

Colchester County High School for Girls
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the period ended 31 August 2012



Company Registration Number
07755713 (England and Wales)

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Governors (Trustees)

(All appointed 5 October 2011 unless stated)

Mr A Blundell* (Chair) (appointed 30 August 2011)
Mr M Ager* (appointed 30 August 2011)
Mr M Albano* (appointed 9 July 2012)
Mrs J Blaxill
Mrs D Botham (appointed 25 January 2012)
(term ended 16 November 2012)
Miss E Brown (appointed 9 July 2012)
Mr C Chambers (resigned 7 March 2012)
Mr R Cooke
Dr M Fasli (appointed 25 January 2012)
Mr K Grinstead (Responsible Officer)
Dr E Gwyther* (staff governor)
Mr M Hart
Mr L Jones*
Mrs E McClelland (staff governor)
(appointed 7 March 2012)
Dr A Oshisanwo
Mr A Nightingale (appointed 7 March 2012)
Mrs C Phillips (appointed 25 January 2012)
Mr G Randall*
Mr B Russell* (staff governor)
Mrs J Scott (appointed 23 November 2011)
Ms J Skinner (appointed 25 January 2012)
Ms E Thomas (appointed 25 January 2012)
(resigned 29 February 2012)
Mrs G Marshall* (Headteacher & Accounting Officer)
(appointed 30 August 2011)

NB All governors are directors of Colchester County High School for Girls

* members of the Finance Committee

Company Secretary

Mr G Watcham

Senior Leadership Team

Headteacher
Deputy Headteachers
Assistant Headteachers
School Business Manager
- Office Manager

Mrs G Marshall
Mrs W Jackson & Mrs S Moss
Dr S Parrott & Mr G Turner
Mr G Watcham
Mrs S Tofts (retired 31 August 2012)

Principal and Registered Office

Norman Way
COLCHESTER
CO3 3US

Company Registration Number

07755713 (England and Wales)

Independent Auditor

Baker Tilly UK Audit LLP
Marlborough House
Victoria Road South
CHELMSFORD
CM1 1LN

Bankers

Barclays PLC
9 High Street
COLCHESTER
CO1 1DA

Solicitors

Veale Wasbrough Vizards
Barnards Inn
86 Fetter Lane
LONDON
EC4A 1AD

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2012. The company was incorporated on 30 August 2011 and the school converted to an Academy on 1 October 2011. Any financial transactions in these accounts relate to the 11 month period 1 October 2011 to 31 August 2012 unless otherwise stated.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

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

Details of the governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 3.

Members' liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Governors' indemnities

There were no provisions required for third party indemnity.

Principal activities

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 EA 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 18. This is delivered through a broad, well balanced, personalised curriculum and enables the students to achieve excellence in public examinations.

Method of recruitment and appointment or election of governors

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 12 in post)
- a minimum of 3 parent governors appointed by ballot of parents of registered pupils (currently 4 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, except those transferring from the predecessor school who serve the remainder of their original term. 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of governors

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. Prior to becoming an Academy, governors received presentations from Veale Wasbrough Vizards on the implications of conversion and governors' changed responsibilities. During the period governors attended safeguarding training presented by Veale Wasbrough Vizards. Governors' meetings regularly include presentations from school staff on a variety of topics of interest so as to keep them informed.

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, 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, Headteacher's Pay, Pay, Student Discipline, Staff Disciplinary, Staff Disciplinary Appeals and Staff Pay Appeals.

The SLT consists of the Headteacher, two Deputy Headteachers, two Assistant Headteachers, the School Business Manager and the Office 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.

Risk management

The governors have 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 governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the governors have appointed Mr K Grinstead, a governor, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. To assist with this role governors have procured Responsible Officer Services from Baker Tilly Tax and Accounting Ltd (which operates independently of Baker Tilly UK Audit LLP, the Academy's auditor). As well as helping to compile the Risk Register, three times a year they undertake an independent review of the financial systems and provide a written report providing feedback on how the Academy's financial affairs are being discharged. The RO then presents this report back to all governors. The report includes action points identifying any areas for improvement.

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 safe guarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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, nor does the Trust or members of it have a controlling influence over any organisation

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

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object of the school 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

The Academy Trust's principal aim is to provide, for the public benefit, outstanding education to able students between the ages of 11 and 18. This enables the students to achieve outstanding academic results

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

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, and
- provide the highest quality education for able students, to enable them to achieve excellence in public examinations

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

Objectives, strategies and activities

The school's main objectives for the academic year 2011-12 were as follows

Student Achievement

- 80% of grades to be at A/A* GCSE
- 60% of grades to be at A/A* A2
- Increase in percentage achieving the English Baccalaureate
- Improve assessment, initially establishing a working party
- Develop assessment for learning via teaching and learning bulletin and Continuing Professional Development
- Bid for 1:1 tuition funding

Teaching and Learning

- Improve lesson observation grades. Start to develop assessment for learning and share good practice
- Develop new lesson observation paperwork and introduce new Ofsted framework dual observation for quality control
- New Performance Management to include pupil progress target
- Introduce 2 week timetable
- Revision sessions planned for English and Mathematics and start to introduce other subjects

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

Teaching and Learning (continued)

- Continue to develop creativity and the thinking school
- Behaviour and development of pastoral provision, formal protocols and guide to be produced
- Develop Student Voice
- Students involved in writing the Code of Conduct and developing rules for form room behaviour
- Introduce Duke of Edinburgh Award
- Introduce lesson monitor to improve absence
- Introduce Parental Voice to give parents a voice and involvement in the school
- Introduce Standards Evening so that all year groups, in September outline to both parents and students the policies and procedures for that year
- Introduce a Weekly Bulletin

Leadership and Management

- Financial training for some members of the Senior Leadership Team
- Networking with other key grammar schools
- Writing new Self Evaluation Form (SEF) and protocol for departmental SEF
- Start to monitor policies and organise review schedules
- Introduce ALPS data collection software for data management
- Introduce Fisher Family Trust data for target setting and utilise Raiseonline
- Train staff in Raiseonline
- Support staff structure review
- Produce new prospectus for Lower School and Upper School and start to redesign the website
- Improve training for governance and write new governors' handbook

Premises

- Make Capital Bids for improvement of the school, including dining room windows, a Sixth Form Block and new classrooms. This will be a five-year plan. Implement construction of swimming pool cover, Dance Studio and changing rooms

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.

