



**COTHAM SCHOOL**  
**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Year ended 31 August 2015**

Company Registration Number:  
07732888 (England and Wales)

# Cotham School

## Contents

---

	Page
Reference and Administrative Details	1
Governors' Report	3
Governance Statement	13
Statement on Regularity, Propriety and Compliance	17
Statement of Governors' Responsibilities	18
Independent Auditor's Report on the Financial Statements	19
Statement of Financial Activities incorporating Income & Expenditure Account	21
Balance Sheet	22
Cash Flow Statement	23
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	24
Other Notes to the Financial Statements	27

# Cotham School

Reference and Administrative Details  
For the year ended 31 August 2015

Governors (Trustees) (NB all Governors are directors of Cotham School)	Jim Bowyer * Dora Alderson  Dave Brockington Ed Carpenter * Andrew Ellis ** Jo Feather Caroline Francis Sandra Fryer*	(Chair) (Chair of Personnel and Cotham Training Committee)   (from 03 October 2014) (Chair of Finance, Premises and General Purposes Committee)
	Helen Gordon Bill Greenslade Claire Grocott **	(until 14/11/2014) Chair of Learning and Wellbeing Committee)
	Jeremy Krause ** Lesley Spring ** Sujitha Subramanian** Malcolm Willis	(until 10/06/2015) (Headteacher and Accounting Officer until 31 August 2015)
	Joanne Butler	(Headteacher and Accounting Officer from 01 September 2015)
	David Winter ** David Yorath *	(Chair of Audit Committee)

\* Member of the Finance, Premises and General Purposes Committee

\*\* Member of the Audit Committee

Company Secretary	Leanne Sowersby	
Internal Auditor	Robert Skinner Bristol City Council Internal Audit Service	Until November 2014 Since February 2015

## Senior Management Team

Headteacher	Dr Malcolm Willis Joanne Butler	(until 31 August 2015) (from 01 September 2015)
Deputy Head KS3	Christine Ansell	
Deputy Head KS4	Svetlana Bajic-Raymond	
Director NBP16	Marian Curran	
Assistant Head KS4	John Heayberd	
Assistant Head KS3	Caroline Francis	
Assistant Head P16	Aimi Bisco	
Business Manager	Mel Sperring	
Principal and Registered Office	Cotham School Cotham Lawn Road Bristol BS6 6DT	

# Cotham School

Reference and Administrative Details  
For the year ended 31 August 2015

---

Company Registration Number	07732888 (England and Wales)
Independent Auditor	RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) Hartwell House 55 – 61 Victoria Street Bristol BS1 6AD
Bankers	Lloyds Bank 284 Wells Road Knowle Bristol BS4 2PY
Solicitors	Veale Wasborough Vizards Orchard Court Orchard Lane Bristol BS1 5WS

# Cotham School

## Report of the Governors

For the year ended 31 August 2015

---

The Governors (who are Governors under the Academies Act 2010, Trustees under the Charities Act 2011 and Directors under the Companies Act 2006), present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Governing Body operates an academy for students aged 11 – 18 serving a catchment area in North Central Bristol. It has a student capacity of 1080 in years 7 – 11 and a roll of 1075, with an additional 432 students in Post 16 as per the school census in October 2015.

Cotham School has adopted the Cooperative Academy Memorandum and Articles of Association.

### **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 Governors act as the trustees for the charitable activities of Cotham School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Cotham School.

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

#### Governors' Indemnities

Subject to the provisions of the Companies Act 2006, the Governors (Directors) of the School shall be indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties, the limit of this indemnity is £5,000,000.

#### Method of Recruitment and Appointment or Election of Governors

The strategic management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Memorandum and Articles of Association.

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected provided that no Governor may serve more than three terms of office unless a resolution approving the arrangement is passed by the Forum. The Governors who were in office at 31 August 2015 and who served during the year are listed on page 1.

#### Policies and Procedures Adopted for the Induction and Training of Governors

When a new Governor is appointed a needs' assessment is undertaken. The training and induction provided for each new Governor will be based on this assessment and may include training on educational, legal or financial matters. The Governing Body has access to funds to provide external training where necessary. All new Governors will be invited to meet with the Headteacher and Chair of Governors and given the opportunity to have a tour of the School, and to meet with staff and students. New Governors are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Governors. As there is expected to be only a small number of new Governors in any one year, induction will be carried out informally and will be tailored specifically to the individual.

---

# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

---

### Organisational Structure

The management structure consists of three levels:

The Governors, the Senior Leadership Team and the various School Teams e.g. Curriculum Team Leaders.

The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Governors are responsible for the strategic direction of the Academy, approving policy, adopting an annual plan and budget, monitoring the performance of the Academy and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Governing Body meets at least six times per academic year to receive reports from its committees and manage its business.

There are three main committees:

**The Finance, Premises and General Purposes Committee** which meets six times per year to receive and review budget monitoring reports and the three year budget forecast, internal audit reports, risk management, health and safety and to strategically review the annual maintenance and development plans.

**The Personnel and Training Committee** which meets six times per year to review human resources issues including the staffing structure, professional development, and policy.

**The Learning and Wellbeing Committee** which meets six times per year to review student achievement, wellbeing and the curriculum.

Other committees are:

**The Audit Committee** would normally meet three times per year to review the effectiveness of financial and other control systems, risk management and internal audit recommendations. During the year, due to ill health, the School changed Internal Auditor. As a result the Audit Committee only met once, however a full programme of audits and meetings has been agreed for 2015 – 2016 and beyond.

The Senior Leadership Team is comprised of the Head Teacher, Deputy Head Teachers, Assistant Heads and the Business Manager. The Leadership Team manage the School at a day to day level, implementing the policies laid down by the Governors and reporting back to them.

### Connected Organisations, including Related Party Relationships

The North Bristol Post 16 Centre is managed in a federation with Redland Green School. The Centre enables a wide and diverse range of course choices and combinations across the two school sites. Enrichment activities such as student exchanges, visits, performing arts, maths & computing activities make a significant contribution to learners' enjoyment, achievement and wider personal development.

Cotham School is a Cooperative Academy and the Cooperative Schools Group has the right to appoint a Governor.

The land and buildings were transferred to the Academy from Bristol City Council who have the right to appoint a Governor.

# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

---

### Objectives and Activities

#### Objects and Aims

The principal object and activity of the charitable company is the operation of Cotham School to advance, for the public benefit, education for students of different abilities between the ages of 11 and 19 with an emphasis on The Performing Arts, Maths and Computing.

The Governors confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the School's aims and objectives.

