

The Coombe Secondary Schools Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2017

Company Registration Number: 7905433 (England and Wales)

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The Coombe Secondary Schools Academy Trust

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The Coombe Secondary Schools Academy Trust

Reference and Administrative Details

Members

A Burbridge (until 21.09.17)
 L Clemans (resigned 31.12.16, reappointed 01.09.17)
 J Davies
 M Henderson (resigned 20.9.17)
 J Parrott (resigned 31.03.17)
 D Walls (until 22.09.17)
 M Webb
 D Smith (until 20.09.17)
 D Brotherston (until 21.09.17)
 N Sellayah (until 20.09.17)
 C Campbell (appointed 01.09.17)
 P Latham (appointed 01.09.17)

Trustees

A Burbridge
 L Clemens (resigned 31.12.16)
 J Davies
 M Henderson (Vice Chair, resigned 20.9.17)
 J Parrott (resigned 31.03.17)
 D Walls (Executive Headteacher & Accounting Officer)
 M Webb (Chair)
 D Smith (until 20.09.17)
 D Brotherston
 N Sellayah
 D Morgan (appointed 01.09.17)

From 1 September 2017, the governance structure was revised to reduce the number of duplicate trustee and member roles and to be compliant with the new recommended model of governance. Existing members and trustees resigned their former roles and the new board of members and trustees was formed with effect from 1st September 2017.

Director of Finance	D Castanheira
Director of ICT	D Young
Director of Health & Safety/Premises	I Bawn

Coombe Girls' School	
Acting Head	A Platt
Deputy Head	E Barns
Deputy Head	C Knight

Coombe Boys' School	
Head Teacher	D Smith
Deputy Head	G Rogers
Deputy Head	K O'Mahony

Knollmead Primary School	
Head of Centre	S Dwyer
Deputy Head	D Tan

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Reference and Administrative Details (continued)

Principal and Registered Office	Coombe Boys' School College Gardens Blakes Lane New Malden Surrey KT3 6NU
Company Registration Number	7905433 (England and Wales)
Auditor	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London, E14 4HD
Bankers	Lloyds Bank Plc, Commercial Division P.O.Box 112, Canons House, Canons Way, Bristol, BS99 7LB
Solicitors	Stone King LLP 16 St. John's Lane London, EC1M 4BS

The Coombe Secondary Schools Academy Trust

Trustees' Report

The trustees present their annual report together with the audited financial statements and auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates three academies: a secondary all ability girls' school; a secondary all ability boys' school which serve the area of New Malden in the Royal Borough of Kingston upon Thames; and a primary school with a nursery which serves the Tolworth area within the Royal Borough of Kingston upon Thames. Its academies have a combined pupil capacity of 2,555 pupils from nursery school age to age 18 and had a roll of 2,317 in the school census on 19 May 2017.

Structure, Governance and Management

Constitution

The Coombe Secondary Schools 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 which was incorporated as a company on 11 January 2012. The Coombe Secondary Schools Academy Trust replaced the previous Coombe Secondary Schools Federation, comprising Coombe Girls' School and Coombe Boys' School on 1 February 2012. Knollmead Primary School joined the Trust as a sponsored academy on 1 April 2014. The three academies (Coombe Girls', Coombe Boys' and Knollmead) are referred to as schools in this report.

The trustees of the academy trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Coombe Secondary Schools Academy Trust.

Details of the trustees who served during the year 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.

Trustees' Indemnities

The academy trust has purchased indemnity insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business.

Method of Recruitment and Appointment or Election of Trustees

The trust governance has undergone a review during the academic year 2016/17 based on a self-evaluation completed in the autumn term 2016 and resulted in a review of the Trust's Articles of Association to reduce the duplication of member, trustee and local governor roles. The new structure, which took effect from 1 September 2017 comprises five members, a skills based board of ten trustees and separate local governing bodies. Trustee roles are advertised locally and via the Academy Ambassadors organisation, applicants are interviewed and appointed by the members. Trustees are subject to retirement by rotation on a four-yearly cycle, but are eligible for reappointment at the end of this period.

Policies and Procedures Adopted for the Induction and Training of Trustees

Upon appointment a new trustee receives a welcome letter from the chair, via the clerk, along with a trustee information pack containing a broad range of data, including policies and procedures, minutes, budgets and

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Trustees' Report (continued)

Structure, Governance and Management (continued)

plans that enables them to undertake their role as trustee. The new trustee will then meet with the chair, headteacher and clerk, each of whom plays a crucial role in helping trustees to understand the unique context in which the schools operate. The new trustee will be encouraged to take time to consider which area(s) and committee(s) they would like to focus on. The new trustee will also be invited to visit each school, meet senior staff, and be briefed on current priorities. The new trustee will be encouraged to attend the borough's training seminar for new trustees, and to seek out other appropriate training options.

Organisational Structure

Members

Prior to the changes in the governance structure which took place on 1st September 2017: The academy trust has three founding members who signed the memorandum of association dated 11th January 2012. Subsequent members of the company shall be: the directors pursuant to Article 46A and any other person appointed under Article 16 who wishes to become a member subject to unanimous written approval of the existing members. At any time there must be at least three members.

