

John Colet School
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 August 2015

Company Registration Number:
07633408 (England and Wales)

John Colet School

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REFERENCE AND ADMINISTRATIVE DETAILS

Reference and Administrative Details

Trustees (Governors)	J Hodge* ^ (Chairman) J Baxter* ^ M Bowness * (appointed 7 October 2014) P Dean * (appointed 24 February 2015) K Frost (resigned 1 September 2014) M Johnson* ^ E Lawrence* ^ (Vice Chair) H Leather (Staff Governor) (resigned 19 December 2014) J Martin * (appointed 21 April 2015) C McLintock* (Headteacher and Accounting Officer) J Naiman * C Roche * ^ L Rolfe (resigned 7 October 2014) J Savin* ^ S Walford (resigned 7 October 2014) K Wilkinson ^ (resigned 16 December 2014)
* members of the Finance, Personnel and General Purposes Committee	
^ member of the charitable company	
Company Secretary	K Hart
Senior Leadership Team:	
Headteacher	C McLintock
Deputy Headteacher	S Palmer (appointed 1 September 2014)
Assistant Headteacher	L Abslom (appointed 1 January 2015)
Assistant Headteacher	S Gould
Assistant Headteacher	P Phillips
Head of Finance and Business	K Hart
Head of Resources	J Adair (Resigned 31 August 2014)
Head of Resources	G Manvell (appointed 5 October 2015)
Head of Sixth Form	A Cobley
Principal and Registered Office	Wharf Road Wendover Aylesbury Buckinghamshire HP22 6HF
Company Registration Number	07633408 (England and Wales)
Independent Auditor	RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) The Pinnacle 170 Midsummer Boulevard Milton Keynes MK9 1BP
Bankers	Lloyds TSB Market Square Aylesbury Buckinghamshire HP20 1TD

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REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

Internal Auditors

SBM Consultancy Limited
15 Oak Crescent
Ashby de La Zouch
Leicestershire
LE65 1FX

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GOVERNORS' REPORT

The Governors present their annual report together with the consolidated financial statements and auditor's report of the charitable company for the year ended 31 August 2015.

The Trust operates an academy for pupils aged 11 to 18 serving a catchment area in Wendover. It has a pupil capacity of 1,020 and had a roll of 1,004 in the school census in Spring 2015.

Principal activities

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

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 trustees for the charitable activities of John Colet School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as John Colet School. The Charitable Company incorporated on 13 May 2011 and the Academy Trust commenced trading on 1 August 2011.

Details of the Governors who served throughout the period 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

The Governors of the Academy Trust have made declaration that third party indemnity provisions were in place during the period and at the date of approval of the Governors' Report. Further details are given in Note 11 on page 27.

Method of recruitment and appointment or election of Governors

The members may appoint up to nine Governors including the Members. A maximum of two Staff Governors may be appointed and will be elected by the staff of the Academy Trust through such process as the Governors may determine. Parent Governors shall be elected by parents of registered pupils at the Academy Trust. All parents will be informed of the vacancy and will have the opportunity to stand as a candidate and vote in the election. The Governors may appoint up to three Co-opted Governors to balance the skills set of the Governing Body.

Policies and procedures adopted for the induction and training of Governors

The Governing Body and the Headteacher believe it is essential that all new Governors receive a comprehensive induction package covering a broad range of issues and topics. There is a commitment to ensure that new Governors are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of Governors. The Academy Trust works in partnership with the Buckinghamshire County Council Governor Support Service, which provides comprehensive guidance, training and assistance with all Governor matters.

Organisational structure

The Governors of the Academy Trust are responsible for setting policies to be used within the Academy Trust. Each of the Governors are on one or more of the Academy Trust's three committees: Finance,

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Personnel and General Purposes, Curriculum, and Pay Review. Each committee has its own Terms of Reference which help to aid the policy making process and outlines the specific responsibilities of each committee.

