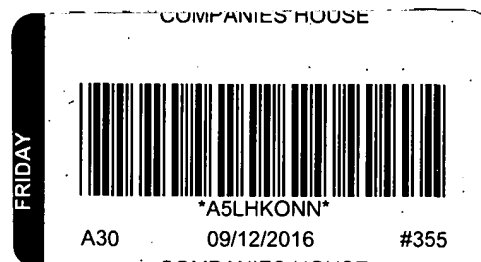


→ Co House

Registered number: 07755713

**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS  
(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**



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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**CONTENTS**

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	Page
<b>Reference and administrative details</b>	<b>1 - 2</b>
<b>Trustees' report</b>	<b>3 - 11</b>
<b>Governance statement</b>	<b>12 - 14</b>
<b>Statement on regularity, propriety and compliance</b>	<b>15</b>
<b>Statement of Trustees' responsibilities</b>	<b>16</b>
<b>Independent auditors' report on the financial statements</b>	<b>17 - 18</b>
<b>Independent auditors' assurance report on regularity</b>	<b>19 - 20</b>
<b>Statement of financial activities incorporating income and expenditure account</b>	<b>21</b>
<b>Balance sheet</b>	<b>22</b>
<b>Statement of cash flows</b>	<b>23</b>
<b>Notes to the financial statements</b>	<b>24 - 45</b>

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2016

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#### **Members and Trustees**

Mr A Blundell, Chair  
Mr M Ager  
Mr M Albano  
Mrs J Blaxill  
Miss E Brown (resigned 2 April 2016)  
Mr A Charnock  
Mr R Cooke  
Prof M Fasli (resigned 17 September 2015)  
Dr E Gwyther, Staff Governor (resigned 14 September 2015)  
Mr M Hart  
Mrs M Illsley  
Mr L Jones  
Mr I Mosley  
Miss D Murison, Staff Governor  
Dr A Oshisanwo  
Mrs Z Thompson-Arnold  
Mrs S Stinson, Staff Governor  
Mrs G Marshall, Head Teacher, Accounting Officer  
Mr D Mucklow, Staff Governor (appointed 14 October 2015)  
Mrs A James (appointed 26 October 2015)

#### **Company registered number**

07755713

#### **Company name**

Colchester County High School for Girls

#### **Principal and registered office**

Norman Way  
Colchester  
Essex  
CO3 3US

#### **Senior leadership team**

Mrs G Marshall, Headteacher  
Mrs W Jackson, Deputy Headteacher  
Mrs S Moss, Deputy Headteacher  
Mrs D Frost, Assistant Headteacher  
Dr S Parrott, Assistant Headteacher  
Mr L Hopkins, School Business Manager

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Advisers (continued)**

**Independent auditors**

Larking Gowen  
Chartered Accountants  
1 Claydon Business Park  
Great Blakenham  
Ipswich  
Suffolk  
IP6 0NL

**Bankers**

Barclays PLC  
9 High Street  
Colchester  
Essex  
CO1 1DA

**Solicitors**

Veale Wasbrough Vizards  
Barnards Inn  
86 Fetter Lane  
London  
EC4 1AD

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## **COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2016**

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The governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law. The Trustees confirm that the Annual Report and Financial Statements of the Academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' issued in 2015.

#### **Structure, governance and management**

##### **a. CONSTITUTION**

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The governors act as trustees for charitable activities of Colchester County High School for Girls Academy Trust and are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Colchester County High School for Girls.

Details of the governors who served during the year are included in the Reference and administrative details on page 1.

##### **b. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS**

No sponsors or other related parties either control or significantly influence the decisions and operations of the Academy Trust.

The trustees operate CCHSG Trading Ltd on which the principal and five trustees act as directors.

The academy is the lead school in the North East Essex Teaching School Alliance (NEETSA) and as such the governors and accounting officer are legally responsible for its funding, accounts returns and governance.

The Trust or members of it do not have a controlling influence over any other organisation apart from those mentioned above.

The Colchester County High School for Girls School Private Fund supports the school and shares similar charitable aims, as does the Parent Teacher Association. Both are registered charities.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company is the responsibility of the governors who are appointed under the terms of the Articles of Association.

The governing body comprises:

- up to 12 governors appointed by the members (currently 11 in post)
- a minimum of 3 parent governors appointed by ballot of parents of registered pupils (currently 3 in post)
- 3 staff governors appointed by members through the process of a ballot of staff
- the Headteacher (ex-officio)
- up to 3 co-opted governors appointed by the members (currently none)
- any governors appointed by the Secretary of State (currently none)

Governors are appointed for a term of 4 years, at the end of their term they may be re-appointed or re-elected for a further term, provided that they remain eligible. When vacancies for member-appointees arise, the members will seek candidates within the community who offer relevant skills to the Governing Body.

#### d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All new governors will be given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, much of the induction tends to be done informally and is tailored specifically to the individual. However, all new governors are expected to enrol on an 'Induction for New Governors' course run by Essex Governor Services (EGS), to which the governing body subscribes.