Trustees

Prior to the changes in the governance structure which took place on 1st September 2017: The academy trust has, subject to Articles 48 and 49, the following trustees: the chair of each local governing body appointed under Articles 51-52; the vice-chair, chair of the Finance & Resources Committee and the chair of the Curriculum Committee for the Coombe Secondary Schools; up to three other members of the local governing body of the Coombe Secondary Schools currently the chairs of the Personnel, Pastoral and Health & Safety Committees; and the headteacher of each academy. The trustees are responsible for the overall performance of the academy trust and for ensuring that the trust's funds are used in accordance with the law. To discharge these responsibilities, the trustees have approved a scheme of delegation to delegate many of their powers and functions to sub committees, the executive headteacher and the headteacher. Decisions reserved for the board of trustees include:

- Approval of the scheme of delegation of financial powers
- Approval of financial policies and procedures
- Approval of the financial statements and annual report
- Approval of changes to staff terms and conditions
- Headteacher appointments
- Approval for any other schools to join the academy trust
- Approval of policies relating to HR, health & safety and child protection.

Sub committees of the board

The trust has set up various sub committees to the board of trustees including the Finance & Resources committee, the Audit Committee, the Pay & Conditions Committee, the Personnel and Health & Safety Committee, two local governing bodies and various other school level sub committees with specific responsibilities for curriculum and pastoral matters. The school level sub committees meet termly and report back to their local governing bodies who in turn report to the board of trustees via the board of directors/trustees meetings.

Senior Leadership Team (SLT)

The trustees delegate the responsibility for day-to-day management to the SLT. This comprises the executive headteacher, the headteachers, heads of centre, the directors of finance, ICT and health &

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Trustees' Report (continued)

Organisational structure (continued)

safety/premises and the deputy and assistant heads at each school. The SLT undertakes to implement the strategy of the trustees.

The executive headteacher of the academy trust is the accounting officer and takes overall responsibility for the trust's financial affairs, however the financial management and delivery of the trust's accounting processes has been delegated to the director of finance who is the chief financial officer appointed by the trust board.

Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting the pay and remuneration of the academy's key management personnel are guided by the School Teachers Pay & Conditions Document (STPCD) for teaching staff and the local authority Pay and Rewards Strategy for support staff. The pay scales for the executive headteacher and headteacher are set in accordance with the regulations in the STPCD regarding the schools'/school's group and pay is reviewed annually by the Pay & Conditions Committee in accordance with the trust's pay and appraisal policies.

Related Parties and other Connected Charities and Organisations

The academy has an informal relationship with King's College School, Wimbledon, a registered charity providing academic activities as an independent school. It may provide up to one ordinary governor to the academy trust's governing body. There is no financial relationship between the two organisations.

Objectives and Activities

Objects and Aims

The primary objective as stated in the articles of association of the charitable company is: "to advance for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the academies, offering a broad and balanced curriculum", and in addition "to promote for the benefit of the inhabitants of the areas in which the academies are situated the provision of facilities for recreation or other leisure time activities".

In accordance with the master funding agreement, the schools aim to provide a balanced and broad based curriculum, for pupils of different abilities, for a cohort wholly or mainly drawn from the areas in which they are situated.

The schools seek to provide an education that inspires students to strive for higher achievement; a commitment to excellence; and an environment that seeks to develop a child's desire for lifelong learning; provide opportunities for students to develop open and questioning minds.

Objectives, Strategies and Activities

The main objectives of the academy trust for the year ended 31st August 2017 are summarised as:

- to achieve in line with targets set and ensure outstanding outcomes for all pupils across the trust;
- to continue to improve outcomes at Coombe Boys' School and Knollmead Primary School;
- to address inconsistencies in attainment and progress at subject and key stage level and use trust expertise to address; and
- to ensure that all pupils are exceptionally well prepared for the next stage in their education or training;

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Trustees' Report (continued)

Objectives, strategies and aims (continued)

- to review and refine assessment without levels processes and enable some consistency and cross moderation of progress;
- to ensure challenge and high aspiration for all pupils;
- to focus relentlessly on the progress and attainment of disadvantaged pupils at the 3 schools;
- to embed the new leadership structures across the trust and in the 3 schools;
- to develop the potential of the trust to enhance teaching and learning across the three schools;
- to ensure teaching & learning strategies and information advice and guidance provision (IAG) are aligned and clear across the two secondary schools to ensure smooth transition at post 16;
- to foster positive relationships with all learners and their parents to ensure that they feel both supported and valued;
- to continue to review the trust's ICT infrastructure and improve facilities and working practices across the three schools; and
- to ensure appropriate, value for money and cost effective use of financial resources and conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

The academy trust values diversity and seeks to give everyone in the schools an equal chance to learn, work and live, free from the action of, or fear of, racism, discrimination or prejudice. The schools work together to develop the potential of all pupils academically, socially, and culturally to establish a community that is just and fair for all people who work or visit.