The current organisational structure consists of the Governors, the Senior Leadership Team and Departmental Heads. The Senior Leadership Team comprises the Headteacher (the Accounting Officer), Deputy Head, two Assistant Headteachers, the Head of Finance and Business and Head of Resources. The Senior Leadership Team implements the policies laid down by the Governors and reports back to them. They are also responsible for the authorisation of spending within agreed budgets with some spending control being devolved to the Departmental Heads with limits set out within the Academy Trust's Scheme of Delegation.

Risk management

The major risks to which the Academy is exposed have been identified and systems and procedures have been agreed and put in place to manage or mitigate those risks. A risk register is in place which identifies key risks and mitigation measures, and this is reviewed on a termly basis.

Connected organisations, including related party relationships

The Academy Trust has a very strong link and mutual objectives with a registered charity, the John Colet School Fund (registered charity number 1069632) and provides the Trustees for that charity. The school exerts control over the charity by virtue of the composition of the board, which is made up of senior staff of the school. The charity is therefore considered to be a subsidiary and has been consolidated into these accounts.

The lease for Wendover Swimming to manage the pool is now being agreed with all stakeholders to formally pass the running and maintenance of the pool to Wendover Swimming for a 30 year period with imminent submission to EFA. The school would like to express its thanks to the members and supporters of Wendover Swimming over a challenging period.

As outlined in note 24 of the financial statements, one of the Governors has a majority interest in Home Counties Sewing Machine Limited, with whom the Academy purchased goods and services during the prior year.

OBJECTIVES AND ACTIVITIES

Objects and aims

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

In addition, the Academy Trust will promote for the benefit of the inhabitants of Wendover and the surrounding areas the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the conditions of life of the said inhabitants.

Public benefit

The Governors are clear that the Academy Trust has the charitable purpose of the advancement of education. In exercising their power and duties the Governors have taken due regard of the principles of public benefit published by the Charities Commission and the major factors within those principles.

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GOVERNORS' REPORT

STRATEGIC REPORT

Achievements, performance and thanks

The school improvement plan for 2014-15 had 5 objectives:

- Students in KS3, KS4 and KS5 will meet their targets to a minimum of 75% making expected progress (3 levels or above) and at least 35% making good progress (4 levels or above) from their starting points.
- Students in Science achieve at least national levels of progress and attainment.
- 100% of lessons will be good or better with 35% outstanding.
- The attitude to learning of a minimum of 85% of students in the school is categorised as good or better.
- Leadership ensures that there is clear evidence that Governors, Senior and Middle Leaders all fulfil their challenge and scrutiny role.

During the period, the School continued to perform to national averages.

Work in the local community further developed both with local primary schools and community groups. The Governors would like to thank the Headteachers of local primary schools for their continued support of primary liaison projects. The Governors would like to thank community groups such as Wendover Rotary, Wendover Twinning Association and Wendover News for their continued support. The Governors would also like to thank local businesses who have offered financial support and/or their professional time to help with student activities.

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Key financial performance indicators

	For the Year ended 31 August 2015	For the Year ended 31 August 2014
Free School Meals (FSM)		
Academy level FSM	3%	3%
Income (£ per pupil)		
Restricted Grants	£4,512	£4,696
Expenditure (£ per pupil)		
Teaching and educational support staff costs	£3,240	£3,215
Support staff costs (Clerical/Premises/Support)	£532	£530

Financial Review

The majority of the Academy Trust's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the 12 months ended 31 August 2015 and the associated expenditure is shown as restricted funds in the statement of financial activities.

Financial and risk management objectives and policies

The following areas from the Academy Risk Register are the areas of financial risk which require acknowledgement and action:

- Overall financial control risk
- Financial systems risk
- Income risk
- Expenditure risk

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- Fixed asset risk
- Debtors risk
- Taxation risk
- Provisions and contingent liability risk
- Related party risk

An assessment has been made for each individual specific risk. The risk register is reviewed annually.

