615
Accrued Income	844	44,725
Other debtors	18,725	-
VAT recoverable	57,103	19,761
	90,671	154,002

Note 14: Creditors

Creditors: Amounts falling due within one year	2016 £	2015 £
Trade creditors	63,293	125,126
Taxation and social security	-	-
Pension creditors	-	-
Other Creditors	6,956	22,852
Accruals and deferred income	111,955	238,015
	182,204	385,993

Deferred income

	£
Deferred Income at 1 September 2015	125,162
Resources deferred in the year	88,952
Amounts released from previous years	(125,162)
Deferred Income at 31 August 2016	88,952

Deferred Income at 31st August 2015 comprises the following:

	£
EFA 2016/17 Devolved Capital	14,300
EFA Rates	16,854
Trips and Visits	44,894
EDLAP	5,834
Ottery Local Learning Community	7,070
	88,952

Note 15: Funds

	Balance at 1 September 2015	Incoming Resources	Resources Expended	Gains, losses and transfers	Balance at 31 August 2016
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	96,919	5,280,575	(5,062,844)	-	314,650
Pupil Premium	6,859	128,522	(133,332)	-	2,049
16-19 Bursary	3,674	14,664	(11,067)	-	7,271
Local Authority SEN	-	101,503	(101,503)	-	-
DfE CEG Grant	-	146,771	(146,771)	-	-
	107,452	5,672,035	(5,455,517)	-	323,970
Restricted general other funds					
JCTSA	11,030	8,000	(14,225)	-	4,805
LA EDLAP	-	12,984	(12,984)	-	-
School Sports & Games Partnership	37,410	26,503	(37,103)	-	26,810
Trips and Visits	9,184	267,844	(266,930)	-	10,098
	57,624	315,331	(331,242)	-	41,713
Defined Benefit Pension Scheme	(1,532,000)	-	(124,000)	(1,096,000)	(2,752,000)
	(1,474,376)	315,331	(455,242)	(1,096,000)	(2,710,287)
Restricted fixed asset funds					
On Conversion	12,507,202	-	(213,606)	-	12,293,596
DfE/EFA Devolved Capital Grant	108,536	24,390	(16,499)	-	116,427
ACMF Capital Grant	2,534,234	-	(96,140)	-	2,438,094
Capital expenditure from GAG / Unrestricted	235,546	-	(45,058)	65,101	255,589
Capital expenditure from Donations	3,042	-	(860)	-	2,182
	15,388,560	24,390	(372,163)	65,101	15,105,888
Total restricted funds	14,021,636	6,011,756	(6,282,922)	(1,030,899)	12,719,571
Unrestricted funds					
Unrestricted funds	695,677	418,448	(294,854)	(65,101)	754,170
Total unrestricted funds	695,677	418,448	(294,854)	(65,101)	754,170
Total funds	14,717,313	6,430,204	(6,577,776)	(1,096,000)	13,473,741

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) 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 2016.

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 6th 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 16: Analysis of Net Assets between Funds

Fund balances at 31 August 2016 are represented by:

	Unrestricted General fund	Restricted General fund	Restricted Fixed asset fund	Total 2016
	£	£	£	£
Tangible fixed assets	-	-	15,114,275	15,114,275
Current assets	754,170	533,587	5,913	1,293,670
Current liabilities	-	(167,904)	(14,300)	(182,204)
Non-Current Liabilities	-	-	-	-
Pension scheme liability	-	(2,752,000)	-	(2,752,000)
Total net assets	754,170	(2,386,317)	15,105,888	13,473,741

Note 17: Capital Commitments

	2016 £	2015 £
Contracted for, but not provided in the financial statements	-	137,954

Note 18: Finance Commitments***Operating leases***

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
<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	1,812	5,437
Expiring within two and five years inclusive	-	1,812
Expiring in over five years	-	-
	1,812	7,249

Note 19: Reconciliation of consolidated operating surplus to net cash inflow/(outflow) from operating activities

	2016 £	2015 £
Net Income for the period	(147,572)	(38,770)
Depreciation (note 12)	372,163	359,818
Net Assets Transferred on Conversion	-	-
Loss on Disposal of Tangible Fixed Assets	-	2,135
Capital grants from DfE and other capital income	(24,390)	(202,992)
Interest receivable (note 4)	(7,423)	(3,619)
FRS 17 pension cost less contributions payable (note 26)	65,000	59,000
FRS 17 pension finance income (note 26)	59,000	56,000
Decrease in stock	-	500
Increase in debtors	63,331	(30,807)
Increase in creditors	(203,789)	93,485
Net cash inflow/(outflow) from operating activities	176,320	294,750

Note 20: Returns on investments and servicing of finance

	2016 £	2015 £
Interest received	7,423	3,619
Net cash inflow from returns on investment and servicing of finance	7,423	3,619

Note 21: Capital expenditure and financial investment

	2016 £	2015 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(190,039)	(122,721)
Capital grants from DfE/EFA	24,390	199,551
Capital funding received from sponsors and others	-	3,441
Receipts from sale of tangible fixed assets	-	528
Net cash (outflow) / inflow from capital expenditure and financial investment	(165,649)	80,799

Note 22: Analysis of changes in net funds

Analysis of changes in net funds	At 1 September		Cash flows	At 31 August
	2015			2016
	£		£	£
Cash in hand and at bank	1,183,905		18,094	1,201,999
	1,183,905		18,094	1,201,999

Note 23: Contingent Liabilities

The Trustees are not aware of any contingent liabilities.