Governors are encouraged to participate in the EGS training programme, and other external training, where relevant to their and the Academy's needs, and are provided with access to relevant specialist information web sites. Governors' meetings regularly include presentations from school staff on a variety of topics of interest so as to keep them informed.

#### e. ORGANISATIONAL STRUCTURE

The management structure consists of three levels: the governors, governing body committees and the Senior Leadership Team (SLT).

The governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

Committees of the Governing Body have delegated responsibilities. The main committees, which normally meet twice (but at least once) each term, are: Curriculum & Student Matters, Finance & Audit, Personnel, Premises and Health & Safety (comprising mainly staff but reporting into the Premises Committee). Other committees, which meet as required, are: Admissions, Building Liaison, Complaints, Fundraising, Headteachers Pay, Staff Pay, Staff Pay Appeals, Staff Disciplinary, Staff Disciplinary Appeals, and Student Discipline.

The SLT comprises the Headteacher, two deputy headteachers, two assistant headteachers and the school business manager. These managers control the academy at an executive level implementing the policies laid down by the governors and reporting back to them. The Headteacher is the Accounting Officer.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### **f. TRUSTEES' INDEMNITIES**

Third party indemnity insurance was acquired during the year. The total amount of cover was for £5,000,000 and the cost of the policy was £533.

#### **g. ACTIVITIES FOR ACHIEVING OBJECTIVES**

The Academy Trust's object in its Articles is specifically restricted to advancing for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Academy Trust has entered into a Funding Agreement with the Department for Education, funding being provided conditional upon the maintenance of a school offering a balanced and broadly based curriculum satisfying the requirements of Section 78 of Education Act 2002 and having an emphasis on science and languages, and providing education for pupils who are wholly or mainly drawn from the area in which the school is situated.

The principal activity of the Academy Trust is to provide, for the public benefit, outstanding education to able students between the ages of 11 and 19. This is delivered through a broad, well balanced, personalised curriculum and enables the students to achieve excellence in public examinations.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### Objectives and Activities

##### a. OBJECTS AND AIMS

The Academy Trust's principal aim is to provide, for the public benefit, outstanding education to able students between the ages of 11 and 19. This enables the students to achieve outstanding academic results.

It is central to the philosophy of this school that our students will:

- learn in an orderly, disciplined atmosphere, following the Code of Conduct;
- develop the capacity for creative, independent thought and problem-solving;
- be able to communicate ideas in English and at least one modern foreign language;
- develop appropriate technological skills;
- understand our economic and political environment;
- become effective citizens who have developed sound judgement, maturity and compassion;
- understand and respect social, moral and spiritual values in a multi-cultural society and take part in cultural activities;
- appreciate and understand the environment; and
- become caring individuals who are valued and feel safe and secure.

##### b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The principal object of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum, with an emphasis on science and languages, and in doing so it meets the requirements of its Funding Agreement.

In 2015-16 the school achieved its highest GCSE results with a 100% pass rate at A to C including 80% achieving A\* to A.

At A level students again achieved a 100% pass rate with 96% gaining A to C and 50% A\* to A.

The school is rated in the top 5% nationally.

##### c. PUBLIC BENEFIT

The school's aims and achievements are set out within this report and all its charitable activities are undertaken to further its charitable purposes for the public benefit. The governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.



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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### Achievements and performance

##### a. KEY FINANCIAL PERFORMANCE INDICATORS

The total number of students on roll in the year ended 31 August 2016 numbered 873 (2015 = 784 / 2014 = 793). The academy had a Published Admissions Number (PAN) of 160 for September 2016. As a selective school all places in Year 7 are filled each year, so pupil numbers in Years 7-11 remain relatively stable, in turn providing financial stability. The 873 students included 238 Sixth Form students; here the academy aims to recruit around 120 each year, but this is subject to greater fluctuation.

##### Income

General annual grant (GAG) Income: £3,930,138 (2015 : £3,909,845)

##### Pupil Ratios

- GAG income per pupil: £4,502 (2015: £4,987)

Staffing Ratios. In a school, where the aim is to provide a high quality education to young people, staff costs will be a relatively high proportion of income and expenditure.

- Total staff costs: £3,173,362 (2015: £3,152,993)
- Staff costs as a percentage of GAG income: 80.7% (2015: 80.6%)

##### b. 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 Statement of Accounting Policies.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### Financial review

##### a. 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.

##### b. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the EFA during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy has been in receipt of capital grants for building from the EFA through the Condition Improvement Fund (CIF). In accordance with the SORP 2015, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund, except where they are used for maintenance. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2016, the total expenditure of £5,776,592 (2015: £5,100,993) - all of which was spent in furtherance of the academy's objectives - was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and the pension scheme deficit) was £48,254 (2015: a surplus of £239,353).

At 31 August 2016 the Net Book Value of fixed assets was £11,614,757 (2015: £11,661,275) and movements in tangible fixed assets are shown in Note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

In accordance with FRS102, the Academy received an actuarial assessment of the pension scheme. The deficit balance is included within the balance sheet as at 31 August 2016 and supporting notes to the accounts, Note 25.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### c. PRINCIPAL RISKS AND UNCERTAINTIES

The Governing Body has assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the following statement.