Principal risks and uncertainties

The Academy Trust has a comprehensive risk assessment strategy in place and it is considered that in the current economic climate, the principal risk and uncertainty is the change to various funding formulae, and the deficit of £1,736k (2014: £1,699k) which is being reported for the Local Government Pension scheme at 31 August 2015.

Reserves policy

The Academy Trust is required to consider what level of reserves it is appropriate for the school to hold in order to demonstrate appropriate financial management, stewardship and sustainability. In doing this the Academy Trust has considered the following areas.

Working Capital

The school's cash flow is strong due to the profile of its incoming resources. In particular, the receipt of core grant funding at the start of the financial year means that reserves are not required for working capital purposes.

Financial risk management

All schools are subject to a wide range of risks, many of which have financial implications. Reserves are appropriate to be held as mitigation against the effect of such risks. The school has a formalised approach to risk management which identifies major risks that it faces, assesses the severity in terms of impact and likelihood, and identifies mitigating actions. The financial risks that are mitigated by the holding of reserves include variability of income, variability of expenditure and the risks identified as serious, major or critical that have financial significance. Specifically, the School maintains to have sufficient cash in the current account to cover all immediate liabilities including payroll and tax liabilities. This normally amounts to at least £290,000 each month.

Investment policy

The Academy will normally, where possible, use its income in the academic year it is acquired: with the exception of that designated as Reserves. Investment therefore means placing that income in a low risk environment so as to be available when needed, but also maximising returns by making use of appropriate savings and other investment accounts

Plans for Future Periods

The plans for the future are articulated and published in the School Improvement plan, through 5 distinct strategic aims.

For 2015-2016, the 5 strategic aims are as follows:

- Students at GCSE will meet their targets to a minimum of 85% making expected progress (3 levels or above), at least 45% making good progress (4 levels or above) and at least 10% making outstanding progress (5 levels or above) from their starting points.
- All teaching is good or better.
- Progress post-16 is good or better in all subjects.
- The attitude to learning of a minimum of 85% of students in the school is categorised as good or better.
- Leadership ensures that Governors, Senior and Middle Leaders and Line Managers all fulfil their challenge, accountability and scrutiny role.

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To achieve the strategic aims above, recruitment of high quality staff is vital whilst keeping within the approved annual budget and this will be the key responsibility of the Governors.

Funds held as Custodian Trustee on behalf of others

The School acts as custodian to the 16-19 bursary fund. The fund represents monies paid by the EFA to the School and is administered to provide financial assistance to those young people who face a financial barrier to continuing in education or training post 16.

Auditor

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) has indicated its willingness to continue in office.

Statement as to disclosure of information to auditors

The Governors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Governors' Report is approved by order of the Governing Board of trustees and the Strategic Report (included therein) is approved by the Governing Board of Trustees in their capacity as the Directors at a meeting on 15 December 2015 and signed on its behalf by:

Dr J Hodge

Chair of the Governing Body



John Colet School

GOVERNANCE STATEMENT

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform within the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between John Colet School and the Secretary of State for Education. They are also responsible for reporting to the 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 18 times during the period. Attendance during the period at meetings of the governing body was as follows:

Governor	Meetings Attended	Out of Possible
J Hodge* ^ (Chairman)	11	18
J Baxter* ^	10	18
M Johnson* ^ (Responsible Officer)	17	18
E Lawrence* ^ (Vice Chair)	18	18
H Leather (Staff Governor) (resigned 19 December 2014)	4	5
C McLintock* (Headteacher and Accounting Officer)	16	18
J Naiman *	11	18
C Roche* ^	11	18
L Rolfe (resigned 7 October 2014)	0	1
J Savin* ^	17	18
S Walford (resigned 7 October 2014)	0	1
K Wilkinson ^ (resigned 16 December 2014)	3	6
P Dean* (appointed 24 February 2015)	7	8
J Martin* (appointed 21 April 2015)	6	7
M Bowness* (appointed 7 October 2014)	7	18

* members of the Finance, Personnel and General Purposes Committee

^ member of the charitable company

Governance Reviews

The Governing Body carried out an extensive review of its processes in Spring 2014 following the 2014 OFSTED inspection. An external assessor from the National College for Teaching and Leadership was used. One conclusion was that the full governing body was reviewing too much anecdotal detail and losing its strategic perspective which meant it was less effective in challenging senior staff. In addition, the Governing Body had to respond to new requirements, for example, implementing and running the annual pay review.

