

**THE SIR JOHN COLFOX ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2015**

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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<b>Members</b>	E M Stones C Bath M Roberts
<b>Trustees</b>	S Andrews (appointed 12 November 2014) C Chandler (appointed 1 April 2015) <sup>1</sup> P Clifton (appointed 21 February 2015) <sup>2</sup> A Evans (appointed 1 April 2015) <sup>1,3,4</sup> A Ledgard (appointed 1 April 2015) <sup>1,3</sup> J Noonan (appointed 4 March 2015) <sup>5</sup> N Davies (appointed 4 March 2015) E M Stones, Chair of Trustees <sup>2,3,4</sup> C Bath, Vice Chair <sup>1,2,3,4,5</sup> M Roberts <sup>5</sup> D Jenkins (appointed 9 July 2015) <sup>2,5</sup> K Taylor, Headteacher (appointed 4 March 2015) <sup>1,5</sup>

- 1 Human Resources
- 2 Health and Safety
- 3 Pupil Disciplinary & Attendance
- 4 Strategic Planning
- 5 Finance

<b>Company registered number</b>	08561222
<b>Principal and registered office</b>	The Sir John Colfox Academy Ridgeway Bridport Dorset DT6 3DT
<b>Accounting Officer</b>	Kay Taylor
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
<b>Bankers</b>	Lloyds Bank 16 A High Street Cosham Portsmouth Dorset PO6 3BY
<b>Solicitors</b>	Stone King Boundry House 91 Charterhouse Street London EC1M 6HR

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2015**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 18 in Bridport. It has a pupil capacity of 1,049 and had a roll of 794 in the school census on 1 January 2015.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust was incorporated on 7th June 2013 and opened as an Academy on 1st April 2015, is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of The Sir John Colfox Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Sir John Colfox Academy.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

**Members' liability**

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 they cease to be a member.

**Trustees' Indemnities**

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

**TRUSTEES**

**Method of recruitment and appointment or election of Trustees**

On 1st April 2015 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 6 Trustees who are appointed by members.
- up to 1 LA Trustees who are appointed by the Local Authority.
- up to 2 Parent Trustees who are elected by Parents of registered pupils at the Academy.
- up to 2 staff Trustees appointed by Trustee board.
- up to 3 Community Trustees who are appointed by the Trustee board.
- the Headteacher who is treated for all purposes as being an ex officio Governor.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Training is organised based on an audit of need, and reviewed annually.

**Organisational Structure**

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are five committees as follows;

- Finance and Resources and Audit Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Strategic Planning Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Health and Safety Premises Committee
- Human Resources Committee
- Student Committee, includes attendance and behaviour

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteacher is the Accounting Officer.

**Connected Organisations, including Related Party Relationships**

There are no related parties which either control or significantly influence the decisions and operations of The Sir John Colfox Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and Aims**

At The Sir John Colfox Academy we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

### **Objectives, Strategies and Activities**

Key activities and targets were identified in the School Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status. The activities included the following:

- Implementing the curriculum reforms at GCSE and A level.
- Raising standards in core subjects.
- Ensuring high quality teaching and learning.
- Ensuring the new partnership with Yeovil College is effective.
- Moving towards a Multi Academy Trust.

### **Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

## **STRATEGIC REPORT**

### **Achievements and Performance**

The Academy is in its first year of operation and has exceeded the forecast number of students. The total number of students in the year ended 31 August 2015 was 794 but this has increased to 829 in September 2015 due to an increased intake in the sixth form.

At GCSE the Academy achieved 66% A\*-C including English and Maths. This is well above the national average and the Dorset average.

Disadvantaged students, including SEND students, performed exceptionally well with 70% of pupil premium achieving 5A\*-C including English and Maths and excellent progress for SEND students.

At A level 52% of students achieved A\*-B with 84% achieving A\*-C in academic qualifications. There was a 100% pass rate. All who applied through UCAS are attending universities of their choice.

### **Key Performance Indicators**

The main financial performance indicator is the level of reserve held at the Balance Sheet. The school ended the year with a balance of £17,754. This was in line with the predicted budget underspend. This reserve has been accrued to offset the impact of the loss of the sixth form transitional funding which otherwise would have led to a significant deficit in 2015-16. As a result a balanced budget has been set for 2015-16.