The Governing Body has assigned the roles and responsibilities of an audit committee to the combined Finance & Audit Committee. This committee reviews the risks to internal financial control at the Academy Trust and agrees a programme of work that will address these risks, inform the statement of internal control and, so far as is possible, provide assurance to the external auditor. The governors have procured the Academy Trust's external auditor, Larking Gowen, to undertake a supplementary programme of work and produce a written report providing feedback on how the Academy's financial affairs are being discharged. The report includes action points identifying any areas for improvement; the Finance & Audit Committee monitors compliance with any recommendations.

This provides the Governing Body with 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.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The Academy is subject to a number of risks and uncertainties, in common with other academies. It has in place procedures to identify and mitigate financial risks, and these are explained further in the Risk Management section of this report and in the Governance Statement.

A significant number of the Academy's staff belong to the Local Government Pension Scheme, which results in the recognition of a significant pension reserve within the balance sheet as detailed in Notes 19 and 25.

The Trustees have assessed the principal risks and uncertainties facing the Academy Trust as:

- Non-compliance with safeguarding legislation.
- Ofsted rating lower than 'Outstanding' following an inspection.
- Sixth Form student intake numbers below expectations.
- Budget, financial and accounting information and processes not robust.
- Inadequate supply, recruitment, induction and development of appropriately qualified/experienced staff.
- Inadequate development and execution of facilities plans.
- Inadequate consideration of health and safety of students, staff, contractors and the public whilst on Academy premises and school trips.
- Changes in Government policy in relation to academies generally, and selective grammar schools specifically.

All these (and other lesser) risks are captured in the academy's risk register, with clear ownership of both risk and mitigation, with review of risks being a standing agenda item for meetings of both the Full Governing Body and its subordinate committees.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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Notwithstanding the successful financial outcome of this year, the financial outlook continues to be uncertain with a combination of ongoing changes in both income and expenditure resulting in a challenging future.

The school's principal income will continue to be provided by the Education Funding Agency, based upon formulae agreed through the Essex Schools Forum; this was fully reviewed for 2015-16.

#### **d. RESERVES POLICY**

The Governors review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. They are committed to maintaining a reserve sufficient to cover between one and two months' salary and allow the academy to cope with any projected deficits for the foreseeable future. The cost of meeting this is expected to be £470k. The academy currently has no foreseeable deficit issues.

The academy held fund balances of £10,271,811 at 31 August 2016 (2015: £11,221,940), made up as follows:

- Unrestricted funds of £365,654 (2015: £196,629) are held as a general reserve to provide sufficient working capital to cover delays between spending and receipt of grants and as such a cushion to deal with unexpected emergencies. These funds will also help to protect the academy from the impact of the reducing future funding detailed above.
- Restricted general funds of £427,402 (2015: £561,581) comprising of GAG.
- Restricted fixed asset funds of £11,614,755 (2015: £11,679,730).
- Restricted pension fund deficit of £2,136,000 (2015: £1,216,000). This liability does not have an immediate cash flow impact but as the deficit increases or decreases over time, so the contributions made towards it will increase or decrease.

#### **e. PAY POLICY FOR KEY MANAGEMENT PERSONNEL**

The trustees consider the board of trustees, the Head, the Deputy Heads and the School Business Manager comprise the key management personnel, in charge of directing and controlling, running and operating the academy on a day to day basis.

Salaries are based on annual performance management reviews and are set within recognised national scales for both teachers and support staff. The pay committee meet each autumn to review and approve increments.

#### **f. INVESTMENT POLICY**

The academy seeks to maximise returns from its investments, but with the overriding consideration being minimising risk and maintaining flexibility and access to funds. Balances on current account are swept to an interest earning deposit account on a daily basis.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2016

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#### Plans for future periods

##### a. FUTURE DEVELOPMENTS

The mission of this school is to prepare resilient and responsible leaders, who are able to compete in a global economy. We promote high aspiration and excellence. We are unashamedly ambitious for the future success of our students.

We aim to:

- Enable students to cope emotionally, physically and spiritually with the pressures and demands of life.
- Provide a broad, well balanced and personalised curriculum.
- Provide the highest quality education for able students, to enable them to achieve excellence in public examinations.
- Provide access to the highest quality further education and employment.

#### FUNDS HELD AS CUSTODIAN

There are no funds held as custodian trustee on behalf of others.

#### DISCLOSURE OF INFORMATION TO AUDITORS

The auditor, Larking Gowen, has continued as auditor to the charitable company during the year.