ACHIEVEMENTS AND PERFORMANCE

Student Achievement

Academic Performance at GCSE

- 100% of students gained A* - C in English Language, Mathematics, Statistics and either French or German
- 78% of students achieved A*/A
- 87.5% of students achieved the English Baccalaureate
- The majority of the students also obtained an AS level which is an excellent achievement
- This was a superb set of results. The average point score was 794, this is a huge score, even by our standards!
- The school was positioned third in the country in the last academic year

Academic Performance at A Level

- 112 Year 13 students took their final A Level examinations
- It was an excellent year for our students. Every student has passed every examination she has taken & every student has achieved a minimum of 3 Advanced Level passes
- 40% of CCHS students each achieved at least 3 grade A's at A Level and 60% of all grades were A* or A
- 37.5% of students gained at least 1 A* at A Level
- 18.75% of students achieved 2A*'s
- 28 students have achieved at least 4 A grades at A Level

Attendance is high at an excellent 96.5%, supported by the introduction of 'Lesson Monitor' software

ACHIEVEMENTS AND PERFORMANCE (continued)

Quality of Teaching

- Lesson observation grades are continually improving and 'Assessment for Learning' is becoming more evident. There is a formal grading system for lesson observation utilising new Ofsted paperwork. These observations have been quality controlled by a system of dual observation.
- A two week timetable has been introduced, which has enabled the academy to map out the curriculum in a balanced manner.
- Students' literacy and numeracy is now supported by 1 to 1 tuition for underachievers.
- There is a planned revision programme for English and Mathematics in the upper school.
- 'Learning walks' have been established and the new teaching standards introduced (Monitoring of departments on a regular basis via a quick walk around each classroom, observing teacher, marking, displays etc.)

Development of Pastoral Provision

- Form tutors have been made aware of their role and responsibilities. Students have started training on resilience and the 'Student Voice' role has been enhanced and developed.
- There have been increased opportunities to celebrate success and this will continue to be improved.
- The 'Parental Voice' played a key role in the introduction of the new uniform. There are now 60 parents on Parental Voice, meeting once per term.
- The new standards evenings have taken place and all year groups have been provided with syllabus and topics to be studied where appropriate.

Leadership and Management

- Some members of the Leadership team have received financial training.
- There has been extensive networking with other Grammar schools which has supported curriculum change and benchmarking for the staffing structure.
- Senior Leadership Team Associates have been introduced, and a wider senior team which has been involved with the Self Evaluation Form (SEF) and Action Plan production.
- Policies are now on a rolling programme for updating and follow the Independent Schools' Association guidelines as provided by the Trust's solicitors Veale Wasbrough Vizards.
- The support staff has been reviewed and we now have a data manager and operations manager in post.
- The website and prospectus have been reviewed to incorporate a house style.

Premises

- Capital funding has been approved for window replacement and asbestos encapsulation.
- Currently outline plans have been made for the removal of demountables and building a three classroom unit as the first phase of a sixth form block.
- Reception has been decorated and new furnishings purchased.

Going concern

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

Key Financial Performance Indicators

Colchester County High School for Girls converted to Academy status on 1 October 2011, the predecessor school was rated "outstanding" by Ofsted in January 2009.

The total number of students on roll in the year ended 31 August 2012 numbered 796. From 1 September 2012 the Academy has a Published Admissions Number (PAN) each year of 112 (being the PAN at the predecessor school since 2006), from 1 September 2014 this will increase to 140. 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 796 included 236 sixth form students, here the Academy aims to recruit around 120 each year, but this is subject to greater fluctuation.

General annual grant (GAG) income £3,724,994

Total income (excluding capital and incoming pension scheme deficit) £4,358,174

Total expenditure (excluding capital) £4,144,897

Capital expenditure £251,080

ACHIEVEMENTS AND PERFORMANCE (continued)

Key Financial Performance Indicators (continued)

Pupil ratios

- GAG income per pupil £4,680
- Total income per pupil £5,475
- Total expenditure per pupil £5,207
- Capital expenditure per pupil £315

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 £2,959,190
- Staff costs as a percentage of GAG income 79.4%
- Staff costs as a percentage of total income 67.9%
- Staff costs as a percentage of total expenditure 71.4%

Liquidity ratio 1.75 : 1

The Academy's revenue surplus (excluding the pension scheme deficit) is £209,323, comprising unrestricted funds of £125,111 (2.9% of total income), £80,803 GAG (0.9% of GAG income) and £3,409 other restricted funds

FINANCIAL REVIEW

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 period ended 31 August 2012 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also has been in receipt of capital grants for building from the EFA through the bid process for Capital maintenance fund. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), 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 period ended 31 August 2012, total expenditure of £4,395,977, all of which was spent in furtherance of the Academy's object, was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and the incoming pension scheme deficit) was £171,323.