The charitable company has agreed within the provisions of the Funding Agreement between the Trustees and Secretary of State the following characteristics of the School:

- The School will be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community;
- The School will offer a broad and balanced curriculum with emphasis on the Performing Arts and Maths and Computing;
- The School will provide education for pupils of different abilities; and
- The School will provide education for pupils who are mainly drawn from the area in which the School is situated.

The main aims and objectives of the School during the year ended 31 August 2015 are summarised below:

#### **Priority 1. TO FURTHER IMPROVE STUDENT OUTCOMES**

##### **Objectives:**

- To ensure all students make expected or better than expected progress
- To close the gap between Pupil Premium, boys, and non Pupil Premium students

##### **Core Approaches:**

- Personalise strategies for Pupil Premium students
- Differentiate by task and teaching and learning styles
- Further develop the whole-school approaches to literacy, numeracy and oracy
- Further develop the role of the form tutor with an emphasis upon supporting learning and attitudes to learning

#### **Priority 2. TO FURTHER IMPROVE THE QUALITY OF LEARNING & TEACHING**

##### **Objectives:**

- To ensure that the quality of teaching and learning enables all students to make rapid and sustained progress

##### **Core Approaches:**

- Staff consistently adhere to the 'Positive Classroom Environment' guidelines
  - Students to receive high quality feedback through dialogue with staff and act upon the feedback given
  - Differentiation to support students making rapid and sustained progress
  - Continued Professional Development on Teaching and Learning, through teachers working collaboratively, to develop strategies that enable all students to make rapid and sustained progress
-



# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

---

### **Priority 3. TO FURTHER IMPROVE STUDENT BEHAVIOUR**

#### **Objectives:**

- To ensure that the behaviour of students reflects the ethos and values of the School
- To further reduce all behaviour incidents for Pupil Premium, Black and Minority Ethnic & boys

#### **Core Approaches:**

- Develop the behaviour management of staff with an emphasis upon positive classrooms so that staff take ownership of student behaviour in all contexts
- Curriculum and year teams to use behaviour data in order to identify behaviour issues and implement intervention strategies for improvement
- Staff to regularly record positive students' behaviours into SIMS

### **Priority 4. TO FURTHER STRENGTHEN LEADERSHIP AND MANAGEMENT**

#### **Objectives:**

- To develop the shared vision for the School at all levels of leadership and management
- To maintain a relentless focus upon developing high quality teaching, leadership capacity and exemplary professional standards among all staff

#### **Core Approaches:**

- Ensure all teaching staff benefit from appropriate professional development, performance is rigorously managed and Performance Related Pay fairly and effectively implemented
- Maintain and further enhance the School's self-evaluation processes with swift and effective actions that deliver improvement
- To support the Governors maintaining robust challenge for the School
- To support the achievement of the Investor in Careers Award

### **Public Benefit**

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's general guidelines on public benefit.

### **Strategic Report**

#### **Achievements and Performance**

#### **Key Performance Indicators**

Analysis of public examination outcomes for the academic year 2014/15:

Cotham School has high aspirations for its students and a drive for continuous improvement. The School's analysis of examination performance is thorough, and much use is made of performance and benchmarking data from a range of sources.



# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

### Key Stage 3

At Key Stage 3 (Years 7-9) the school has a continuing trend of high attainment with results over the last three years detailed below:

English	2013	National Results 2013	2014	2015	School Targets 2015
L5+	88	86	90	90	90
L6+	62	55	60	64	72
Maths	2013	2013	2014	2015	2015
L5+	90	84	87	90	91
L6+	79	62	73	78	78
Science	2013	2013	2014	2015	2015
L5+	92	85	92	94	95
L6+	74	56	75	73	80

The Level 5+ and Level 6+ figures are excellent and reflect the considerable amount of literacy and numeracy intervention that has taken place over KS3. The School targets were very challenging and set at above expected progress between KS2 and KS3. Statutory testing at KS3 ceased in 2013 therefore no national results are available for 2014 and beyond.

### Key Stage 4 results (4 year trend against national)

PERFORMANCE INDICATORS	2011/12	NATIONAL 2012	2012/13	NATIONAL 2013	2013/14	NATIONAL 2014	2014/15*
Cohort no.	171		177		180	N/A	189
Average capped 8 point score	527	474	540	461	491	307	329**
5A*-C inc. En&Ma %	56	58	64	60	79	55	64
5A*-C %	79	82	80	82	84	64	71
5A*-G %	98	95	97	95	99	92	98
EBacc %	18	16	32	22	41	24	33
3+levels of progress English %	74	67	66	69	84	72	72
3+levels of progress Maths %	70	68	83	70	89	66	86
4+levels of progress English %	38	28	31	30	41	32	42
4+levels of progress Maths	36	31	46	32	56	29	51
Value added (best 8) progress measure	1012.9 Sig+	1000	1007.0 Above average	1000	1021.1 Sig +	1000	1014.0 (based on 2014 this would be sig+)

\*2015 results are still provisional subject to re-marks and some adjustment to the cohort numbers. The profile of the cohort on entry was much weaker than in 2014.

\*\* APS calculation has changed due to some subjects being dis-applied from the performance measures or their point values reduced

National averages for 2015 are not yet available

# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

### Post 16 (Key Stage 5) Outcomes 2015 (provisional)

#### A2 Summary of Results 2015: Cotham Learning Community and Centre

A2 LEVEL - provisional		NBP16 2012	NBP16 2013	NBP16 2014	NBP16 2015
No. students	Centre	339	321	321	375
	Cotham	178	187	149	178
A*	Centre	7.7%	13.0%	9.0%	9%
	Cotham	10.1%	12.2%	7.0%	9%
	National Average	7.9%	7.6%	8.2%	8.2%
A*-A	Centre	26.5%	34.0%	26.0%	28%
	Cotham School	33.3%	34.4%	22.0%	27%
	National Average	26.0%	26.3%	25.7%	25.9%
A*-B	Centre	54.3%	62.5%	53.0%	58%
	Cotham	61.1%	64.8%	44.0%	56%
	National Average	52.6%	52.9%	50.4%	54.5%
A-E	Centre	98.4%	99.5%	99.0%	99.2%
	Cotham	98.0%	99.8%	99.2%	98.1%
	National Average	98.0%	98.6%	97.4%	98.3%
Average point score per entry	Centre	222.7	224.1	225.6	229.8
	Cotham	223.2	226.3	219.6	228.0
Average point score per student	Centre	807.7	789.5	757.0	766.3
	Cotham	829.0	787.0	705.5	746.3