Insofar 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 the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by order of the Board of Trustees as the company directors, on 30 November 2016 and signed on its behalf by:



.....  
**Allan Blundell**  
Chair of Governors

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### GOVERNANCE STATEMENT

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#### SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Colchester County High School for Girls and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Blundell	5	6
Mr M Ager	3	6
Mr M Albano	5	6
Mrs J Blaxill	4	6
Miss E Brown	1	4
Mr A Charnock	5	6
Mr R Cooke	4	6
Prof M Fasli	0	0
Dr E Gwyther, Staff Governor	0	0
Mr M Hart	4	6
Mrs M Illsley	5	6
Mr L Jones	6	6
Mr I Mosley	4	6
Miss D Murison, Staff Governor	6	6
Dr A Oshisanwo	4	6
Mrs Z Thompson-Arnold	3	6
Mrs S-Stinson, Staff Governor	6	6
Mrs G Marshall, Head Teacher, Accounting Officer	6	6
Mr D Mucklow, Staff Governor	5	6
Mrs A James	3	5

The Finance & Audit Committee is a sub-committee of the main Governing Body. Its purpose is to fulfil the following responsibilities:

- the initial review and recommendation of the annual budget;
- the regular monitoring of actual expenditure and income against budget;
- ensuring that annual accounts are produced in accordance with statutory and DfE guidance; and
- reviewing the reports of the Responsible Officer and external auditor on the effectiveness of the financial procedures and controls and monitoring compliance with any recommendations.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### GOVERNANCE STATEMENT (continued)

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Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Ager	5	6
Mr M Albano	5	6
Mrs Z Thompson-Arnold	4	6
Mr A Blundell	5	6
Mr L Jones	5	6
Miss D Murison, Staff Governor	6	6
Mr D Mucklow, Staff Governor	4	6
Mrs G Marshall (Headteacher & Accounting Officer)	6	6

### THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Colchester County High School for Girls for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

### CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### THE RISK AND CONTROL FRAMEWORK

The academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance & Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### GOVERNANCE STATEMENT (continued)

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

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

#### REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the academy 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 academy'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 appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Reviewing and restructuring the support staff regime and functions within the school
- Regularly reviewing the teaching regime within the school
- Instigating regular reviews of service contracts

Approved by order of the members of the Board of Trustees on 30 November 2016 and signed on their behalf, by:



.....  
**Allan Blundell**  
Chair of Trustees



.....  
**Gillian Marshall**  
Accounting Officer



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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As Accounting Officer of Colchester County High School for Girls 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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

  
.....  
**Gillian Marshall**  
**Accounting Officer**

Date: 30/11/2016

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2016

---

The Trustees (who act as governors of Colchester County High School for Girls 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 of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 30 November 2016 and signed on its behalf by:



.....  
**Mr A Blundell**  
**Chair of Governors**

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## **COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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We have audited the financial statements of Colchester County High School for Girls for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

#### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

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

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

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](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 academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

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

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COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



Julie Grimmer FCA DChA (Senior statutory auditor)

for and on behalf of

**Larking Gowen**

Chartered Accountants  
Statutory Auditors

Ipswich  
Date:

6 December 2016

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## **COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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### **INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 11 October 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Colchester County High School for Girls during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Colchester County High School for Girls and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Colchester County High School for Girls 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 Colchester County High School for Girls and the EFA, for our work, for this report, or for the conclusion we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of Colchester County High School for Girls's funding agreement with the Secretary of State for Education dated 1 October 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2015 to 2016 and the ICAEW Assurance Sourcebook. The work undertaken to draw to our conclusion, includes, but is not limited to:

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO COLCHESTER  
COUNTY HIGH SCHOOL FOR GIRLS AND THE EDUCATION FUNDING AGENCY (continued)**

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**APPROACH (CONTINUED)**

- Enquiry of senior management and the Academy's Governors.
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Larking Gowen**

Chartered Accountants  
Statutory Auditors

Ipswich

Date:  December 2016

**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	-	86,147	-	86,147	43,716
Other trading activities	3	567,780	19,938	-	587,718	457,204
Investments	4	2,443	-	-	2,443	1,732
Charitable activities	5	-	4,822,018	165,137	4,987,155	4,911,416
<b>TOTAL INCOME</b>		<b>570,223</b>	<b>4,928,103</b>	<b>165,137</b>	<b>5,663,463</b>	<b>5,414,068</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		-	5,030,826	284,464	5,315,290	4,739,181
Other expenditure		395,884	65,418	-	461,302	361,812
<b>TOTAL EXPENDITURE</b>	8	<b>395,884</b>	<b>5,096,244</b>	<b>284,464</b>	<b>5,776,592</b>	<b>5,100,993</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
Transfers between Funds	20	174,339 (5,314)	(168,141) (49,038)	(119,327) 54,352	(113,129) -	313,075 -
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES</b>						
		169,025	(217,179)	(64,975)	(113,129)	313,075
Actuarial gains/(losses) on defined benefit pension schemes	25	-	(837,000)	-	(837,000)	42,000
<b>NET MOVEMENT IN FUNDS</b>		<b>169,025</b>	<b>(1,054,179)</b>	<b>(64,975)</b>	<b>(950,129)</b>	<b>355,075</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		196,629	(654,419)	11,679,730	11,221,940	10,866,865
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>365,654</b>	<b>(1,708,598)</b>	<b>11,614,755</b>	<b>10,271,811</b>	<b>11,221,940</b>