### **Going Concern**

After making appropriate enquiries, the Board of Trustees has the 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.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the period ended 31 August 2015, (not including fixed asset funds, pension reserves and the transfer on conversion) the Academy received total income of £2,326,692 and incurred total expenditure of £2,214,364. The excess of income over expenditure for the year was £112,328.

The balance of the former school's budget share £192,918 was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

**Reserves Policy**

The Trustees are in the process of formulating a reserves policy. They will be taking into account the nature of income and expenditure streams, present and future, the need to match income with commitments and the nature of reserves. The total of unspent General Annual Grant and unrestricted funds held at year end were £295,246, representing less than 1 month of normal expenditure. £192,918 of this represents the surplus transferred on conversion. Unspent capital reserves at 31 August 2015 were £205,508, £187,362 representing the sinking fund transferred from Dorset County Council to be used for additions to ICT.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

**Investment Policy**

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Finance Director within strict guidelines approved by the Board of Trustees.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 97% of the Academy's recurring incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2015**

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Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed an internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy is developing a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan will be regularly reviewed in light of any new information and formally reviewed annually.

The reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**PLANS FOR FUTURE PERIODS**

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our School Improvement Plan, which is available from the Clerk to the Trustees.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

**AUDITORS**

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as company directors, on 10 December 2015 and signed on the board's behalf by:

**E M Stones  
Chair of Trustees**

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As Trustees, we acknowledge we have overall responsibility for ensuring that The Sir John Colfox 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 Sir John Colfox Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

In preparation for becoming an Academy, the Trustees have reviewed and developed their committee structures and terms of reference to make them relevant for operating as an academy trust. They have also considered the skill base of the Trustees, identifying areas to inform recruitment and/or training. Such reviews will be undertaken again in the forthcoming year in readiness for operating as a Multi-Academy Trust.

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Andrews	3	3
C Chandler	0	3
P Clifton	3	3
A Evans	3	3
A Ledger	1	3
J Noonan	0	3
N Davies	3	3
E M Stones, Chair of Trustees	3	3
C Bath, Vice Chair	3	3
M Roberts	3	3
D Jenkins	3	3
K Taylor, Headteacher	3	3

There have been no changes in the composition of the board of trustees during this period.

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity, and maintain an oversight of governance, risk management, internal controls and value for money framework. The audit committee is incorporated into the Finance Committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C Bath	1	1
D Jenkins	1	1
J Noonan	1	1
M Roberts	1	1
K Taylor, Headteacher	1	1

**GOVERNANCE STATEMENT (continued)**

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**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 period since 1 April 2015 by:

- Negotiating more advantageous discounts for stationery and consumables.
- Benchmarking expenditure on Information and Computer Technology and photocopying.

The Academy Trust has only been operating for 5 months, but further work on Value for Money will be taking place over the next 12 months.

**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 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 Sir John Colfox Academy Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the academy 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's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

The academy'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 Finance 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 to appoint South West Audit Partnership as internal auditor.

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

- Assurance over the central framework in relation to payroll and expenses, income and risk management.

**THE SIR JOHN COLFOX ACADEMY TRUST  
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**GOVERNANCE STATEMENT (continued)**

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On a semi-annual basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**REVIEW OF EFFECTIVENESS**

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 10 December 2015 and signed on its behalf, by:

**E M Stones**  
**Chair of Trustees**

**K Taylor, Headteacher**  
**Accounting Officer**

**THE SIR JOHN COLFOX ACADEMY TRUST  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of The Sir John Colfox Academy Trust I have considered my responsibility to notify the academy 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 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 board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook.

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.

**K Taylor, Headteacher  
Accounting Officer**

Date: 10 December 2015

**THE SIR JOHN COLFOX ACADEMY TRUST  
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**TRUSTEES' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

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The Trustees (who act as governors of The Sir John Colfox Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 and signed on its behalf by:

**E M Stones**  
**Chair of Trustees**

**Date: 10 December 2015**

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SIR JOHN COLFOX ACADEMY TRUST**

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We have audited the financial statements of The Sir John Colfox Academy Trust for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SIR JOHN COLFOX ACADEMY TRUST**

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**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 all the information and explanations we require for our audit.