At 31 August 2012 the net book value of fixed assets was £11,123,114 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Upon Academy conversion, a number of assets have been recognised as gifted to the Academy. These include fixed assets of £10,720,000, unspent capital grant £65,743, earmarked capital funds £193,938 and unspent delegated budget £65,743 upon closure of the Local Authority School.

In accordance with FRS17, the Academy received an actuarial assessment of the pension scheme deficit. The deficit balance is included within the balance sheet as at 31 August 2012 and supporting notes to the accounts, note 28.

Financial and risk management objectives and policies

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 deficit within the balance sheet as detailed in note 28.

FINANCIAL REVIEW (continued)

Principal risks and uncertainties

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

- Changes in Government policy in relation to both selective grammar school status and Academies generally
- Loss of, or damage to, an Academy building (whole or part) due to vandalism
- Inadequate consideration of health and safety of staff, public and students whilst on Academy premises
- Receiving a less than 'Outstanding' Ofsted report
- Property maintenance plans and their implementation are not adequate

In addition, the financial outlook is uncertain. Major reforms to secondary education funding were announced by the DfE just before the end of the period and the Education Funding Agency is to calculate and apply these new funding formulae from 2013/14. Prior to receiving the detail, our long term funding forecasting has been based on two key assumptions

- No year-on-year increase in funding per pupil in years 7-11 for the foreseeable future
- A reduction in funding of around £620 per sixth form pupil over the four years to 2015/16, as notified following a previous review

The consequent loss of income in real terms is likely to have significant implications and is unlikely to be resolved by the latest reforms. Governors have approved an increase in the Published Admissions Number, which will increase funding, and together with the Senior Leadership Team continue to plan and implement a cost reduction strategy.

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 allow the Academy to cope with any projected deficits for the foreseeable future.

The Academy held fund balances of £10,257,944 at 31 August 2012, made up as follows

- Unrestricted funds of £125,111 are held as a general reserve to provide sufficient working capital to cover delays between spending and receipt of grants and as 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 £84,212 comprise GAG £80,803 and other restricted funds £3,409
- Restricted fixed asset funds of £11,215,621 comprise land & buildings and other capital assets £10,949,799, DfE/EFA capital grants £104,531, GAG transferred to capital £29,125 and other funds transferred to capital £132,166
- Restricted pension fund deficit of £1,167,000. 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.

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.

PLANS FOR FUTURE PERIODS

The key strategic priorities for the academic year 2012-13 are

Student Achievement

- Sustain and improve current academic performance, the following numerical targets have been set: 90% A/A* GCSE grades in Mathematics and English, 80% A/A* GCSE grades for all subjects (combined totals)
- Improve Assessment, Reporting and Recording. All students must know their target grades and 'working at' grades and the necessary steps to improve their performance.

In order to achieve this there will be the introduction of a whole school tracking system, monitoring of vulnerable groups, 1 to 1 tuition and a mentoring system in all year groups. There will also be a coordinated revision programme for public examination candidates.

Quality of Teaching

- Improve quality of teaching and learning especially assessment for learning

This will be achieved by the following strategies

- Lesson observation and the sharing of good practice

PLANS FOR FUTURE PERIODS (continued)

Quality of Teaching (continued)

- Staff meeting time to share information and discuss teaching and assessment techniques
- Teaching and learning bulletin
- The introduction of the new teacher standards and performance management structure
- To support the quality of induction and staff development we aim to provide a comprehensive, personalised Continuing Professional Development programme

Student Behaviour, Safety and Skills, including Spiritual, Moral, Cultural and Social education (SMCS)

- Continue to develop Pastoral Provision by supporting and enhancing the role of the form tutor
- Students and staff are to receive training on resilience, developing self-esteem and organisation
- Through the 'Student Voice' students are to make decisions about their environment and education
- Students will also be involved in the development and review of the Rewards and Awards system
- The Duke of Edinburgh Award will continue and more places will be provided
- The SMCS audit will be reviewed and impact assessed

Development of Parental Support

- We aim to improve communication with parents via the new standards evening and weekly bulletin
- There will also be the continuation and expansion of the current 'Parental Voice' which has been responsible for bringing about some significant changes within the school, for example the introduction of a new school uniform
- Parental questionnaires are to be provided for every parents' evening

Leadership and Management

- Develop Effectiveness of the Leadership, at all levels across the school, this will be achieved through middle management training programmes including the use of the Essex subject review team and Human Resources
- Establish and develop Academy financial software and train non specialist senior staff in financial management for academies
- Network extensively with outstanding Grammar schools to share good practice and understand the initiatives that have an impact upon achievement in selective girls' schools
- Develop Governance in line with academy status and statutory requirements by redefining the role of the Governing Body, instituting a Governor training programme and evaluating governor knowledge of the school
- Improve internal policies and procedures in line with statutory requirements, implementing a 3 year policy review

Develop and Improve premises

- Improve premises through fund raising and capital bids remove Crittall windows, commence class room refurbishment, improve library, school hall, dining facilities and remove demountable classrooms

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITORS

The auditors, Baker Tilly UK Audit LLP, were appointed as auditors to the charitable company during the period and have indicated their willingness to continue in office

Statement as to disclosure of information to auditors

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

Approved by order of the Governing Body at its meeting on 5 December 2012 and signed on its behalf by