**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**  
**REGISTERED NUMBER: 07755713**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	14		<b>11,614,756</b>		<b>11,661,274</b>
Investments	15		<b>1</b>		<b>1</b>
			<b>11,614,757</b>		<b>11,661,275</b>
<b>CURRENT ASSETS</b>					
Stocks	16	<b>5,449</b>		<b>5,466</b>	
Debtors	17	<b>355,813</b>		<b>120,453</b>	
Cash at bank and in hand		<b>901,226</b>		<b>1,364,833</b>	
		<b>1,262,488</b>		<b>1,490,752</b>	
<b>CREDITORS:</b> amounts falling due within one year	19	<b>(469,434)</b>		<b>(714,087)</b>	
<b>NET CURRENT ASSETS</b>			<b>793,054</b>		<b>776,665</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>12,407,811</b>		<b>12,437,940</b>
Defined benefit pension scheme liability	25		<b>(2,136,000)</b>		<b>(1,216,000)</b>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<b>10,271,811</b>		<b>11,221,940</b>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds:					
Restricted funds	20	<b>427,402</b>		<b>561,581</b>	
Restricted fixed asset funds	20	<b>11,614,755</b>		<b>11,679,730</b>	
Restricted funds excluding pension liability		<b>12,042,157</b>		<b>12,241,311</b>	
Pension reserve		<b>(2,136,000)</b>		<b>(1,216,000)</b>	
Total restricted funds			<b>9,906,157</b>		<b>11,025,311</b>
Unrestricted funds	20		<b>365,654</b>		<b>196,629</b>
<b>TOTAL FUNDS</b>			<b>10,271,811</b>		<b>11,221,940</b>

The financial statements were approved by the Trustees, and authorised for issue, on 30 November 2016 and are signed on their behalf, by:

  
 .....  
**Mr A Blundell**  
 Chair of Trustees



**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	22	<u>(884,732)</u>	<u>230,500</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		2,443	1,732
Proceeds from the sale of property, plant and equipment		-	10,955
Purchase of property, plant and equipment		(242,531)	(212,215)
Capital grants from DfE/EFA		661,213	938,432
Purchase of unlisted and other investments		-	(1)
<b>Net cash provided by investing activities</b>		<u>421,125</u>	<u>738,903</u>
<b>Change in cash and cash equivalents in the year</b>	23	<u>(463,607)</u>	<u>969,403</u>
Cash and cash equivalents brought forward		<u>1,364,833</u>	<u>395,430</u>
<b>Cash and cash equivalents carried forward</b>		<u><u>901,226</u></u>	<u><u>1,364,833</u></u>

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

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

Colchester County High School for Girls constitutes a public benefit entity as defined by FRS 102.

Group accounts have not been prepared as the charity's subsidiary is permitted to be excluded from group accounts by virtue of sections 402 and 405 of the Companies Act 2006 since its inclusion is not material for the purpose of giving a true and fair view. These financial statements therefore present information about the charity as an individual undertaking and not about its group.

##### First time adoption of FRS 102

These financial statements are the first financial statements of Colchester County High School for Girls prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Colchester County High School for Girls for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

There were no restatements required to the comparative amounts as a result of the implementation of FRS 102.

##### 1.2 Fund accounting

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

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

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

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

##### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Buildings	-	2% straight line
Swimming pool enclosure, gym and hall roof	-	6.67% straight line
Furniture and equipment	-	20% straight line
Computer equipment and software	-	20% and 33% straight line respectively

##### 1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.8 Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the academy. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities incorporating income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### 1.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

##### 1.11 Taxation

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

##### 1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

##### 1.13 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 1.15 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 1.16 Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016

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1. ACCOUNTING POLICIES (continued)

1.17 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations from trading subsidiary	-	-	-	-	8,838
Other donations	-	86,147	-	86,147	34,878
Total donations and legacies	-	86,147	-	86,147	43,716

In 2016, of the total income from donations and legacies, £86,147 was to unrestricted funds and £ NIL was to restricted funds

**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	17,112	-	17,112	12,268
Subject sales	25,512	-	25,512	21,795
Charges for additional education services	66,652	3,644	70,296	36,579
Equipment sales	374	-	374	108
Catering income	262,230	16,294	278,524	242,570
Trip income	195,900	-	195,900	143,884
	<u>567,780</u>	<u>19,938</u>	<u>587,718</u>	<u>457,204</u>

In 2016, of the total income from donations and legacies, £567,780 was to unrestricted funds and £19,938 was to restricted funds.

**4. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Short term deposits	<u>2,443</u>	<u>-</u>	<u>2,443</u>	<u>1,732</u>

In 2016, all of the total investment income was unrestricted.



**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	3,930,138	3,930,138	3,909,845
DfE/EFA capital grants	-	807,455	807,455	944,586
Other EFA / government grants	-	64,774	64,774	56,985
	-	4,802,367	4,802,367	4,911,416
<b>Other government grants</b>				
North East Essex Teaching School Alliance (NEETSA)	-	184,788	184,788	-
	-	184,788	184,788	-
<b>Other funding</b>				
	-	-	-	-
	-	4,987,155	4,987,155	4,911,416

In 2016, all of the total income from charitable activities was unrestricted.