As a result, the structure of the committees was streamlined with Personnel being merged with Finance and General Purposes. The whole process became much more data driven as detailed student tracking IT systems were implemented across the School by the Head and Senior Leadership Team. The Deputy Head appointed from September 2014 was crucial to the effective implementation of these systems. Over the academic year 2014-15, designated Governors monitored the curriculum and student progress in detail working with members of the Senior Leadership Team across six learning cycles. This enabled earlier intervention and gave the Governing Body more scope to question and challenge. Overall progress was reported at a strategic level to more frequent sessions of the Full Governing Body. This imposed a

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considerable workload on many Governors but did provide the focus that was a factor in facilitating an excellent set of overall results. Particular progress was seen in subjects such as Science which had been of concern. Strongly performing subjects like Maths, English and History were able to maintain their level of performance.

In the current 2015-16 year, the Governing Body is still monitoring the overall action plan through teams of Governors focussed on specific plans but at a lower level of intensity. The quality and reliability of data on student progress across the School is now felt to be high and is regularly reviewed at a strategic level. The full Governing Body is actively considering the broader strategic context and aims of the school using additional meetings and scenario planning. In regard to the pay review process, changes were made in summer 2015 after consultation to make it more transparent to staff and improve its effectiveness and fairness.

There have been the following changes to the composition or organisation of the Governing Body during the period:

During the year, the Personnel Committee and Finance & General Purposes Committee have merged to form a Finance, Personnel and General Purposes Committee chaired by J Savin with M Johnson as vice chair.

The Articles of Association have been amended so that the chair and vice-chair of all the governor committees are members of the Trust.

The Finance, Personnel and General Purposes Committee is a sub-committee of the main governing body. Its purpose is to monitor financial activity and to provide strategic guidance in the areas of finance, audit, health and safety and premises. Attendance at meetings in the period is as follows:

Governor	Meetings attended	Out of possible
J Baxter	2	5
M Bowness	1	5
J Hodge	2	5
M Johnson	5	5
E Lawrence	5	5
C McLintock	5	5
J Savin (Chair)	5	5
J Naiman	0	5
C Roche	1	5
P Dean	2	5
J Martin	2	5

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 Governors 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:

- Tendering for the insurance renewal.
- Ensuring that the purchase of products is carried out by the Finance Office who compare costs from various suppliers and bulk purchase when possible.
- Having regular budget review meetings with the Head of Finance and Business.

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

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absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in John Colet School for the year ended 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the 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 monthly financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance, Personnel and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint SBM Consultancy Limited 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. The internal auditor reports to the Finance, Personnel and General Purposes Committee on the operation of the systems of control and on the discharge of the Board of Governors financial responsibilities. During the year, they reported once in the Spring term on the operation of the systems of control focusing on the financial procedures and policy within the Finance Office and payroll.

Review of effectiveness

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

- The work of the Internal Auditor
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive 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, Personnel and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 15 December 2015 and signed on its behalf by:

Dr J Hodge
Chair of Governors



Mrs C McLintock
Accounting Officer



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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of John Colet School I have considered my responsibility to notify the Academy Trust governing body and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregular, 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 Governors and EFA.



Mrs C M McLintock
Accounting Officer

15 December 2015

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as Trustees for charitable activities of John Colet School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

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

The 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 to 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 governing body on 15 December 2015 and signed on its behalf by:



Dr J Hodge
Chair of Governors