#### Cotham Targets:

Average point score per entry: 216

Average point score per student: 693

# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

### AS Summary of Results 2015: Cotham Learning Community and Centre

AS LEVEL – provisional		NBP16 2012	NBP16 2013	NPB16 2014	NBP16 2015
No. students	Centre	458	405	447	448
A-B	Centre	44.0%	36.8%	47.0%	45%
	Cotham	45.8%	28.8%	41.0%	37%
	National Average	39.6%	39.8%	38.2%	40.9%
A-C	Centre	63.6%	61.3%	70.0%	65%
	Cotham	65.6%	50.2%	65.0%	58%
	National Average	65.6%	60.8%	58.4%	62.2%
A-E	Centre	88.4%	90.0%	93.0%	94%
	Cotham	88.5%	84.0%	91.0%	88%
	National Average	88.4%	88.4%	86.9%	89%
Av point score per entry	Centre	96.99	91.7	106.1	102.0
	Cotham	97.01	82.0	101.2	96.0
Av point score per student	Centre	364.82	329.7	339.9	308.0
	Cotham	361.21	277.3	291.1	285.0

These results are provisional. Current value added for Cotham based students provisionally stands at +3.5 compared to a Centre average of 1.5.

### Going Concern

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

### Key Financial Performance Indicators and Financial Review

#### Restricted General Fund

The majority of the Academy's income was received through Education Funding Agency (EFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Academy's charitable activities, its educational operations. These revenue grants, and the associated revenue expenditure made against them, are detailed in the SOFA. General Restricted Fund income for the year was £8,372,800, expenditure against the fund was £8,275,770, giving a restricted revenue surplus for the year of £97,030 before transfers from the Restricted Fixed Asset Fund.

#### Unrestricted Funds

Income received into the Unrestricted Fund was £273,648. This was predominantly attributable to sales of school meals, letting of facilities and music tuition fees. Expenditure against the fund was £158,371 for the year, giving an Unrestricted Fund surplus for the year of £115,277.

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the School's depreciation policy.

# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

---

Income received into the fund comprised Academies Devolved Formula Capital Funding of £29,667.

The SOFA details a £17,504,821 Restricted Fixed Asset Fund carried forward balance after transfers between funds. This is detailed in note 16 to the accounts.

### Balance Sheet

The Academy's assets were predominantly used for providing education to school students. Some assets were let to the local community, predominantly for sports and community recreation activities.

The net book value of the Academy's tangible fixed assets was £17,504,821 as at 31st August 2015. The movement in this account is detailed in note 12.

Cash in hand at 31st August 2015 was £2,253,284.

The Reserves and Investment Policies are detailed below.

### Financial and Risk Management Objectives and Policies

The objective of the School's Risk Management procedure is to identify the principal risks facing the Academy so that existing controls may be considered and further action taken if required, including external insurance.

The Governors have a comprehensive risk management process to identify and monitor the risks faced by the School. A comprehensive risk register has been established and is reviewed by the Senior Management Team on a regular basis. A formal review is undertaken in June each year.

The financial risks considered include: economic financial uncertainty, liquidity and solvency, credit risk, the risk of fraud and compliance with financial statutory requirements.

The deficit of the Local Government Pension Scheme (LGPS) defined benefit pension scheme for the associate staff is a liability of £1,978,000 (2014: £1,713,000 liability). On the balance sheet, this is offset by Academy's reserves.

### Reserves Policy

The policy of the School is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies.

The Governors regularly review the reserves of the School and consider them to be sufficient for the School's requirements and not excessive. Over the next three years, brought forward reserves will be utilised to ensure delivery of the School's ICT development plan, site improvement and development and to ensure business continuity in times of budgetary constraint.

There is a deficit on the restricted general fund of £610,637 at the 31 August 2015. This is due to a LGPS pension fund deficit of £1,978,000 (2014: £1,713,000 deficit). This is a long term liability and is being reduced by employer annual deficit recovery payments.

### Investment Policy

The School has invested £200,000 in the Virgin Charity Account and £85,000 in Cambridge and Counties. All other funds have been held in the Academy current account in readiness for their utilisation as part of the classroom extension project. However as the funding application for this project was unsuccessful, Academy funds will no longer be needed for this purpose and the School will seek further minimal risk investments in the next academic year.

# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

---

### Principles

The Governors' Finance, Premises and General Purposes Committee (FPGP) aims to ensure that funds which the School does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the School's income but without risk.

The aim is to spend public monies with which the School is entrusted for the direct educational benefit of students as soon as is prudent. The School does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

### Purposes:

- To ensure adequate cash balances are maintained in the current account to cover day-to-day working requirements
- To minimise the risk of loss in the value of any cash funds invested
- To optimise returns on invested funds

### Guidelines:

#### Ethical Considerations

Cotham School operates a socially responsible investment system. This encompasses the following principles:

- Avoiding arms trade and manufacturers
- Avoiding all tobacco products
- Avoiding any company that is in violation of an international sanction
- Avoiding any company that would present a severe reputational risk to the School

### Principal Risks and Uncertainties

The Governors have a comprehensive risk management process to identify and monitor the risks faced by the School. The principal risks identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

### Plans for Future Periods

Cotham strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into continuing education or employment. Cotham School has a diverse student community, the development of skills, personal attributes, creativity, sense of purpose, ambition and belonging will continue to be at the heart of the curriculum.

We will take our final additional form of entry into Year 7 in 2015 and anticipate a roll of 1080 in Years 7 – 11 with a further 450 in Post 16.

The School considered the feasibility of increasing general teaching rooms during the last academic year to alleviate pressure on space and reduce movement around the School site, planning approval has been granted, however the project has been put on hold for the time being to undertake further feasibility studies to ensure maximum benefit and value for money is achieved. Due to constraints on the School site we continue to use playing fields located offsite, the School will seek to make improvements to site safety and security as well as improvements to changing facilities and pitches at the site.

### Funds held as Custodian Trustee on behalf of others

Neither Cotham School nor the Governors are acting as third party custodial trustees.



# Cotham School

## Report of the Governors (continued)

For the year ended 31 August 2015

---

### Auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;  
and
- the Governors 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.