**6. DIRECT COSTS**

	Total 2016 £	Total 2015 £
Pension cost	46,000	38,000
Depreciation	284,464	285,573
Educational supplies	105,561	91,668
Examination fees	107,362	111,091
Staff development	43,376	14,633
Educational consultancy	15,784	19,483
Pupil transport	2,405	890
Special facilities	610	1,523
Other direct costs	19,468	16,563
Supply teacher costs	45,723	21,930
Indirect employee expenses	43,361	41,274
Wages and salaries	2,006,724	1,972,916
National insurance	174,091	158,070
Pension cost	346,154	294,888
	3,241,083	3,068,502

In 2016 Staff development costs included £27,339 of NEETSA expenditure.

**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**7. SUPPORT COSTS**

	<b>Activities</b>	<i>Total</i>
	<b>£</b>	<b>2015</b>
		<b>£</b>
Agency support staff costs	24,444	17,807
Pupil recruitment and support	48,097	42,689
Maintenance of premises and equipment	891,324	633,800
Cleaning	71,405	70,485
Rates and water	31,166	30,111
Insurance	25,284	32,180
Travel and subsistence	1,805	1,794
Catering	9,394	13,936
Bank interest and charges	6,769	5,579
Heat and light	65,945	64,912
Technology	73,870	69,510
Supplies, printing and telephone	80,621	48,339
Professional services	65,791	30,174
Indirect employee expenses	14,629	10,582
Governance costs - Professional costs	16,905	14,106
Governance costs - Trustee expenses	367	700
Wages and salaries	526,920	475,304
National insurance	28,390	21,612
Pension cost	91,081	87,059
	<u>2,074,207</u>	<u>1,670,679</u>

**8. EXPENDITURE**

	<b>Staff costs</b>	<b>Other costs</b>	<b>Total</b>	<i>Total</i>
	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Activities:				
Direct costs	2,526,969	714,114	3,241,083	3,068,502
Support costs	646,393	1,427,814	2,074,207	1,670,679
	<u>3,173,362</u>	<u>2,141,928</u>	<u>5,315,290</u>	<u>4,739,181</u>

Of the resources expended on charitable activities in 2016 £5,315,290 was restricted and £Nil was unrestricted.

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COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016

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9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	284,464	285,574
Auditors' remuneration	6,960	6,250
Auditors' remuneration - non-audit	1,750	1,671
	<u>293,174</u>	<u>293,495</u>

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**10. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	2,610,727	2,508,928
Social security costs	203,301	179,991
Other pension costs (Note 25)	447,615	390,288
	<u>3,261,643</u>	<u>3,079,207</u>
Indirect employee expenses	57,990	51,856
	<u>3,319,633</u>	<u>3,131,063</u>

The average number of persons employed by the academy during the year was as follows:

	2016 No.	2015 No.
Teachers	43	42
Administration and support	31	30
Management	7	7
	<u>81</u>	<u>79</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	2	2
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0

The three (2015: three) above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2016, pension contributions for these staff amounted to £35,497 (2015: £29,464).

Key management personnel comprises the staff governors and certain members of the Senior Leadership Team. The total number of staff considered to be key management personnel is 7 and they received aggregate employment benefits in the year ended 31 August 2016 of £404,973 (2015 - £370,457).

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**11. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2016 Remuneration £	2016 Pension contributions £	2015 Remuneration £	2015 Pension contributions £
Mrs G Marshall, Head Teacher, Accounting Officer & Finance and Audit Committee	90-95	15-20	85-90	10-15
Mr B Russell, Staff Governor & Finance and Audit Committee	-	-	40-45	5-10
Dr E Gwyther, Staff Governor & Finance and Audit Committee	10-15	0-5	35-40	5-10
Mrs E McClelland, Staff Governor	-	-	5-10	0-5
Miss D Murison, Staff Governor	20-25	0-5	20-25	0-5
Mrs S Stinson, Staff Governor	15-20	0-5	15-20	0-5
Mr D Mucklow, Staff Governor	25-30	0-5	-	-

**12. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £533 (2015 - £1,128).

**13. OTHER FINANCE INCOME**

	2016 £	2015 £
Expected return on pension scheme assets	35,000	36,000
Interest on pension scheme liabilities	(81,000)	(74,000)
	<u>(46,000)</u>	<u>(38,000)</u>

**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Furniture and equipment £	Computer equipment £	Assets under construction £	Total £
<b>Cost</b>					
At 1 September 2015	12,241,427	178,232	254,095	4,585	12,678,339
Additions	-	42,074	54,215	146,242	242,531
Assets written off	-	-	-	(4,585)	(4,585)
At 31 August 2016	12,241,427	220,306	308,310	146,242	12,916,285
<b>Depreciation</b>					
At 1 September 2015	741,100	125,684	150,281	-	1,017,065
Charge for the year	211,974	29,170	43,320	-	284,464
At 31 August 2016	953,074	154,854	193,601	-	1,301,529
<b>Net book value</b>					
At 31 August 2016	11,288,353	65,452	114,709	146,242	11,614,756
At 31 August 2015	11,500,327	52,548	103,814	4,585	11,661,274

Included in land and buildings is freehold land of £2,495,000 (2015 - £2,495,000) which is not depreciated.