Tim Borton FCA DChA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

22 December 2015

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE SIR  
JOHN COLFOX ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 7 May 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Sir John Colfox Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF THE SIR JOHN COLFOX ACADEMY TRUST'S ACCOUNTING  
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Sir John Colfox Academy Trust's funding agreement with the Secretary of State for Education dated 19 March 2015, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by 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's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE SIR  
JOHN COLFOX ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

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**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 year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Tim Borton FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

22 December 2015

**THE SIR JOHN COLFOX ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating income and expenditure account and statement of total recognised gains and losses)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	2	9,367	-	-	9,367	-
Activities for generating funds	3	2,823	-	-	2,823	-
Investment income	4	228	-	-	228	-
Incoming resources from charitable activities	5	66,920	2,247,354	18,558	2,332,832	-
<b>TOTAL INCOMING RESOURCES</b>		<b>79,338</b>	<b>2,247,354</b>	<b>18,558</b>	<b>2,345,250</b>	-
<b>RESOURCES EXPENDED</b>						
Charitable activities		60,658	2,139,931	22,862	2,223,451	-
Governance costs	9	-	39,775	-	39,775	-
Transfer from Local Authority on conversion	23	(192,918)	602,000	(278,812)	130,270	-
<b>TOTAL RESOURCES EXPENDED</b>	6	<b>(132,260)</b>	<b>2,781,706</b>	<b>(255,950)</b>	<b>2,393,496</b>	-
<b>NET INCOMING / (OUTGOING) RESOURCES BEFORE REVALUATIONS</b>		<b>211,598</b>	<b>(534,352)</b>	<b>274,508</b>	<b>(48,246)</b>	-
Actuarial gains and losses on defined benefit pension schemes		-	66,000	-	66,000	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>211,598</b>	<b>(468,352)</b>	<b>274,508</b>	<b>17,754</b>	-
Total funds at 1 September		-	-	-	-	-
<b>TOTAL FUNDS AT 31 AUGUST</b>		<b>211,598</b>	<b>(468,352)</b>	<b>274,508</b>	<b>17,754</b>	-

All activities relate to continuing operations.

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

The notes on pages 20 to 38 form part of these financial statements.

**THE SIR JOHN COLFOX ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 08561222**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	2014 £
<b>FIXED ASSETS</b>					
Tangible assets	14		68,588		-
<b>CURRENT ASSETS</b>					
Debtors	15	153,786		-	
Cash at bank and in hand		648,875		-	
		<u>802,661</u>		<u>-</u>	
<b>CREDITORS:</b> amounts falling due within one year	16	(291,495)		-	
<b>NET CURRENT ASSETS</b>			<u>511,166</u>		<u>-</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>579,754</u>		<u>-</u>
Defined benefit pension scheme liability	24	(562,000)			
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>17,754</u></u>		<u><u>-</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
General funds	17	93,648		-	
Fixed asset funds	17	274,508		-	
		<u>368,156</u>		<u>-</u>	
Restricted funds excluding pension liability				-	
Pension reserve		<u>(562,000)</u>		<u>-</u>	
Total restricted funds			<u>(193,844)</u>		<u>-</u>
Unrestricted funds	17		<u>211,598</u>		<u>-</u>
<b>TOTAL FUNDS</b>			<u><u>17,754</u></u>		<u><u>-</u></u>

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

**E M Stones**  
**Chair of Trustees**

The notes on pages 20 to 38 form part of these financial statements.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

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	<b>Note</b>	<b>31 August 2015 £</b>	<b>Period 31 August 2014 £</b>
Net cash flow from operating activities	19	442,727	-
Returns on investments and servicing of finance	20	228	-
Capital expenditure and financial investment	20	205,920	-
<b>INCREASE IN CASH IN THE YEAR</b>		<b>648,875</b>	<b>-</b>

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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	<b>31 August 2015 £</b>	<b>Period 31 August 2014 £</b>
Increase in cash in the year	648,875	-
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>648,875</b>	<b>-</b>
<b>NET FUNDS AT 31 AUGUST 2015</b>	<b>648,875</b>	<b>-</b>

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The notes on pages 20 to 38 form part of these financial statements.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

**1.2 FUND ACCOUNTING**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 from the Department for Education.

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

**1.3 INCOMING RESOURCES**

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**1. ACCOUNTING POLICIES (continued)**

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

**1.4 RESOURCES EXPENDED**

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

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

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy'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.