The auditors, RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), who were appointed upon conversion, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

Governors Report, incorporating a strategic report approved by order of the Board of Trustees on 09 December 2015 and signed on its behalf by:

Jim Bowyer  
Chair of Governors



Date: 9/12/2015

# Cotham School Limited

## Governance Statement

For the year ended 31 August 2015

---

### Scope of Responsibility

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

The Governing Body 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 Cotham School and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The governing body has formally met seven times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
Jim Bowyer (Chair)*	7	7
Dora Alderson	6	7
Dave Brockington	5	7
Ed Carpenter*	5	7
Andrew Ellis **	7	7
Jo Feather (from 03/10/2014)	1	5
Caroline Francis	1	7
Sandra Fryer* (Chair FP&GP Committee)	5	7
Helen Gordon	1	7
Bill Greenslade (resigned 14/11/2014)	1	1
Claire Grocott**	7	7
Jeremy Krause **	7	7
Lesley Spring** (resigned 10/06/2015)	4	6
Sujitha Subramanian**	2	7
Malcolm Willis (Headteacher and Accounting Officer until 31/8/2015)	6	7
David Winter** (chair – Audit committee)	6	7
David Yorath*	5	7

\*Members of the Finance, Property and General Purposes Committee

\*\*Members of the Audit Committee

The Audit Committee is a sub-committee of the main Governing Body. It is the responsibility of the Audit Committee to provide the governing body with independent assurance that:

- the financial responsibilities of the governing body are being properly discharged;
- resources are being managed in an efficient, economical and effective manner
- sound systems of internal financial control are being maintained, and;
- Financial considerations are fully taken into account in reaching decisions.



**Cotham School Limited**  
**Governance Statement (continued)**  
For the year ended 31 August 2015

---

Attendance at meetings in the year was as follows:

<b>Audit Committee Member</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
David Winter (Chair)	1	1
Andrew Ellis	1	1
Claire Grocott	0	1
Jeremy Krause	1	1
Lesley Spring (resigned 10/06/15)	0	0
Sujitha Subramanian	0	1
Malcolm Willis (Accounting Officer until 31/08/15)	1	1
Mel Sperring (Business Manager)	1	1
Bristol City Council Internal Audit	1	1

Due to ill health the School's internal auditor resigned from the post in October 2014, it has therefore only been possible to schedule two internal audits during the year, due to the timing of the second internal audit (July 2015) the Audit Committee have met on just one occasion during the year.

The Finance Property and General Purposes Committee is a sub-committee of the main governing body. The main responsibilities of the Finance, Premises and General Purposes Committee are detailed in written terms of reference which have been authorised by the governing body. The main responsibilities include:

- the initial review and authorisation of the annual budget;
- the regular monitoring of actual expenditure and income against budget;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the EFA guidance issued to academies;
- authorising changes to the academy staffing structure in conjunction with the Personnel and Training Committee;
- reviewing the reports of Internal Audit and the Audit Committee on the effectiveness of the financial procedures and controls. These reports are also to be reported to the full governing body; and
- Consider resources available within the School for the management of the buildings, and make recommendations for maintenance, improvement or development of the site and playing fields.

Attendance at meetings in the year was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Sandra Fryer (Committee Chair)	5	6
Jim Bowyer	6	6
Ed Carpenter	3	6
Malcolm Willis (Headteacher and Accounting Officer)	6	6
David Yorath (Chair of Governors)	5	6

**Review of Value for Money**

As Accounting Officer the Headteacher has responsibility for ensuring 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 taxpayers resources received.

# Cotham School Limited

## Governance Statement (continued)

For the year ended 31 August 2015

---

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:

- Establishing rigorous procedures to review and evaluate the school budget ensuring resources are directed where they are most needed;
- Regularly reviewing suppliers to ensure quality and best value in all areas of procurement;
- Reduced printing cost by renegotiating our managed print service contract;
- Undertaking a review of staffing using natural wastage where possible, to reduce staff costs and improve efficiency; and
- Ensuring competitive pricing from suppliers by market testing and obtaining written quotations for any purchase in excess of £2,500.

### **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 for the period 01 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 Governing Body 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 Governing Body 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 01 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 Governing Body.

### **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 Governing Body;
- regular reviews by the Finance Property and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of financial authority and segregation of duties; and
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided:

- To appoint Bristol City Council Internal Audit Service as internal auditor

The Internal Auditors role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- Testing of Information Technology Security
-

- Testing of Payroll systems

On a termly basis the Internal Auditor reports to the Audit Committee, which in turn reports to the Governing Body, on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. Due to a change in the appointed Internal Auditor, the planned schedule of works was reduced to two internal reviews in 2014 – 2015. During the year the Internal Auditor has delivered the planned schedule of work with no material control issues arising.

#### 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 auditor; and
- the work of the senior managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 09 December 2015 and signed on its behalf by:

Jim Bowyer  
Chair of Governors



Joanne Butler  
Accounting Officer



## Cotham School Limited

### Statement on Regularity, Propriety and Compliance

For the year ended 31 August 2015

---

As accounting officer of Cotham School 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 no instances of material regularity, 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.

Joanne Butler  
Accounting Officer



Date: 9/12/2015



# Cotham School Limited

## Statement of Governors' Responsibilities

For the year ended 31 August 2015

---

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements 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; 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 Governors 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 Governors 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 Governors 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 09 December 2015 and signed on its behalf by:

Jim Bowyer  
Chair of Governors



Date: 9/12/2015

# Cotham School Limited

## Independent Auditor's Report

For the year ended 31 August 2015

---

We have audited the financial statements of Cotham School for the year ended 31 August 2015 on pages 21 to 42. 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of governors and auditor**

As explained more fully in the Statement of Governors' Responsibilities set out on page 18 the Governors (who act as Trustees for the charitable activities of the charitable company, and 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 (APB's) Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

### **Opinion on financial statements**

In our opinion the financial statements:

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

### **Opinion on other requirement of the Companies Act 2006**

In our opinion the information given in the Governors' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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:

- the charity has not kept adequate accounting records, 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# Cotham School Limited

## Independent Auditor's Report

For the year ended 31 August 2015

---

*Rsm vic Audit up.*

KATHRYN REID (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (FORMERLY BAKER TILLY UK AUDIT LLP), Statutory Auditor

Hartwell House, 55-61 Victoria Street

Bristol, BS1 6AD

Date:

*11 December 2015*



# Cotham School

## Statement of Financial Activities (including income and expenditure account and Statement of Recognised Gains and Losses)