Note 24: 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 25: 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 2012 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 previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £725,676 (2015: £675,993)

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

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

Note 25: 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 2016 was £199,417 (2015: £194,017) of which employer's contributions totalled £152,773 (2015: £149,143) and employees' contributions totalled £46,644 (2015: £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 2016	At 31 August 2015
Rate of increase in salaries	4.1%	4.5%
Rate of increase for pensions in payment / inflation	2.3%	2.7%
Discount rate for scheme liabilities	2.2%	4.0%
Inflation assumption (CPI)	2.3%	2.7%
Inflation assumption (RPI)	3.2%	3.6%
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
Adjustment to Discount Rate	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	4,162	4,267	4,375
Projected Service Cost	319	327	335
Adjustment to Long Term Salary Increase	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	4,290	4,267	4,244
Projected Service Cost	327	327	327
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	4,351	4,267	4,185
Projected Service Cost	335	327	319
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present Value of Total Obligation	4,379	4,267	4,158
Projected Service Cost	335	327	319

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

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

Note 25: Pension and Similar Obligations (Continued)

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

	Fair value at 31 August 2016	Fair value at 31 August 2015
	£000's	£000's
Equities - UK	371	288
Equities - Overseas	518	374
Gilts	49	57
Other Bonds	40	57
Property	149	124
Infrastructure	61	35
Cash	26	27
Alternative Assets	86	21
Target Return Portfolio	215	173
Total market value of assets	1,515	1,156
Present value of scheme liabilities		
- Funded	(4,267)	(2,688)
Deficit in the scheme	(2,752)	(1,532)

The total return on the fund assets for the year 31 August 2016 is £172,000

Total expenditure recognised in the Statement of Financial Activities

	2016	2015
	£000	£000
Service Cost	218	208
Current Service Cost	-	-
Net Interest cost	58	56
Interest on Obligation	-	-
Expected return	-	-
Administration Expenses	1	-
Total loss	277	264

Note 25: Pension and Similar Obligations (Continued)

The actual gains and losses for the current year are recognised in the statement of financial activities.

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

	2016 £'000	2015 £'000
At 1 September	2,688	2,369
Current service cost	218	208
Interest cost	108	99
Employee contributions	47	45
Actuarial loss	-	
Benefits paid	(12)	(32)
	-	
Change in Financial Assumptions	1,218	(1)
At 31 August	4,267	2,688

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

	2016 £'000	2015 £'000
At 1 September	1,156	998
Expected return on assets	-	-
Actuarial gains	-	-
Employer contributions	153	149
Employee contributions	47	45
Benefits paid	(12)	(32)
Interest on Assets	50	43
Return on plan assets (excluding net interest on the net defined pension liability)	122	(47)
Administration Expenses	(1)	-
At 31 August	1,515	1,156

Note 26: 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.

One related party transaction took place during the period 1 September 2015 to 31 August 2016:

- The trust purchased conference services including venue hire and catering at a total cost of £682.20 from Escot House In which Lucy Kennaway, a trustee has a majority interest. There were no amounts outstanding at 31 August 2016.

Note 27: Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards. Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below:

Reconciliation of total funds

	Note	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		14,802,083	14,717,313
Employee benefits accrual	B	-	-
Total funds reported under FRS 102		14,802,083	14,717,313

Reconciliation of net income/(expenditure)

Net income/(expenditure) previously reported under UK GAAP			(17,770)
Change in recognition of LGPS interest cost	A		(21,000)
Employee benefits accrual	B		-
Net movement in funds reported under FRS 102			(38,770)

A – Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit/debit to income/expense by £[0] and increase the credit/debit in other recognised gains and losses in the SoFA by an equivalent amount.

B – Recognition of outstanding employee benefits

No provision for outstanding holiday pay was made under previous UK GAAP. Under FRS 102 the costs of short-term employee benefits are recognised as a liability and an expense. Certain employees are entitled to carry forward up to [X days] of any unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received. A provision of £[0] was recognised at 1 September 2014, and £[0] at 31 August 2015. The movement on this provision of £[0] has been charged to the SOFA in the year ended 31 August 2015.



The
King's School
Ottery St. Mary