**1.5 GOING CONCERN**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the year ended 31 August 2015.

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £50 are capitalised.

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 are 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's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**1. ACCOUNTING POLICIES (continued)**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	-	25% Reducing balance
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**1.7 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**1.8 TAXATION**

The academy 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 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.

**1.9 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.10 CONVERSION TO AN ACADEMY TRUST**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from The Sir John Colfox School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Sir John Colfox Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted funds and restricted fixed asset funds.

Fixed assets have been included at amounts valued by the trustees.

Further details of the transaction are set out in note 23.

**1.11 AGENCY ARRANGEMENTS**

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 27.

**2. VOLUNTARY INCOME**

	<b>Unrestricted funds 2015 £</b>	<b>Restricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Donations	<u>9,367</u>	-	<u>9,367</u>	-

**3. ACTIVITIES FOR GENERATING FUNDS**

	<b>Unrestricted funds 2015 £</b>	<b>Restricted funds 2015 £</b>	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Lettings	438	-	438	-
Consultancy	2,385	-	2,385	-
	<u>2,823</u>	-	<u>2,823</u>	-

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**4. INVESTMENT INCOME**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	228	-	228	-
	<u>228</u>	<u>-</u>	<u>228</u>	<u>-</u>

**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>DfE/EFA grants</b>				
Capital Grants	-	18,558	18,558	-
General Annual Grant	-	2,130,376	2,130,376	-
Start up Grants	-	25,000	25,000	-
Other DfE/EFA grants	-	86,346	86,346	-
	<u>-</u>	<u>2,260,280</u>	<u>2,260,280</u>	<u>-</u>
<b>Other Government grants</b>				
High Needs	-	5,632	5,632	-
	<u>-</u>	<u>5,632</u>	<u>5,632</u>	<u>-</u>
<b>Other funding</b>				
Sales to students	1,878	-	1,878	-
Trip income	65,042	-	65,042	-
	<u>66,920</u>	<u>-</u>	<u>66,920</u>	<u>-</u>
	<u>66,920</u>	<u>2,265,912</u>	<u>2,332,832</u>	<u>-</u>

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**6. RESOURCES EXPENDED**

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other	2015	2014
	£	2015	2015	£	£
		£	£		
Direct costs	1,208,970	25,275	179,450	1,413,695	-
Support costs	122,135	600,450	87,171	809,756	-
<b>CHARITABLE ACTIVITIES</b>	<b>1,331,105</b>	<b>625,725</b>	<b>266,621</b>	<b>2,223,451</b>	<b>-</b>
<b>GOVERNANCE</b>	-	-	39,775	39,775	-
<b>TRANSFER FROM LOCAL AUTHORITY ON CONVERSION</b>	-	-	130,270	130,270	-
	<b>1,331,105</b>	<b>625,725</b>	<b>436,666</b>	<b>2,393,496</b>	<b>-</b>

**7. DIRECT COSTS**

	Total 2015 £	Total 2014 £
Pension finance costs	6,000	-
Educational supplies	33,892	-
Examination fees	64,127	-
Staff development	1,931	-
Other costs	61,894	-
Supply teachers	1,206	-
Technology costs	16,142	-
Wages and salaries	978,772	-
National insurance	75,262	-
Pension cost	153,730	-
Depreciation	20,739	-
	<b>1,413,695</b>	<b>-</b>

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**8. SUPPORT COSTS**

	<b>Total 2015 £</b>	<b>Total 2014 £</b>
Recruitment and support	3,445	-
Maintenance of premises and equipment	13,352	-
Rent and rates	14,463	-
Insurance	16,117	-
Security and transport	3,048	-
Catering	10,658	-
Technology costs	5,566	-
Office overheads	7,630	-
Legal and professional	55,347	-
PFI agreement costs	555,872	-
Wages and salaries	104,639	-
National insurance	5,161	-
Pension cost	12,335	-
Depreciation	2,123	-
	<u>809,756</u>	<u>-</u>

**9. GOVERNANCE COSTS**

	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Internal audit costs	1,950	-
Auditors' remuneration	6,300	-
Auditors' non audit costs	3,080	-
Legal and Professional	28,445	-
	<u>39,775</u>	<u>-</u>