Allan Blundell
Chair of Governors

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 6 times during the period since conversion to an Academy. Attendance during the period at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of possible
Mr A Blundell (Chair)	5	6
Mr M Ager	5	6
Mr M Albano (appointed 9 July 2012)	1	1
Mrs J Blaxill	6	6
Mrs D Botham (appointed 25 January 2012)	4	4
Miss E Brown (appointed 9 July 2012)	1	1
Mr C Chambers (resigned 7 March 2012)	0	3
Mr R Cooke	3	6
Dr M Fasli (appointed 25 January 2012)	2	4
Mr K Grinstead (Responsible Officer)	6	6
Dr E Gwyther (staff governor)	6	6
Mr M Hart	3	6
Mr L Jones	5	6
Mrs E McClelland (staff governor-appointed 7 March 2012)	3	3
Dr A Oshisanwo	6	6
Mr A Nightingale (appointed 7 March 2012)	3	3
Mrs C Phillips (appointed 25 January 2012)	4	4
Mr G Randall	5	6
Mr B Russell (staff governor)	5	6
Mrs J Scott (appointed 23 November 2011)	4	5
Ms J Skinner (appointed 25 January 2012)	3	4
Ms E Thomas (appointed 25 January 2012) (resigned 29 February 2012)	1	1
Mrs G Marshall (Headteacher & Accounting Officer)	6	6

The finance 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 on the effectiveness of the financial procedures and controls and monitoring compliance with any recommendations.

Mr M Albano was appointed to the committee during the period. Attendance at meetings during the period was as follows:

Governor	Meetings attended	Out of possible
Mr M Ager (Chair)	3	6
Mr M Albano (appointed 9 July 2012)	0	0
Mr A Blundell	5	6
Dr E Gwyther (staff governor)	6	6
Mr L Jones	5	6
Mr G Randall	6	6
Mr B Russell (staff governor)	6	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 on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Colchester County High School for Girls for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body,
- regular reviews by the Finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties, and
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Mr K Grinstead, a Governor, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. Three times a year (twice during the period) the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of effectiveness

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

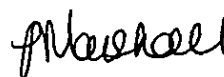
- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self-assessment process, and
- the work of the school business manager within the school who has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 5 December 2012 and signed on its behalf by



Allan Blundell
Chair of Governors



Gillian Marshall
Accounting Officer

As Accounting Officer of Colchester County High School for Girls Academy Trust I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregular, impropriety or funding non-compliance have been discovered to date.



Gillian Marshall
Accounting Officer

The governors (who 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 purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

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

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

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

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

Approved by order of the members of the Governing Body on 5 December 2012 and signed on its behalf by



Allan Blundell
Chair of Governors

We have audited the financial statements of Colchester County High School for Girls for the period ended 31 August 2012 on pages 17 to 36. 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 2011/12 issued by the Education Funding Agency.

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

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 15, the governors (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the Companies Act 2006, and
- have been prepared in accordance with the Academies Accounts Direction 2011/12 issued by the Education Funding Agency.

Opinion on other requirement of the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Baker Tilly UK Audit LLP

HANNAH CATCHPOOL (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

24 December 2012

Statement of Financial Activities

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Period Ended 31 August 2012

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2012 £
Incoming resources					
Incoming resources from generated funds					
- Voluntary Income	3	149,282	39,406	128,520	317,208
- Voluntary Income - transfer from Local Authority on conversion	31	77,106	(868,000)	11,191,696	10,400,802
- Activities for generating funds	4	170,013	1,562	-	171,575
Investment Income	5	230	-	-	230
Incoming resources from charitable activities					
- Funding for the Academy's educational operations	6	8,367	3,912,208	104,531	4,025,106
Total incoming resources		404,998	3,085,176	11,424,747	14,914,921
Resources expended					
Cost of generating funds					
- Costs of generating voluntary income	7	134,488	74	-	134,562
Costs of activities for generating funds	7	134,394	-	-	134,394
Charitable activities					
-Academy's educational operations	8	11,005	3,811,746	251,080	4,073,831
Governance costs	9	-	53,190	-	53,190
Total resources expended	7	279,887	3,865,010	251,080	4,395,977
Net incoming/(outgoing) resources before transfers		125,111	(779,834)	11,173,667	10,518,944
Gross transfers between funds	17	-	(41,954)	41,954	-
Net income/(expenditure) for the period		125,111	(821,788)	11,215,621	10,518,944
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	17,28	-	(261,000)	-	(261,000)
Net movement in funds		125,111	(1,082,788)	11,215,621	10,257,944
Reconciliation of funds					
Funds brought forward at 30 August 2011	17	-	-	-	-
Funds carried forward at 31 August 2012		125,111	(1,082,788)	11,215,621	10,257,944

All of the Academy's activities derive from acquisitions in the current financial period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

	Notes	2012 £
Fixed Assets		
Tangible assets	13	<u>11,123,114</u>
		<u>11,123,114</u>
Current assets		
Stock	14	1,014
Debtors	15	150,745
Cash at bank and in hand		<u>550,169</u>
		701,928
Current Liabilities		
Creditors Amounts falling due within one year	16	<u>(400,098)</u>
Net current assets		<u>301,830</u>
Total assets less current liabilities		11,424,944
Net assets excluding pension liability		<u>11,424,944</u>
Pension scheme liability	28	(1,167,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u><u>10,257,944</u></u>
Funds of the Academy		
Restricted funds		
- Fixed asset fund	17	11,215,621
- General funds	17	84,212
- Pension reserve	17	<u>(1,167,000)</u>
Total restricted funds		<u>10,132,833</u>
Unrestricted funds		
- General fund	17	125,111
Total unrestricted funds		<u>125,111</u>
TOTAL FUNDS		<u><u>10,257,944</u></u>

The financial statements on pages 17 to 37 were approved by the governors, and authorised for issue on 5 December 2012 and are signed on their behalf by



Allan Blundell
Chair of Governors

	Notes	2012 £
Net cash inflow from operating activities	21	422,280
Returns on investments and servicing of finance	22	230
Capital expenditure	23	(209,128)
Cash transferred on conversion to an academy trust	24	336,787
Increase in cash in the period	25	550,169

Reconciliation of net cash flow to movement in net funds

Net funds at 30 August 2011	-
Increase in cash in the period	550,169
Net funds at 31 August 2012	550,169

All of the cash flows are derived from acquisitions in the current financial period

Note 1

Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charities Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2011/12 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

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

Incoming Resources

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

- **Grants receivable**

Fixed asset grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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.