Assets under construction include planning fees in relation to the construction of new classrooms.

**15. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>Cost</b>	
At 1 September 2015 and 31 August 2016	1

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Holding
CCHSG Trading Limited	100%

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**15. FIXED ASSET INVESTMENTS (continued)**

The aggregate of the share capital and reserves as at 31 August 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
<b>Investments at market value comprise:</b>		
	<b>2016</b>	<b>2015</b>
	£	£
Group	<u>1</u>	<u>1</u>

All the fixed asset investments are held in the UK

**16. STOCKS**

	<b>2016</b>	<b>2015</b>
	£	£
Items for subject sales	<u>5,449</u>	<u>5,466</u>

**17. DEBTORS**

	<b>2016</b>	<b>2015</b>
	£	£
Trade debtors	4,457	4,880
Amounts owed by group undertakings	-	8,838
Other debtors	291,991	59,219
Prepayments	59,365	47,516
	<u>355,813</u>	<u>120,453</u>

**18. CASH AT BANK - UNSPENT COMMITTED CAPITAL**

During the year the school received £443,070 CIF funding for the replacement of pipework. At 31 August 2016 £84,310 remained committed but unspent. Since the year end these funds have been expended in full.

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**19. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	146,780	518,836
Other taxation and social security	64,566	53,784
Other creditors	52,057	48,210
Accruals and deferred income	206,031	93,257
	<u>469,434</u>	<u>714,087</u>
	2016 £	2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	57,249	39,862
Resources deferred during the year	51,637	57,249
Amounts released from previous years	(57,249)	(39,862)
Deferred income at 31 August 2016	<u>51,637</u>	<u>57,249</u>

At the balance sheet date the academy trust was holding funds received in advance of £35,656 for educational trips, £2,236 EFA funding in relation to pupil premium for 2016/17, income of £257 in relation to new year 7 intake for 2016/17 and £1,749 received in advance for subject sales. The balance on the cashless payment system at 31 August 2016 was £11,739.



**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**20. STATEMENT OF FUNDS**

	<b>Brought Forward £</b>	<b>Income £</b>	<b>Expenditur e £</b>	<b>Transfers in/out £</b>	<b>Gains/ (Losses) £</b>	<b>Carried Forward £</b>
<b>Unrestricted funds</b>						
General Funds - all funds	<b>196,629</b>	<b>570,223</b>	<b>(395,884)</b>	<b>(5,314)</b>	<b>-</b>	<b>365,654</b>
<b>Restricted funds</b>						
General Annual Grant (GAG)	<b>379,184</b>	<b>3,970,786</b>	<b>(4,023,088)</b>	<b>(49,038)</b>	<b>-</b>	<b>277,844</b>
Other Restricted Funds	<b>182,397</b>	<b>772,529</b>	<b>(882,977)</b>	<b>-</b>	<b>-</b>	<b>71,949</b>
NEETSA (North Essex Teaching School Alliance)	<b>-</b>	<b>184,788</b>	<b>(107,179)</b>	<b>-</b>	<b>-</b>	<b>77,609</b>
Pension reserve	<b>(1,216,000)</b>	<b>-</b>	<b>(83,000)</b>	<b>-</b>	<b>(837,000)</b>	<b>(2,136,000)</b>
	<b>(654,419)</b>	<b>4,928,103</b>	<b>(5,096,244)</b>	<b>(49,038)</b>	<b>(837,000)</b>	<b>(1,708,598)</b>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	<b>1,312,236</b>	<b>165,137</b>	<b>(102,047)</b>	<b>54,352</b>	<b>-</b>	<b>1,429,678</b>
Inherited fixed asset fund	<b>10,367,494</b>	<b>-</b>	<b>(182,417)</b>	<b>-</b>	<b>-</b>	<b>10,185,077</b>
	<b>11,679,730</b>	<b>165,137</b>	<b>(284,464)</b>	<b>54,352</b>	<b>-</b>	<b>11,614,755</b>
Total restricted funds	<b>11,025,311</b>	<b>5,093,240</b>	<b>(5,380,708)</b>	<b>5,314</b>	<b>(837,000)</b>	<b>9,906,157</b>
Total of funds	<b>11,221,940</b>	<b>5,663,463</b>	<b>(5,776,592)</b>	<b>-</b>	<b>(837,000)</b>	<b>10,271,811</b>

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

Fund transfers reflect expenditure on fixed assets from revenue funds.

The General Annual Grant (GAG) represents core funding for the educational activities of the school that has been provided to the academy via the Education Funding Agency by the Department of Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the academy.

The other restricted fund has been created to recognise the restricted grant funding received for capital projects.

The NEETSA fund represents income and expenditure received by the Academy in relation to the teaching school grants.

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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

The pension reserve has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The restricted fixed assets fund has been set up to recognise the tangible fixed assets gifted to the academy upon conversion by the local authority and also those purchased by the academy following conversion that have been funded from GAG and other capital grants. Depreciation charged on those tangible assets is allocated to the fund.

The restricted fixed asset fund represents the total amount of capital grants received. The monies spent on fixed assets and refurbishment works are therefore allocated to this fund. Depreciation charged on fixed asset purchases is allocated to this fund.