**10. NET INCOMING / (OUTGOING) RESOURCES**

This is stated after charging:

	<b>31 August 2015 £</b>	<b>Period 31 August 2014 £</b>
Depreciation of tangible fixed assets:		
- owned by the charity	22,862	-
Auditors' remuneration	6,300	-
Auditors' remuneration - non-audit	3,080	-
Internal audit costs	1,950	-
Operating lease rentals:		
- other operating leases	9,784	-
PFI arrangement costs	555,872	-
	<u>599,808</u>	<u>-</u>

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**11. STAFF**

**a. Staff costs**

Staff costs were as follows:

	<b>31 August 2015 £</b>	Period 31 August 2014 £
Wages and salaries	1,083,411	-
Social security costs	80,423	-
Pension costs	166,065	-
	<u>1,329,899</u>	<u>-</u>
Supply teacher costs	1,206	-
	<u>1,331,105</u>	<u>-</u>

**b. Staff numbers**

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	<b>31 August 2015 No.</b>	Period 31 August 2014 No.
Teachers	42	0
Administration and support	29	0
Management	7	0
	<u>78</u>	<u>0</u>

**c. Higher paid staff**

No employee received remuneration amounting to more than £60,000 in either year.

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

During the year retirement benefits were accruing to 3 Trustees (2014: NIL) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2014: £Nil).

During the year ended 31 August 2015, expenses totalling £301 (2014: £Nil) were reimbursed to 1 Trustee (2014: £Nil).

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits for the 5 month period was as follows: K Taylor: Remuneration £35,001 - £40,000 (2014: £nil), Employer's pension contributions £5,001 - £10,000 (2014: £nil), S Andrews: Remuneration £15,001 - £20,000 (2014: £nil), Employer's pension contributions £1 - £5,000 (2014: £nil), P Clifton: Remuneration £1 - £5,000 (2014: £nil), Employer's pension contributions £1 - £5,000 (2014: £nil).

**13. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £503. The cost of this insurance is included in the total insurance cost.

**14. TANGIBLE FIXED ASSETS**

	<b>Computer equipment £</b>
<b>COST</b>	
Transfer on conversion	<b>91,450</b>
At 31 August 2015	<b>91,450</b>
<b>DEPRECIATION</b>	
Charge for the year	<b>22,862</b>
At 31 August 2015	<b>22,862</b>
<b>NET BOOK VALUE</b>	
At 31 August 2015	<b>68,588</b>
At 31 August 2014	<b>-</b>

**THE SIR JOHN COLFOX ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

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**15. DEBTORS**

	2015 £	2014 £
Trade debtors	2,830	-
VAT recoverable	116,883	-
Prepayments and accrued income	34,073	-
	<u>153,786</u>	<u>-</u>

**16. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	7,649	-
Other creditors	101,020	-
Accruals and deferred income	182,826	-
	<u>291,495</u>	<u>-</u>

**DEFERRED INCOME**

Resources deferred during the year	<u>25,307</u>
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At the balance sheet date the Academy was holding funds received in advance for rates income relating to the 2015/16 year.

**THE SIR JOHN COLFOX ACADEMY TRUST  
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**17. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>					
Unrestricted funds	-	79,338	132,260	-	211,598
<b>RESTRICTED FUNDS</b>					
General Annual Grant (GAG)	-	2,130,376	(2,046,728)	-	83,648
High needs	-	5,632	(5,632)	-	-
Pupil premium	-	46,346	(36,346)	-	10,000
Start up grant	-	25,000	(25,000)	-	-
Other restricted funds	-	40,000	(40,000)	-	-
Pension reserve	-	-	(628,000)	66,000	(562,000)
	-	2,247,354	(2,781,706)	66,000	(468,352)
<b>RESTRICTED FIXED ASSET FUNDS</b>					
Fixed assets transferred on conversion	-	-	68,588	-	68,588
DfE/EFA Capital grants	-	18,558	-	-	18,558
ICT sinking fund	-	-	187,362	-	187,362
	-	18,558	255,950	-	274,508
Total restricted funds	-	2,265,912	(2,525,756)	66,000	(193,844)
Total of funds	-	2,345,250	(2,393,496)	66,000	17,754

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

General annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Start up grant - This represents one off funding received from the EFA to contribute to the cost of converting from a school to an academy.