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

- **Donations**

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

- **Other income**

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

- **Donated Services and gifts in kind**

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

- **Interest receivable**

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Note 1

Statement of Accounting Policies (continued)

Resources Expended

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

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred on the Academy's educational operations.

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing over £2,000 individually, or any specific group of items costing over £5,000, are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Buildings	2%
Swimming pool enclosure	6.67%
Furniture and equipment	20%
Computer equipment and software	20% and 33% respectively

No depreciation is charged on assets that are not brought into use by the balance sheet date.

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

Impairment losses are recognised in the Statement of Financial Activities.

Stock

Uniform stock is valued at the lower of cost or net realisable value.

Leased assets

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

Note 1

Statement of Accounting Policies (continued)

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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes

Pensions Benefits

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

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 governors.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency and Department for Education.

Agency arrangements

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

Note 1

Statement of Accounting Policies (continued)

Conversion to an Academy Trust

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

The assets and liabilities transferred on conversion from Colchester County High School for Girls to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Colchester County High School for Girls. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The land and buildings were valued using the depreciated replacement cost method, i.e. the cost of replacing an asset with its modern equivalent less deductions for physical deterioration and all relevant forms of obsolescence and optimisation. Other tangible fixed assets were valued at their original cost less depreciation to the date of conversion in line with the governors' policy on tangible fixed assets detailed earlier in this note. The Local Government Pension Scheme deficit was the academy's share of the assets and liabilities of the Essex County Council scheme, as determined using Financial Reporting Standard 17 (FRS17). Other assets were transferred in cash. Further details of the transaction are set out in note 31.

Note 2

General Annual Grant

	2012
	£
Results and carry forward for the period	
GAG brought forward from previous year	-
GAG allocation for current period	3,724,994
Total GAG available to spend	3,724,994
Recurrent expenditure from GAG	3,612,038
Fixed assets purchased from GAG	32,153
Total GAG expenditure	3,644,191
GAG carried forward to next year	80,803
Maximum permitted GAG carry forward at end of current period (12% of allocation for current year)	446,999
GAG to surrender to DfE	(366,196)
(12% rule breached if result is positive)	No Breach
Use of GAG brought forward from previous year for recurrent purposes	
Recurrent expenditure from GAG in current period	3,612,038
GAG allocation for current period	(3,724,994)
GAG allocation for previous year x 2%	-
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current period	N/A
(2% rule breached if positive)	

Note 3

Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2012 £
Donations - Capital	-	-	128,520	128,520
Private sponsorship	-	2,000	-	2,000
Other Donations	149,282	37,406	-	186,688
	<u>149,282</u>	<u>39,406</u>	<u>128,520</u>	<u>317,208</u>

Note 4

Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Hire of facilities	2,745	-	2,745
Items sold	14,639	-	14,639
UCAS fees	-	1,562	1,562
Income from services provided	17,681	-	17,681
Staff Consultancy	3,298	-	3,298
Catering Income	131,650	-	131,650
	<u>170,013</u>	<u>1,562</u>	<u>171,575</u>

Note 5

Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Short Term Deposits	230	-	230
	<u>230</u>	<u>-</u>	<u>230</u>

Note 6

Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2012 £
DfE/EFA Capital Grants				
EFA Capital Grant for building	-	-	87,318	87,318
Devolved Formula Capital	-	-	17,213	17,213
	<u>-</u>	<u>-</u>	<u>104,531</u>	<u>104,531</u>
DfE/EFA Revenue Grants				
General Annual Grant (note 2)	-	3,724,994	-	3,724,994
Start Up Grant	-	25,000	-	25,000
Maintenance Grant	-	130,044	-	130,044
PE Teacher Release	-	7,600	-	7,600
Other DfE/EFA Grants	-	389	-	389
	<u>-</u>	<u>3,888,027</u>	<u>-</u>	<u>3,888,027</u>
Other Government Grants				
Local Authority Grants	8,367	13,874	-	22,241
Special Educational Projects	-	2,250	-	2,250
Teacher Training Grants	-	8,057	-	8,057
	<u>8,367</u>	<u>24,181</u>	<u>-</u>	<u>32,548</u>
	<u>8,367</u>	<u>3,912,208</u>	<u>104,531</u>	<u>4,025,106</u>

Note 7

Resources Expended

	Non Pay Expenditure			Total 2012 £
	Staff Costs £	Premises £	Other Costs £	
Costs of generating voluntary income	-	-	134,562	134,562
Costs of activities for generating funds	45,838	77,766	10,790	134,394
Academy's educational operations				
• Direct Costs	2,373,738	251,080	329,047	2,953,865
• Allocated Support Costs	539,614	183,419	396,933	1,119,966
	<u>2,959,190</u>	<u>512,265</u>	<u>871,332</u>	<u>4,342,787</u>
Governance costs (including allocated support costs)	-	-	53,190	53,190
	<u>2,959,190</u>	<u>512,265</u>	<u>924,522</u>	<u>4,395,977</u>

Incoming/outgoing resources for the period include

	2012 £
Operating leases	356
Fees payable to Baker Tilly UK Audit LLP and its associates for	
-Audit	8,850
-Other services	1,960
	<u>11,166</u>