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	11,614,755	11,614,755	11,661,274
Fixed asset investments	-	1	-	1	1
Current assets	380,229	882,258	-	1,262,487	1,490,751
Creditors due within one year	(14,575)	(454,857)	-	(469,432)	(714,086)
Provisions for liabilities and charges	-	(2,136,000)	-	(2,136,000)	(1,216,000)
	<u>365,654</u>	<u>(1,708,598)</u>	<u>11,614,755</u>	<u>10,271,811</u>	<u>11,221,940</u>

**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(113,129)	313,075
<b>Adjustment for:</b>		
Depreciation charges	284,464	285,574
Loss on the sale of fixed assets	4,585	-
Decrease/(increase) in stocks	17	(4,312)
(Increase)/decrease in debtors	(244,198)	63,120
(Decrease)/increase in creditors	(244,653)	452,045
Capital grants from DfE and other capital income	(661,213)	(938,432)
Defined benefit pension scheme cost less contributions payable	37,000	32,000
Defined benefit pension scheme finance cost	46,000	38,000
Decrease/(increase) in amounts owed by group undertakings	8,838	(8,838)
Returns on investments and financing income	(2,443)	(1,732)
<b>Net cash (used in)/provided by operating activities</b>	<b>(884,732)</b>	<b>230,500</b>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	901,226	1,364,833
<b>Total</b>	<b>901,226</b>	<b>1,364,833</b>

**24. CAPITAL COMMITMENTS**

At 31 August 2016 the academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	232,000	789,404

**25. PENSION COMMITMENTS**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are Multi-employer defined benefit pension 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 £51,852 were payable to the schemes at 31 August 2016 (2015 - £47,935) and are included within creditors.

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 25. PENSION COMMITMENTS (continued)

##### Teachers' Pension Scheme

###### Introduction

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

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

###### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £294,490 (2015 - £249,072).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

###### Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £157,000 (2015 - £144,000), of

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**25. PENSION COMMITMENTS (continued)**

which employers' contributions totalled £120,000 (2015 - £111,000) and employees contributions totalled £37,000 (2015 - £33,000). The agreed contribution rates for future years are 12.3% for employers and tiered contribution% for employees.

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

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

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.40 %
Rate of increase for pensions in payment / inflation	2.30 %	2.60 %
Inflation assumption (CPI)	2.30 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.9 years	22.8 years
Females	25.3 years	25.2 years
Retiring in 20 years		
Males	25.2 years	25.1 years
Females	27.7 years	27.6 years

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	733,000	517,000
Debt instruments	48,000	77,000
Property	118,000	92,000
Gilts	38,000	32,000
Cash	32,000	20,000
Alternative assets and other managed funds	98,000	57,000
Total market value of assets	<u>1,067,000</u>	<u>795,000</u>

The actual return on scheme assets was £129,000 (2015 - £33,000).

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**25. PENSION COMMITMENTS (continued)**

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost	(157,000)	(143,000)
Interest on obligation	(81,000)	(74,000)
Expected return on scheme assets	35,000	36,000
	<u>(203,000)</u>	<u>(181,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	2,011,000	1,794,000
Current service cost	157,000	143,000
Interest cost	81,000	74,000
Contributions by scheme participants	37,000	33,000
Actuarial Losses/(gains)	931,000	(45,000)
Benefits paid	(14,000)	12,000
	<u>3,203,000</u>	<u>2,011,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	795,000	606,000
Expected return on assets	35,000	36,000
Actuarial gains and (losses)	94,000	(3,000)
Contributions by employer	120,000	111,000
Contributions by employees	37,000	33,000
Benefits paid	(14,000)	12,000
	<u>1,067,000</u>	<u>795,000</u>

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## COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

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#### 26. OPERATING LEASE COMMITMENTS

At 31 August 2016 the Academy had annual commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Expiring within one year	12,380	-
Expiring within two and five years inclusive	37,140	-
Total	<u>49,520</u>	<u>-</u>

#### 27. RELATED PARTY TRANSACTIONS

Colchester County High School for Girls School Private Fund supports the school and shares similar charitable aims, as does the Parent Teacher Association. Both are Registered Charities.

The School Fund made donations to the academy totaling £224,815 (2015: £34,176) during the year, including the following:

At 31 August 2016 donations totaling £146,242 (2015: £4,185) had been promised but not yet paid to the academy.

The PTA made donations to the academy totaling £2,925 (2015: £5,977) during the year. There were no amounts outstanding at 31 August 2016 (2015: £nil).

Kent Blaxill & Co Ltd is a local builders' merchant of which the husband of Mrs J Blaxill, a governor, is managing director. Transactions totaling £80 (2015: £836), relating mainly to the routine purchase of building supplies and of which the largest was £55, took place in the year. There were no amounts outstanding at 31 August 2016 (2015: £99). Kent Blaxill & Co Ltd also donated £5,000 worth of paving slabs to the school for the outdoor courtyard.

#### 28. 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.

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**COLCHESTER COUNTY HIGH SCHOOL FOR GIRLS**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**29. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.