For the year ended 31 August 2015

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
<b>Incoming Resources</b>						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	-	-	29,667	29,667	90,792
Activities for generating funds	3	268,493	314,545	-	583,038	552,669
Investment income	4	5,155	-	-	5,155	3,966
<i>Incoming resources from Charitable activities:</i>						
Academy's educational operations	5	-	8,058,255	-	8,058,255	7,899,962
<b>Total incoming resources</b>		<b>273,648</b>	<b>8,372,800</b>	<b>29,667</b>	<b>8,676,115</b>	<b>8,547,389</b>
<b>Resources expended</b>						
<i>Costs of generating funds:</i>						
Fundraising Trading	6	19,443	274,193	-	293,636	315,170
<i>Charitable activities:</i>						
Academy's educational operations	7	138,928	7,979,325	435,444	8,553,697	8,182,495
Governance costs	8	-	22,252	-	22,252	21,025
<b>Total resources expended</b>		<b>158,371</b>	<b>8,275,770</b>	<b>435,444</b>	<b>8,869,585</b>	<b>8,518,690</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>115,277</b>	<b>97,030</b>	<b>(405,777)</b>	<b>(193,470)</b>	<b>28,699</b>
<b>Transfers</b>						
Gross transfers between funds	16	-	(4,222)	4,222	-	-
<b>Net income/(expenditure) for the year</b>		<b>115,277</b>	<b>92,808</b>	<b>(401,555)</b>	<b>(193,470)</b>	<b>28,699</b>
<b>Other recognised gains and losses</b>						
Actuarial (losses) on defined benefit pension schemes	26	-	(134,000)	-	(134,000)	(180,000)
<b>Net movement in funds</b>		<b>115,277</b>	<b>(41,192)</b>	<b>(401,555)</b>	<b>(327,470)</b>	<b>(151,301)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2014	16	364,448	(569,445)	17,906,376	<b>17,701,379</b>	17,852,680
<b>Total funds carried forward at 31 August 2015</b>		<b>479,725</b>	<b>(610,637)</b>	<b>17,504,821</b>	<b>17,373,909</b>	<b>17,701,379</b>

All of the Academy's activities derive from continuing operations during the above two financial periods. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

# Cotham School

## Balance Sheet

As at 31 August 2015

	Notes	2015 £	2015 £	2014 £	2014 £
<b>Fixed Assets</b>					
Tangible Fixed Assets	12		17,504,821		17,906,376
<b>Current Assets</b>					
Stock	13	9,185		9,484	
Debtors	14	212,729		248,473	
Cash at bank and in hand		<u>2,253,284</u>		<u>1,795,667</u>	
		<b>2,475,198</b>		<b>2,053,624</b>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	<u>(628,110)</u>		<u>(545,621)</u>	
<b>Net current assets</b>			<b>1,847,088</b>		<b>1,508,003</b>
<b>Net assets excluding pension liability</b>			<b>19,351,909</b>		<b>19,414,379</b>
Pension scheme liability	26		<u>(1,978,000)</u>		<u>(1,713,000)</u>
<b>Net assets including pension liability</b>			<b>17,373,909</b>		<b>17,701,379</b>
<b>Funds of the academy trust:</b>					
<b>Restricted income funds</b>					
– Restricted Fixed asset fund	16	17,504,821		17,906,376	
– General fund	16	<u>1,367,363</u>		<u>1,143,555</u>	
Restricted funds excluding pension reserve		<b>18,872,184</b>		<b>19,049,931</b>	
Pension Reserve	16	<u>(1,978,000)</u>		<u>(1,713,000)</u>	
<b>Total restricted funds</b>			<b>16,894,184</b>		<b>17,336,931</b>
Total unrestricted income funds	16	<u>479,725</u>		<u>364,448</u>	
Total unrestricted funds			<b>479,725</b>		<b>364,448</b>
<b>Total funds</b>			<b>17,373,909</b>		<b>17,701,379</b>

The financial statements on pages 21 to 42 were approved by the governors, and authorised for issue on 09 December 2015 and are signed on their behalf by:

Jim Bowyer  
Chair of Governors



Date: 9/12/2015

# Cotham School

## Cash Flow Statement

For the year ended 31 August 2015

---

	Notes	2015 £	2014 £
Net cash inflow from operating activities	20	456,684	437,409
Returns on investments and servicing of finance	21	5,155	3,966
Capital expenditure	22	(4,222)	(79,689)
<b>Increase in cash in the year</b>	23	<u>457,617</u>	<u>361,686</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2014		1,795,667	1,433,981
<b>Net funds at 31 August 2015</b>		<u>2,253,284</u>	<u>1,795,667</u>

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

---

### 1. Statement of Accounting Policies

#### Basis of Preparation

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

#### Going Concern

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

#### Incoming Resources

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

#### Grants Receivable

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

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

#### Donations

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

#### Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included in other creditors as amounts due to be dispersed to students.

#### 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.

#### Donated Services and Gifts in Kind

Assets donated by third parties are recognised at their fair (open market) value in the period in which they are receivable in incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is recognised in the appropriate fixed asset category and depreciated over its expected useful economic life on a basis consistent with depreciation policy for that category.

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

---

### 1. Statement of Accounting Policies (continued)

#### Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

- **Costs of Generating Funds**

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

- **Charitable Activities**

These are costs incurred on the academy trust's educational operations.

- **Governance Costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

#### Tangible Fixed Assets

As per the change in Accounting Policy approved by Governors during 2013/14, from 1 September 2014 assets, other than computer equipment, costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. There is no change in Accounting Policy for Computer Equipment where assets costing £500 or more 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 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 life, as follows:

- |                                    |        |
|------------------------------------|--------|
| • Freehold buildings               | 2% pa  |
| • Fixtures, fittings and equipment | 10% pa |
| • Computer equipment               | 20% pa |
| • Motor Vehicles                   | 20% pa |
| • Plant & Equipment                | 10% pa |

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.

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

---

### 1. Statement of Accounting Policies (continued)

#### Leased Assets

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

#### Stock

Catering stocks are 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.

#### 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 defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 26, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

#### Fund Accounting

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

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

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

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
DFE/ EFA Capital Grants	-	29,667	29,667	33,059
Capital Income from Local Authority	-	-	-	47,889
Other Donations	-	-	-	9,844
	<u>-</u>	<u>29,667</u>	<u>29,667</u>	<u>90,792</u>

### 3 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Income from fundraising events	-	311,313	311,313	303,750
Hire of facilities	45,503	3,232	48,735	42,826
Catering income	202,785	-	202,785	179,528
Other Sundry Income	20,205	-	20,205	26,565
	<u>268,493</u>	<u>314,545</u>	<u>583,038</u>	<u>552,669</u>

### 4 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Short term deposits	5,155	-	5,155	3,966
	<u>5,155</u>	<u>-</u>	<u>5,155</u>	<u>3,966</u>

### 5 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<b>DfE/EFA Grants</b>				
- General Annual Grant (GAG)	-	7,556,846	7,556,846	7,421,839
Other DfE/EFA grants	-	365,869	365,869	341,093
	<u>-</u>	<u>7,922,715</u>	<u>7,922,715</u>	<u>7,762,932</u>
<b>Other Government grants</b>				
- Local authority grants	-	123,540	123,540	124,280
- Special educational projects	-	12,000	12,000	12,750
	<u>-</u>	<u>135,540</u>	<u>135,540</u>	<u>137,030</u>
	<u>-</u>	<u>8,058,255</u>	<u>8,058,255</u>	<u>7,899,962</u>



# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

6 Resources Expended	Staff costs	Non Pay expenditure		Total	Total
		Premises	Other costs	2015	2014
	£	£	£	£	£
Fundraising trading	18,442	-	275,194	293,636	315,170
Academy's educational operations					
- Direct costs	4,994,638	286,949	867,279	6,148,866	5,892,166
- Allocated support costs	957,768	630,272	816,791	2,404,831	2,290,329
	5,970,848	917,221	1,959,264	8,847,333	8,497,665
Governance costs including allocated support costs	-	-	22,252	22,252	21,025
	5,970,848	917,221	1,981,516	8,869,585	8,518,690
Net outgoing resources for the year include:				2015	2014
				£	£
Operating leases:					
- Plant & Machinery				39,324	39,730
- Other leases				5,036	4,819
Fees payable to auditor for:					
- audit				14,563	15,516

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 7 Charitable Activities – Academy's Educational Operations

	Total 2015 £	Total 2014 £
Direct costs		
Teaching and educational support staff costs	4,994,638	4,853,325
Depreciation	286,949	286,949
Technology costs	16,817	13,926
Educational supplies	294,696	269,289
Examination fees	150,179	131,983
Staff development	35,580	44,908
Educational Consultancy	-	879
Other direct costs	370,007	290,907
	<u>6,148,866</u>	<u>5,892,166</u>
<b>Allocated support costs</b>		
Support staff costs	957,768	964,445
Depreciation	148,495	131,523
Loss on disposal of fixed assets	-	8,776
Technology costs	123,450	78,758
Recruitment and support	57,878	43,785
Maintenance of premises and equipment	266,206	231,116
Cleaning	157,635	154,325
Rent & rates	45,581	43,936
Energy costs	160,850	157,914
Insurance	50,431	61,465
Security and transport	92,542	73,514
Catering	138,928	120,865
Bank interest and charges	3,462	3,216
Other support costs	201,605	216,691
	<u>2,404,831</u>	<u>2,290,329</u>
	<u>8,553,697</u>	<u>8,182,495</u>

### 8 Governance costs

	Total 2015 £	Total 2014 £
Legal and professional fees	7,689	5,509
Auditors remuneration:		
Audit of financial statements	14,563	15,516
	<u>22,252</u>	<u>21,025</u>

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 9 Staff costs

Staff costs during the period were:

	2015	2014
	£	£
Wages and salaries	5,072,482	4,901,114
Social security costs	334,751	321,008
Operating costs of defined benefit pension schemes	474,219	463,657
	<u>5,881,452</u>	<u>5,685,779</u>
Supply teacher costs	66,147	117,138
Staff restructuring costs	23,249	38,280
	<u>5,970,848</u>	<u>5,841,197</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £23,249 (2014: £38,280). This represents two individual payments of £11,249 and £12,000.

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

	2015	2014
	No.	No.
Teachers	79	77
Administration and support	69	65
Management	8	8
	<u>156</u>	<u>150</u>

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

	2015	2014
	No.	No.
Teachers	93	94
Administration and Support	88	85
Management	8	8
	<u>189</u>	<u>187</u>

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

£70,001 - £80,000	2	2
£100,001 - £110,000	1	1
	<u>3</u>	<u>3</u>

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, employer's pension contributions for these staff amounted to £34,676 (2014: £33,175).

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

---

### 10 Trustees' Remuneration & Expenses

The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment and not in respect of their services as Governors. Other Governors did not receive payments other than expenses from the Academy Trust in respect of their role as Governors. The value of staff Governors' remuneration for the year was as follows:

Malcolm Willis (Principal and governor)	
Remuneration	£100,000 to £105,000 (2014: £100,000 to £105,000)
Employer's Pension Contributions	£10,000 to £15,000 (2014: £10,000 to £15,000)
Caroline Francis (staff governor)	
Remuneration	£50,000 to £55,000 (2014: £45,000 to £50,000)
Employer's Pension Contributions	£5,000 to £10,000 (2014: £5,000 to £10,000)
Andrew Ellis (staff governor)	
Remuneration	£45,000 to £50,000 (2014: £45,000 to £50,000)
Employer's Pension Contributions	£5,000 to £10,000 (2014: £5,000 to £10,000)
Ed Carpenter (staff governor)	
Remuneration	£30,000 to £35,000 (2014: £25,000 to £30,000)
Employer's Pension Contributions	Less than £5,000 (2014: Less than £5,000)

The Headteacher is accruing retirement benefits under the Teachers Pensions Scheme and contributions paid in the year amounted to £14,748 (2014: £14,101).

The staff Trustees are accruing retirement benefits under the Teachers' Pension Scheme and the Local Government Pension Scheme. Contributions paid in the year amounted to £13,586 to the Teachers' Pension Scheme (2014: £13,049) and £3,828 to the Local Government Pension scheme (2014: £3,461).

During the year ended 31 August 2015, travel and subsistence expenses totalling £946 (2014: £600) were reimbursed to 4 governors (2014: 3). £735 of the travel and subsistence expenses reimbursed related to school business activity, the remaining £211 related to school Governance.

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

### 11 Governors' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors 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 (2014: £5,000,000) on any one claim and the cost for the year ended 31 August 2015 was £1,541 (2014: £1,556).

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

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 12 Tangible Fixed Assets

Cost	Freehold Land & Buildings £	Furniture & Equipment £	Computer Equipment £	Motor vehicles £	Total £
At 1 September 2014	17,925,978	266,196	583,301	10,840	18,786,315
Additions	-	3,677	30,212	-	33,889
Disposals	-	-	-	-	-
At 31 August 2015	<u>17,925,978</u>	<u>269,873</u>	<u>613,513</u>	<u>10,840</u>	<u>18,820,204</u>
Depreciation					
At 1 September 2014	572,668	52,335	248,432	6,504	879,939
Charged in year	286,949	26,773	119,554	2,168	435,444
Disposals	-	-	-	-	-
At 31 August 2015	<u>859,617</u>	<u>79,108</u>	<u>367,986</u>	<u>8,672</u>	<u>1,315,383</u>
Net book values					
As at 31 August 2015	<u>17,066,361</u>	<u>190,765</u>	<u>245,527</u>	<u>2,168</u>	<u>17,504,821</u>
As at 31 August 2014	<u>17,353,310</u>	<u>213,861</u>	<u>334,869</u>	<u>4,336</u>	<u>17,906,376</u>