Note 8

Charitable Activities - Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2012 £
Direct Costs				
Teaching and educational support staff costs	(390)	2,374,128		2,373,738
Depreciation	-	-	251,080	251,080
Educational supplies	-	86,354		86,354
Examination Fees	-	116,136		116,136
Staff Development	-	29,064		29,064
Educational Consultancy	-	16,432		16,432
Pupil Transport	-	30		30
Special Facilities	-	10,124		10,124
Agency Teaching	-	29,385		29,385
Other direct costs	-	41,523		41,523
	<u>(390)</u>	<u>2,703,176</u>	<u>251,080</u>	<u>2,953,866</u>
Allocated Support Costs				
Support Staff Costs	-	539,614		539,614
Pupil recruitment and support	13,680	11,619		25,299
Maintenance of premises and equipment	585	216,403		216,988
Cleaning	-	58,596		58,596
Rates and water	-	27,118		27,118
Insurance	-	42,493		42,493
Travel and Subsistence	-	3,671		3,671
Catering	(3,218)	24,637		21,419
Bank Interest and Charges	-	168		168
Heat and Light	-	54,332		54,332
Technology	308	99,365		99,673
Supplies, printing and telephone	-	17,133		17,133
Professional Services	-	13,059		13,059
Other support costs	30	372		402
	<u>11,385</u>	<u>1,108,580</u>	<u>-</u>	<u>1,119,965</u>
	<u>10,995</u>	<u>3,811,756</u>	<u>251,080</u>	<u>4,073,831</u>

Note 9

Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Legal and professional fees	-	44,309	44,309
Auditors' remuneration - audit of financial statements	-	8,850	8,850
Governors' reimbursed expenses	-	31	31
	<u>-</u>	<u>53,190</u>	<u>53,190</u>

Note 10
Staff Costs

	2012 £
Staff costs during the period were	
Wages and salaries	2,362,822
Social security costs	174,562
Pension costs	340,157
	<u>2,877,541</u>
Supply teacher costs	35,733
Indirect employee expenses	45,916
	<u>2,959,190</u>

The average number of persons (including senior management team) employed by the academy during the period was as follows, expressed both as whole persons and full time equivalents

	2012 No	2012 FTE
Charitable Activities		
Teachers	57	46
Administration and support	64	29
Management	7	7
	<u>128</u>	<u>82</u>

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

	2012 No
£60,001 - £70,000	1
	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2012, pension contributions for this person amounted to £9,657

Note 11
Governors' Remuneration and Expenses

Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment and not in respect of their services as governors. Other governors did not receive any payments from the Academy Trust in respect of their role as governors. The value of the Headteacher's remuneration was £68,442 in the period. Other staff governors' remuneration in the period fell within the following ranges:

Dr E Gwyther	£30,001 - £35,000
Mrs E McClelland	£10,001 - £15,000
Mr B Russell	£35,001 - £40,000

Three of the above governors participated in the Teachers' Pension Scheme. During the period ended 31 August 2012, pension contributions for these staff amounted to £19,388. The other governor participated in the Local Government Pension Scheme, pension contributions amounted to £1,276.

Six governors received remuneration totalling £839 in connection with invigilation and/or other assistance on the day of the 11+ selective entrance examination in November 2011 and/or helping to mark the papers over the following week. In each case they were remunerated on an identical basis to staff or other markers.

During the period ended 31 August 2012, travel and subsistence expenses totalling £1,013 were reimbursed to five governors. Of this, £982 was paid to staff governors in respect of their normal staff duties.

Related party transactions involving the governors are set out in note 29.

Note 12

Governors' and Officers' Insurances

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2012 was £1,403

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

Note 13

Tangible Fixed Assets

	Freehold Land and Buildings £	Assets under construction £	Furniture and Equipment £	Computer Equipment and Software £	Total £
Cost					
As at 30 August 2011	-	-	-	-	-
Assets transferred upon conversion	10,720,000	23,462	94,897	93,656	10,932,015
Additions	-	400,225	23,267	18,687	442,179
Assets brought into use	423,687	(423,687)	-	-	-
Disposals	-	-	-	-	-
At 31 August 2012	11,143,687	-	118,164	112,343	11,374,194
Depreciation					
As at 30 August 2011	-	-	-	-	-
Charged in period	201,249	-	23,007	26,824	251,080
Disposals	-	-	-	-	-
At 31 August 2012	201,249	-	23,007	26,824	251,080
Net book value at 31 August 2012	10,942,438	-	95,157	85,519	11,123,114

Note 14

Stock

	2012 £
Items for resale	1,014
	1,014

Note 15

Debtors

	2012 £
Trade Debtors	2,108
Other Debtors	107,479
Prepayments	41,158
	150,745

Note 16

Creditors' amounts falling due within one year

	2012 £
Trade Creditors	224,358
Other taxation and social security	57,122
Other creditors	55,040
Accruals and deferred income	63,578
	<u>400,098</u>

Deferred income (included within the above)

	2012 £
Deferred Income as at 30 August 2011	-
Resources deferred in the period	33,508
Deferred Income as at 31 August 2012	<u>33,508</u>

Includes school trip income relating to trips taking place in the next academic year, and 1 to 1 tuition funding