Assets donated from the local authority - This represents the school's funding surplus on conversion to an academy.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

Pupil Premium - Pupil premium represents funding received from the EFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Special needs funding - Funding received by the Local Authority to fund further support for students with additional needs.

Other restricted funds - Income from the EFA which is to be used to fund the 6th form and cover the rates expenditure incurred by the Academy.

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**17. STATEMENT OF FUNDS (continued)**

DfE/EFA Capital Grants - These funds are received for the direct expenditure on fixed asset projects.  
ICT sinking fund - This is a transfer from the local authority which is to be used for the additions to and improvement of ICT.

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

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

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

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	68,588	68,588	-
Current assets	211,598	385,143	205,920	802,661	-
Creditors due within one year	-	(291,495)	-	(291,495)	-
Provisions for liabilities and charges	-	(562,000)	-	(562,000)	-
	<u>211,598</u>	<u>(468,352)</u>	<u>274,508</u>	<u>17,754</u>	<u>-</u>

**19. NET CASH FLOW FROM OPERATING ACTIVITIES**

	31 August 2015 £	Period 31 August 2014 £
Net incoming resources before revaluations	(48,246)	-
Returns on investments and servicing of finance	(228)	-
Fixed assets transferred on conversion	(91,450)	-
Pension deficit on conversion	602,000	-
Depreciation of tangible fixed assets	22,862	-
Capital fund transferred on conversion	(187,362)	-
Capital grants	(18,558)	-
Increase in debtors	(153,786)	-
Increase in creditors	291,495	-
Defined benefit pension scheme adjustments	20,000	-
FRS17 pension costs less contributions paid	6,000	-
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<u>442,727</u>	<u>-</u>

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**20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	<b>31 August 2015 £</b>	Period 31 August 2014 £
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	<u>228</u>	<u>-</u>
	<b>31 August 2015 £</b>	Period 31 August 2014 £
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		
Capital grants	<u>205,920</u>	<u>-</u>

**21. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>1 September 2014 £</b>	<b>Cash flow £</b>	<b>Other non-cash changes £</b>	<b>31 August 2015 £</b>
Cash at bank and in hand:	-	648,875	-	648,875
<b>NET FUNDS</b>	<u>-</u>	<u>648,875</u>	<u>-</u>	<u>648,875</u>

**22. 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.

**23. CONVERSION TO AN ACADEMY TRUST**

On 1 April 2015 The Sir John Colfox School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Sir John Colfox Academy Trust from Dorset County Council for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net resources expended in the Statement of financial activities as other resources expended.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

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**23. CONVERSION TO AN ACADEMY TRUST (continued)**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	91,450	91,450
Budget surplus/(deficit) on LA funds	192,918	-	-	192,918
LGPS pension surplus/(deficit)	-	(602,000)	-	(602,000)
ICT sinking fund	-	-	187,362	187,362
	<u>192,918</u>	<u>(602,000)</u>	<u>278,812</u>	<u>(130,270)</u>
Net assets/(liabilities)	<u>192,918</u>	<u>(602,000)</u>	<u>278,812</u>	<u>(130,270)</u>

The above net assets include £380,280 that were transferred as cash.

**24. PENSION COMMITMENTS**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset County Council. 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%);

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**24. PENSION COMMITMENTS (continued)**

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

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

The pension costs paid to TPS in the period amounted to £124,587 (2014: £0).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £37,000, of which employer's contributions totalled £28,000 and employees' contributions totalled £9,000. The agreed contribution rates for future years are 15.4% for employers and 5.5% - 5.8% 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 of this Academy would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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

	<b>Expected return at 31 August 2015 %</b>	<b>Fair value at 31 August 2015 £</b>	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities and Gilts	5.30	291,000	-	-
Bonds	5.30	55,000	-	-
Cash	5.30	17,000	-	-
Property and Infrastructure	5.30	49,000	-	-
Other investments	5.30	22,000	-	-
Total market value of assets		<u>434,000</u>		-
Present value of scheme liabilities		<u>(996,000)</u>		-
(Deficit)/surplus in the scheme		<u><u>(562,000)</u></u>		<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**24. PENSION COMMITMENTS (continued)**