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

<b>13 Stock</b>	<b>2015 £</b>	<b>2014 £</b>
Catering	9,185	9,484
	<u>9,185</u>	<u>9,484</u>
<b>14 Debtors</b>	<b>2015 £</b>	<b>2014 £</b>
Trade debtors	6,858	5,030
VAT recoverable	46,264	119,991
Other debtors	4,618	6,584
Prepayments and accrued income	154,989	116,868
	<u>212,729</u>	<u>248,473</u>
<b>15 Creditors: Amounts falling due within one year</b>	<b>2015 £</b>	<b>2014 £</b>
Trade creditors	176,578	270,198
Other taxation and social security	104,110	105,128
Other creditors	172,149	52,177
Accruals and deferred income	175,273	118,118
	<u>628,110</u>	<u>545,621</u>
Deferred income	£	
Income deferred at 1 September 2014	59,957	
Resources deferred in the year	66,289	
Amounts released from previous years	(59,957)	
Income deferred at 31 August 2015	<u>66,289</u>	

At the balance sheet date the Academy Trust was holding funds received in advance for educational visits and activities booked for the 2015/16 school year of £23,711 (2014: £29,835), music tuition fees for the 2015/16 school year of £4,862 (2014: £3,833), rates relief received in advance from the EFA relating to the 2015/16 academic year of £26,889 (2014: £26,289), a grant for a Film Project taking place in the 2015/16 school year of £10,827 (2014: £0).

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 16 Funds

	1 September 2014 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG) (excluding pension reserve)	380,810	7,556,846	(7,551,465)	(4,222)	381,969
Pension reserve	(1,713,000)	-	(131,000)	(134,000)	(1,978,000)
General Annual Grant (GAG)	(1,332,190)	7,556,846	(7,682,465)	(138,222)	(1,596,031)
Other DfE/EFA grants	441,430	365,869	(305,525)	-	501,774
Other Government Grants	211,619	135,540	(13,587)	-	333,572
Activities for generating funds	109,696	314,545	(274,193)	-	150,048
	<u>(569,445)</u>	<u>8,372,800</u>	<u>(8,275,770)</u>	<u>(138,222)</u>	<u>(610,637)</u>
Restricted fixed asset funds					
Assets inherited from Local Authority	17,455,719	-	(342,215)	-	17,113,504
DfE/EFA capital grants	113,605	29,667	(11,509)	-	131,763
Capital expenditure from GAG	100,656	-	(17,031)	4,222	87,847
Local Authority Grants	236,396	-	(64,689)	-	171,707
	<u>17,906,376</u>	<u>29,667</u>	<u>(435,444)</u>	<u>4,222</u>	<u>17,504,821</u>
Total restricted funds	<u>17,336,931</u>	<u>8,402,467</u>	<u>(8,711,214)</u>	<u>(134,000)</u>	<u>16,894,184</u>
Unrestricted funds					
Unrestricted funds	364,448	273,648	(158,371)	-	479,725
Total unrestricted funds	<u>364,448</u>	<u>273,648</u>	<u>(158,371)</u>	<u>-</u>	<u>479,725</u>
Total funds	<u>17,701,379</u>	<u>8,676,115</u>	<u>(8,869,585)</u>	<u>(134,000)</u>	<u>17,373,909</u>

General Annual Grant (GAG) is the main grant receivable from the Education Funding Agency (EFA) and is used for the Academy's normal running costs. Under the Funding Agreement with the Secretary of State, GAG funding is restricted for use only on the Academy's educational operations.

Other grants include funding for statemented support, Summer Schools and Local Authority Growth Fund. Other DfE/EFA grants include Pupil Premium and Year 7 Catch Up funding. This income is restricted based on the requirements of the specific grant agreements. The pension fund also sits in restricted funds, further details can be found in note 26. These are restricted as these resources were provided with specific restrictions imposed by the funder or donor.

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 at 31 August 2015.

Unrestricted funds include catering income, lettings income, fees for music tuition and investment income.

The restricted fixed assets funds comprise funding provided by the EFA and Local Authority to support capital expenditure. It is restricted for use on capital items for the Academy's educational operations.

The transfer of £4,222 between the restricted general fund and the restricted fixed asset fund increases the value of the fixed asset fund to adjust for capital income in the year being less than capital spend on fixed assets, with the shortfall being funded by a transfer from the restricted general fund.

The balance on the restricted general fund (excluding pension reserve) plus the balance on the unrestricted fund at 31 August 2015 is a surplus of £1,847,088 (2014: £1,508,003).



# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 17 Analysis of Net Assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total funds £
Tangible fixed assets	-	-	17,504,821	17,504,821
Current assets	484,587	1,990,611	-	2,475,198
Current liabilities	(4,862)	(623,248)	-	(628,110)
Pension scheme liability	-	(1,978,000)	-	(1,978,000)
<b>Total net assets</b>	<b>479,725</b>	<b>(610,637)</b>	<b>17,504,821</b>	<b>17,373,909</b>

### 18 Capital Commitments

At 31 August the Academy Trust had no capital commitments. As stated in the 31 August 2014 financial statements, during September 2014 the Academy entered into a contract with a third party, valued at £131,950, to design and obtain funding for additional classroom space. The funding application was not successful and so the contracted costs were not capitalised in the 2014/15 financial statements.

### 19 Financial Commitments

#### Operating Leases

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

	2015 £	2014 £
Other:		
Expiring within one year	6,446	360
Expiring within two and five years inclusive	17,140	43,599
Expiring in over five years	-	-
	<b>23,586</b>	<b>43,959</b>

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 20 Reconciliation of Net income to Net Cash Inflow from Operating Activities

	Total 2015 £	Total 2014 £
Net income	(193,470)	28,699
Depreciation (note 12)	435,444	418,472
Loss on disposal of fixed assets	-	8,776
Capital grants from DfE and other capital income	(29,667)	(80,948)
Interest receivable (note 4)	(5,155)	(3,966)
FRS 17 pension costs less contributions payable (note 26)	77,000	52,000
FRS 17 pension finance income (note 26)	54,000	48,000
(Increase)/ decrease in stocks	299	(3,032)
(Increase)/ decrease in debtors	35,744	32,117
Increase/ (decrease) in creditors	82,489	(62,709)
<b>Net Cash Inflow from Operating Activities</b>	<b>456,684</b>	<b>437,409</b>

### 21 Returns on investments and Servicing of Finance

Interest received	5,155	3,966
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>5,155</b>	<b>3,966</b>

### 22 Capital Expenditure and Financial Investment

Purchase of tangible fixed assets	(33,889)	(160,637)
Capital Grants from DfE/EFA	29,667	33,059
Capital funding received from sponsors and others	-	47,889
<b>Net cash (outflow) from capital expenditure and financial investment</b>	<b>(4,222)</b>	<b>(79,689)</b>

	At 1 September 2014 £	Cash Flows £	At 31 August 2015 £
<b>23 Analysis of Changes in Net funds</b>			
Cash in hand and at bank	1,795,667	457,617	2,253,284
	<u>1,795,667</u>	<u>457,617</u>	<u>2,253,284</u>

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

---

### 24 Contingent Liabilities

There were no contingent liabilities at the balance sheet date.