Note 17

Funds

	At 30 August 2011 £	Incoming Resources £	Resources Expended £	Transfers in/(out) £	Gains / (Losses) £	Balance as at 31 August 2012 £
Restricted general funds						
General Annual Grant	-	3,724,994	(3,612,038)	(32,153)	-	80,803
Start Up Grant	-	25,000	(25,000)	-	-	-
Other DfE/EFA Grants	-	138,033	(138,033)	-	-	-
Other Restricted Funds	-	65,149	(51,939)	(9,801)	-	3,409
	-	<u>3,953,176</u>	<u>(3,827,010)</u>	<u>(41,954)</u>	-	<u>84,212</u>
Restricted pension fund						
Pension reserve	-	(868,000)	(38,000)	-	(261,000)	(1,167,000)
	-	<u>(868,000)</u>	<u>(38,000)</u>	-	<u>(261,000)</u>	<u>(1,167,000)</u>
Restricted fixed asset funds						
DfE/EFA capital grants	-	104,531	-	-	-	104,531
Capital expenditure from GAG	-	-	(3,028)	32,153	-	29,125
Capital expenditure from other funds	-	128,520	(6,155)	9,801	-	132,166
Inherited fixed asset fund	-	11,191,696	(241,897)	-	-	10,949,799
	-	<u>11,424,747</u>	<u>(251,080)</u>	<u>41,954</u>	-	<u>11,215,621</u>
Total restricted funds	-	<u>14,509,923</u>	<u>(4,116,090)</u>	-	<u>(261,000)</u>	<u>10,132,833</u>
Unrestricted funds						
Unrestricted fund	-	398,898	(279,337)	-	-	119,561
Designated fund	-	6,100	(550)	-	-	5,550
Total unrestricted funds	-	<u>404,998</u>	<u>(279,887)</u>	-	-	<u>125,111</u>
Total funds	-	<u>14,914,921</u>	<u>(4,395,977)</u>	-	<u>(261,000)</u>	<u>10,257,944</u>

General annual grant (GAG) is the academy's main funding from the DfE, it is intended to meet recurrent costs and may only be used in furtherance of the academy trust's object. A small proportion is designed to meet specific costs incurred by the academy, such as insurance and business rates, but most is calculated by the EFA using national and regional funding formulae, based on a variety of factors including student numbers.

Start up grant is a fixed sum of £25,000 received from the DfE towards the legal and other costs of converting to an academy.

Note 17

Funds (continued)

Other DfE/EFA grants are grants which may be used only for a specific purpose, and include

- Academies Capital Maintenance funding which was received for asbestos removal and related works £130,043
- PE teacher release grant supports the release of a PE teacher one day a week to work with local primary schools £7,600

Other restricted funds are grants or other income which may be used only for a specific purpose, and include

- Donations from the School Fund (see note 29) £32,197
- AST grant, received from the Local Authority, which subsidises the employment of an Advanced Skills Teacher £13,874
- Colchester Teacher Training Consortium funding for the mentoring and support of trainee teachers £6,717

The pension reserve is the academy's share of the assets and liabilities in the Local Government Pension Scheme (see note 28)

DfE/EFA capital grants are grants which may be used only for a capital purposes, some for a specific purpose

- Academies Capital Maintenance funding was received for the replacement of Crittall windows Fund (from a total allocation of £436,590, the remainder due in 2012/13) £87,318
- Devolved Formula Capital grant was received, this may be spent on any capital building work £17,213

Other restricted fixed asset funds are grants or other income which may be used only for a specific capital purpose

- Donations from the School Fund (see note 29) £128,520

The inherited fixed asset fund comprises the following, inherited from predecessor school (see note 31)

- Buildings £8,225,000
- Land £2,495,000
- Other tangible fixed assets £212,015
- Devolved Formula Capital grant awarded for the dance studio/changing room/swimming pool cover project £193,938
- Unspent capital reserves for the dance studio/changing room/swimming pool cover project £65,743

Unrestricted funds income includes

- Trip income (charges made with the intention of covering the cost of operating school trips) £143,379
- Catering income £131,650
- General revenue reserves inherited from the predecessor school (see note 31) £77,106

The unrestricted designated fund is an in-house provision against the need to buy in supply cover for teachers on extended sick leave

Note 18

Analysis of net assets between funds

Fund balances at 31 August 2012 are represented by

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2012 £
Tangible fixed assets	-	-	11,123,114	11,123,114
Current assets	150,306	320,423	231,200	701,929
Current liabilities	(25,195)	(236,211)	(138,693)	(400,099)
Non current liabilities	-	-	-	-
Pension scheme liability		(1,167,000)		(1,167,000)
Total net assets/(liabilities)	125,111	(1,082,788)	11,215,621	10,257,944

Note 19

Capital commitments

	2012 £
Contracted for, but not provided in the financial statements	97,766
	<u>97,766</u>

There is a retention of £10,448 payable in respect of the dance studio/changing room/swimming pool cover project. An EFA Capital grant of £436,590 has been awarded to replace Cntail windows, of which £87,318 was received in the period, if no contract is entered into, this funding must be returned to the EFA.

Note 20

Financial commitments

Operating leases

At 31 August 2012 the Academy had annual commitments under non-cancellable operating leases as follows

	2012 £
Other	
Expiring within one year	-
Expiring within two and five years inclusive	712
Expiring in over five years	-
	<u>712</u>

Note 21

Reconciliation of net income to net cash inflow

	2012 £
Net Income	10,518,944
Cash Impact of transfer on conversion	(10,400,802)
Depreciation	251,080
Capital grants from DfE and other capital income	(233,051)
Interest receivable	(230)
FRS17 pension cost less contributions payable	(2,000)
FRS17 pension finance cost	40,000
Increase in stocks	(1,014)
Increase in debtors	(150,745)
Increase in creditors	400,098
Net cash inflow from operating activities	<u>422,280</u>

Note 22

Returns on investment and servicing of finance

	2012 £
Interest received	230
	<u>230</u>

Note 23

Capital expenditure and financial investment

	2012 £
Purchase of tangible fixed assets	(442,179)
Capital grants from DfE/YPLA	104,531
Capital Donations	128,520
Receipts from sale of tangible fixed assets	-
Net cash outflow from returns on investments and servicing of finance	<u>(209,128)</u>