The amounts recognised in the Balance sheet are as follows:

	<b>31 August 2015 £</b>	Period 31 August 2014 £
Present value of funded obligations	<b>(996,000)</b>	-
Fair value of scheme assets	<b>434,000</b>	-
	<hr/>	<hr/>
Net liability	<b>(562,000)</b>	-
	<hr/> <hr/>	<hr/> <hr/>

The amounts recognised in the Statement of financial activities are as follows:

	<b>31 August 2015 £</b>	Period 31 August 2014 £
Current service cost	<b>(48,000)</b>	-
Interest on obligation	<b>(15,000)</b>	-
Expected return on scheme assets	<b>9,000</b>	-
	<hr/>	<hr/>
Total	<b>(54,000)</b>	-
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>31 August 2015 £</b>	Period 31 August 2014 £
Current service cost	<b>48,000</b>	-
Interest cost	<b>15,000</b>	-
Contributions by scheme participants	<b>9,000</b>	-
Actuarial Gains	<b>(84,000)</b>	-
Liabilities transferred on conversion	<b>1,008,000</b>	-
	<hr/>	<hr/>
Closing defined benefit obligation	<b>996,000</b>	-
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**24. PENSION COMMITMENTS (continued)**

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

	<b>31 August 2015 £</b>	Period 31 August 2014 £
Expected return on assets	9,000	-
Actuarial gains and (losses)	(18,000)	-
Contributions by employer	28,000	-
Contributions by employees	9,000	-
Assets transferred on conversion	406,000	-
	<u>434,000</u>	<u>-</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £66,000 gain (2014: £Nil).

The academy expects to contribute £67,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2015</b>	2014
Equities and Gilts	67.00 %	- %
Bonds	13.00 %	- %
Cash	4.00 %	- %
Property and Infrastructure	11.00 %	- %
Other investments	5.00 %	- %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>2015</b>	2014
Discount rate for scheme liabilities	4.00 %	- %
Expected return on scheme assets at 31 August	5.30 %	- %
Rate of increase in salaries	4.20 %	- %
Rate of increase for pensions in payment / inflation	2.70 %	- %
Inflation assumption (CPI)	2.70 %	- %

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

	<b>2015</b>	2014
Retiring today		
Males	22.8	
Females	25.2	
Retiring in 20 years		
Males	25.1	
Females	27.6	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**24. PENSION COMMITMENTS (continued)**

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £	2011 £
Defined benefit obligation	(996,000)	-	-	-	-
Scheme assets	434,000	-	-	-	-
Deficit	(562,000)	-	-	-	-
Experience adjustments on scheme liabilities	84,000	-	-	-	-
Experience adjustments on scheme assets	(18,000)	-	-	-	-

**25. OPERATING LEASE COMMITMENTS**

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

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
<b>EXPIRY DATE:</b>				
Within 1 year	-	-	4,616	-
Between 2 and 5 years	-	-	3,726	-
After more than 5 years	1,357,242	-	-	-

The Academy has in place a School Agreement with Dorset County Council concerning a Private Financing Initiative (PFI) agreement dated 19 March 2015. The annual commitment for the Academy is made up of fixed and variable costs depending on the level of activity for the year. The costs are adjusted annually based on the RPI percentage for the past year.

The annual commitment for the year ended 31 August 2015 as above is based on the amount due for the year ended 31 March 2016 without any inflationary adjustment. £237,678 of the commitment will be paid from General Annual Grant. The balance of £1,119,564 is covered by additional funding from the EFA.

**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, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The following transactions took place in the year:

E Jenkins - spouse of Trustee D Jenkins. E Jenkins was employed under normal terms by the Academy

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**26. RELATED PARTY TRANSACTIONS (continued)**

during the year. Remuneration totalling £474 and employer's pension contributions of £nil was paid through the payroll during the year since D Jenkins was appointed as Trustee. There were no amounts outstanding at the year end

Remuneration paid to staff Trustees is detailed in note 12.

**27. AGENCY ARRANGEMENTS**

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting year ending 31 August 2015 the trust received £3,222 and distributed £3,222 from the fund. No amounts were left outstanding at the year end.