### 25 Members' Liability

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

### 26 Pension and Similar Obligations

The Academy Trust'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 Bath and North East Somerset County Council and advised by Mercer. Both are multi-employer 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.

Contributions amounting to £91,298 (2014: £0) were payable to the schemes at 31 August 2015 and are included within creditors.

#### 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%.

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

---

### 26 Pension and Similar Obligations (continued)

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 £804,890 (2014: £778,585)

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

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

### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £350,000 (2014: £297,000), of which employer's contributions totalled £254,000 (2014: £213,000) and employees' contributions totalled £96,000 (2014: £84,000). The agreed contribution rates for future years are 13.1% for employers for 2015/16 increasing to 13.7% from 2016/17 and a range from 5.5% to 8.5% for employees depending on salary.

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.

The Academy Trust also makes additional contributions in addition to normal funding levels. These annual deficit recovery contributions were calculated to be paid over a period of 25 years from 2011.

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 26 Pension and Similar Obligations (continued)

#### Principal Actuarial Assumptions

	At 31 August 2015	At 31 August 2014
Rate of increase in salaries	3.8%	3.7%
Rate of increase for pensions in payment/inflation	2.3%	2.2%
Discount rate for scheme liabilities	4.0%	4.0%
Inflation assumption (CPI)	2.3%	2.2%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 August 2015	At 31 August 2014
<i>Retiring today</i>		
Males	23.4	23.3
Females	25.9	25.8
<i>Retiring in 20 years</i>		
Males	25.8	25.7
Females	28.8	28.7

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

	Expected return at 31 August 2015	Fair value at 31 August 2015 £	Expected return at 31 August 2014	Fair value at 31 August 2014 £
Equities	6.5%	835,000	7.0%	651,000
Government Bonds	2.5%	135,000	2.9%	102,000
Other bonds	3.6%	170,000	3.8%	127,000
Property	6.1%	122,000	6.2%	90,000
Cash/liquidity	0.5%	33,000	0.5%	39,000
Other	6.5%	207,000	7.0%	174,000
<b>Total market value of assets</b>		<b>1,502,000</b>		<b>1,183,000</b>
Present value of scheme liabilities				
- Funded		(3,480,000)		(2,896,000)
<b>(Deficit) in the scheme</b>		<b>(1,978,000)</b>		<b>(1,713,000)</b>

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 26 Pension and Similar Obligations (continued)

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

The expected long term return on cash is equal to bank base rates. The expected return on bonds is determined by reference to UK long dated gilt and bond yields. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions.

The actual return on scheme assets was £14,000 (2014: £127,000).

#### Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost (net of employee contributions)	331,000	265,000
Total operating charge	<b>331,000</b>	<b>265,000</b>
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	(69,000)	(68,000)
Interest on pension liabilities	123,000	116,000
Pension finance costs	<b>54,000</b>	<b>48,000</b>

The actuarial gains and losses for the current year are recognised in the SOFA. The cumulative amount of actuarial gains and losses recognised in the statement of recognised gains and losses since the adoption of FRS 17 is a loss of £420,000 (2014: £286,000 loss).

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

	2015 £	2014 £
As at 1 September	2,896,000	2,452,000
Current service cost	331,000	265,000
Interest cost	123,000	116,000
Employee contributions	96,000	84,000
Actuarial loss	79,000	11,000
Benefits paid	(45,000)	(32,000)
At 31 August	<b>3,480,000</b>	<b>2,896,000</b>



# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August 2015

### 26 Pension and Similar Obligations (continued)

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

	2015 £	2014 £
As at 1 September	1,183,000	1,019,000
Expected return on assets	69,000	68,000
Actuarial loss	(55,000)	(169,000)
Employer contributions	254,000	213,000
Employee contributions	96,000	84,000
Benefits paid	(45,000)	(32,000)
At 31 August	1,502,000	1,183,000

The estimated value of employer contributions for the year ended 31 August 2016 is £280,000.

#### The four year history of experience adjustments is as follows:

	2015 £	2014 £	2013 £	2012 £
Present value of defined benefit obligations	(3,480,000)	(2,896,000)	(2,452,000)	(2,050,000)
Fair value of scheme assets	1,502,000	1,183,000	1,019,000	649,000
Deficit in the scheme	(1,978,000)	(1,713,000)	(1,433,000)	(1,401,000)
Experience adjustments on share of scheme assets:	(55,000)	(169,000)	72,000	15,000
Amount £				
Experience adjustments on scheme liabilities:				
Amount £	-	71,000	-	-

# Cotham School

## Notes to the Financial Statements (continued)

For the year ended 31 August

2015

---

### 27 Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the board of governors 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 governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. No related party transactions took place in the period of account.

### 28 Agency Arrangements

The Academy Trust administers the disbursement of discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the year it received £39,470 (2014:£38,962) and disbursed £37,340 (2014: £23,013). The Academy Trust retained a beneficial interest in individual transactions such that £1,854 (2014:£1,828) has been recognised in income and expenditure in the statement of financial activities.

This leaves an amount of £276 (2014: £14,121) available to be dispersed included in other creditors. Including the brought forward creditor, this gives a total amount available to be dispersed at the year-end of £32,093 (2014: £31,817).

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COTHAM SCHOOL AND THE EDUCATION FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated August 2013 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 assurance about whether the expenditure disbursed and income received by Cotham School Academy Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Cotham School Academy Trust and the EFA in accordance with the terms of our engagement letter dated August 2013. Our work has been undertaken so that we might state to Cotham School Academy Trust and the 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 Cotham School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Cotham School's accounting officer and the reporting accountant**

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

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed an 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. An assurance engagement is more 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.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
COTHAM SCHOOL AND THE EDUCATION FUNDING AGENCY**

---

**Conclusion**

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

*RSM UK Audit LLP*

RSM UK AUDIT LLP (FORMERLY BAKER TILLY UK AUDIT LLP)  
Chartered Accountants  
Hartwell House, 55-61 Victoria Street  
Bristol, BS1 6AD

Date:

*11 December 2015*