Note 24

Cash transferred on conversion to academy

	2012 £
Cash balance transferred on conversion (note 31)	336,787
	<u>336,787</u>

Note 25

Analysis of changes in net funds

	As at 30 August 2011 £	Cashflows £	2,012 £
Cash in hand and at bank	-	550,169	550,169
	<u>-</u>	<u>550,169</u>	<u>550,169</u>

Note 26

Contingent Liabilities

There were no contingent liabilities at 31 August 2012

Note 27

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 he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member

Note 28

Pensions and similar obligations

The Academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council Both are defined-benefit schemes

As described in note 28 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010

Contributions amounting to £36,639 were payable to the schemes at 31 August 2012 and are included within creditors

Teachers' Pension Scheme

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme The regulations under which the TPS operate are the Teachers Pensions Regulations 2010

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS The aim of the reviews is to specify the level of future contributions

Note 28

Pensions and similar obligations (continued)

Teachers' Pension Scheme (continued)

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 million. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013/14 and 2014/15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme and the implications for the academy in terms of the anticipated contribution rates.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2012 was £112,000, of which employer's contributions totalled £86,000 and employees' contributions totalled £26,000. The agreed contribution rates for future years are 12.3% for employers, plus £38,456 in 2012/13 and £40,187 in 2013/14, and a variable % for employees dependant on the salary of individuals as follows:

Annual Salary	Contribution Rate
£0 - £13,500	5.50%
13,501 - 15,800	5.80%
£15,801 - £20,400	5.90%
£20,401 - £34,000	6.50%
£34,001 - £45,500	6.80%
£45,501 - £85,300	7.20%
Above £85,300	7.50%

Note 28

Pensions and similar obligations (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumptions

	31 August 2012
	% p a
Pension increase rate	1.90%
Salary increase rate	3.70%
Inflation (CPI)	1.90%
Discount rate	3.90%

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

	Males	Females
Current Pensioners	22.7 years	25.3 years
Future Pensioners	24.1 years	26.8 years

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

	Expected return at 31 August 2012	Value at 31 August 2012
		£
Equities	5.90%	149,000
Gilts	2.80%	13,000
Bonds	3.90%	20,000
Property	4.90%	29,000
Cash	0.50%	9,000
Total market value of assets		220,000
Present value of scheme liabilities		
- Funded		(1,387,000)
Deficit in the scheme		(1,167,000)

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

The return on the Fund in market value terms for the period to 31 August 2012 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary.

The estimated return for the period to 31 August 2012 is 7%.

Amounts recognised in the statement of financial activities

	2012
	£
Analysis of pension costs	
Current service cost	84,000
Total operating charge	84,000
	2012
	£
Analysis of pension finance income/(costs)	
Interest cost	(48,000)
Expected return on pension scheme assets	8,000
Pension finance income/(costs)	(40,000)

The actuarial gains and losses for the current period are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £261,000 loss.

Note 28

Pensions and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2012
	£
Transfer in of scheme obligations	969,000
Current service cost	84,000
Interest cost	48,000
Contributions by scheme participants	26,000
Actuarial gains	264,000
Benefits paid	(4,000)
Scheme liabilities at 31 August 2012	<u>1,387,000</u>

The actual return on scheme assets was £10,000

Movements in the fair value of Academy's share of scheme assets

	2012
	£
Transfer in of scheme assets	101,000
Expected return on scheme assets	8,000
Contributions by employer	86,000
Contributions by scheme participants	26,000
Actuarial gains	3,000
Benefits paid	(4,000)
Fair value of scheme assets at 31 August 2012	<u>220,000</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £96,000

The history of experience adjustments is as follows

	2012
	£
Present value of defined benefit obligations	(1,387,000)
Fair value of share of scheme assets	220,000
Deficit in scheme	<u>(1,167,000)</u>
	£
Experience adjustments on share of scheme assets	3,000
Experience adjustments on scheme liabilities	-

Note 29

Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Colchester County High School for Girls School 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 school totalling £158,340 during the period, including the following:

- £128,520 from the building appeal sub-fund towards the cost of the dance studio/changing room/swimming pool cover project,
- £20,468 to fund the installation of a secure entry system throughout the school, and
- £7,394 for the services of Sally Gunnell as a motivational speaker and providing a regular blog.

At 31 August 2012 donations totalling £2,784 had been promised but not yet paid to the Academy.

The PTA made donations to the school totalling £3,018 during the period. There were no amounts outstanding.

Note 30

Agency Arrangements

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the period it received £11,166 and disbursed £3,505, an amount of £7,271 outstanding at the 31 August 2012 and due for distribution by the Academy Trust in 2012/13 is included in other creditors. The Academy Trust retained a beneficial interest in individual transactions such that £389 has been recognised in income and expenditure in the statement of financial activities.

Note 31

Conversion to an Academy Trust

On 1 October 2011 Colchester County High School for Girls converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Colchester County High School for Girls from Essex Local Authority for £nil consideration, save for the freehold land and buildings which were transferred from the governing body of the predecessor school for £nil consideration.

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total £
Tangible fixed assets				
- Freehold land and buildings	-	-	10,720,000	10,720,000
- Other tangible fixed assets	-	-	212,015	212,015
Budget surplus on LA funds	77,106	-	259,681	336,787
Budget surplus on other school funds	-	-	-	-
LGPS pension (deficit)	-	(868,000)	-	(868,000)
Borrowing obligations	-	-	-	-
Other identified assets and liabilities	-	-	-	-
Net assets	77,106	(868,000)	11,191,696	10,400,802

The above net assets include £336,787 that was transferred as cash.