The academy trust strives to ensure that students will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They should be independent learners, aware of how to learn and the role played by emotions and dispositions in the learning process, by which they can address challenge and difficulty as well as success.

All staff will have the opportunity to develop further as self-directed learners, through working collaboratively with others to enhance their own expertise. Staff should enthuse and inspire others to explore new ideas.

Parents will fulfil their role as true partners, recognising their role in the student/school/parent relationship to ensure that their child realises their full potential.

Trustees will contribute to the life of the schools on a wider scale, acting as critical friends to support the academy trust in becoming a nationally recognised centre of excellence.

Disabled Persons

The academy trust complies fully with the requirements of the Equalities Act. Accessibility arrangements are in place at all schools for visitors, students and staff with a disability. Recruitment, training and career development opportunities and procedures are equitable and fair to all employees, as detailed in our Equalities Policy and recruitment procedures.

Public Benefit

With regard to the Objects and Aims above, the main focus of the academy trust is the provision of free education to children aged 3 to 18.

The trustees confirm that they have had regard to the guidance on public benefit issued by the Charity Commission when considering the objectives and activities of the academy trust.

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Trustees' Report (continued)

Strategic Report

Achievements and Performance

The Trust operates a primary and two secondary schools in Kingston upon Thames. Full time equivalent (FTE) pupils on roll on school census of May 2017 (previous year May 2016) are shown below:

School	Main school		Nursery or Sixth form		Total		PAN (exc. 6 th form)
	2017	2016	2017	2016	2017	2016	
Knollmead Primary School	194	219	14	25	208	244	30+26 f.t.e. nursery & 15 total in ASD SRP
Coombe Boys' School	731	709	62	63	793	772	180
Coombe Girls' School	1,044	1,048	272	270	1,316	1,318	210
Total	1,969	1,976	348	358	2,317	2,334	

The examination results and academic outcomes for 2017 at both secondary schools and at Knollmead Primary School were pleasing.

Coombe Sixth Form (Joint Provision across the 2 secondary schools)

Attainment at A Level and equivalent: A* = 18%, A*/A = 35%, A*-B = 60%, A*-C = 79%

Key Stage 4

	National	Coombe Boys' School	Coombe Girls' School
4+ English & maths	66%	70%	87%
EBacc	24%	20%	47%
English 4+	68%	78%	95%
English 5+	50%	64%	80%
Maths 4+	69%	78%	89%
Maths 5+	48%	66%	76%

We were particularly pleased that 12% of the cohort at both Coombe Boys' and Coombe Girls' attained a grade 9 in mathematics (national average = 3.5%).

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Trustees' Report (continued)

Strategic Report (continued)

The attainment at Coombe Boys' School is above national at each threshold and at Coombe Girls' is significantly above average. Progress at Coombe Boys' School is in line with the national figures and is significantly above average at Coombe Girls'.

Coombe Girls' School was graded Outstanding at each threshold in its most recent inspection (May 2013) and Coombe Boys' School was graded as Good with Outstanding Leadership & Management in December 2013. In December 2013, Coombe Girls' School was awarded Academy Sponsor status and National Teaching School status in March 2014.

The academy trust is committed to continual improvement at all schools and this is achieved in a number of ways: school improvement planning; review meetings; lesson observations and learning walks; teaching and learning and cross-school initiatives; continuing professional development and appraisal; self-evaluation; data analysis and action planning; organisational structure reviews.

Knollmead Primary School was graded 'requires improvement' in its most recent inspection in May 2017; the areas identified as the school needing to do to improve further were based on improving the key stage 2 outcomes. The 2017 outcomes at foundation stage, key stage 1 and key stage 2 in particular were excellent. At key stage 2, attainment in reading & writing were both above national average and in mathematics significantly above national average. The combined scaled score for reading and mathematics was ranked in the top 4% nationally (FFT).

Key Stage 2 Statutory information

60% of all pupils achieved the expected standard in reading, writing and maths and **64%** of mainstream pupils achieved the expected standard in reading, writing and maths.

The progress that all pupils made in reading between KS1 and KS2 was **+3.1** and for disadvantaged pupils **+6.6**; the progress that all pupils made in writing between KS1 and KS2 was **+3.1** and for disadvantaged pupils **+4.2**; and the progress that pupils made in mathematics between KS1 and KS2 was **+5.8** and for disadvantaged pupils **+7.4**.

The percentage of pupils who achieved a higher standard in reading, writing and maths was **26% (17% above national)**; the average scaled score in the reading test for all pupils was **106**; the average scaled score in the grammar, punctuation and spelling test for all pupils was **107**; and the average scaled score in the maths test for all pupils was **109**.

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Trustees' Report (continued)

Key Performance Indicators

Key financial performance indicators for the year ended August 2017, compared to the previous year were as follows:

	COOMBE GIRLS' SCHOOL		COOMBE BOYS' SCHOOL		KNOLLMEAD PRIMARY SCHOOL	
	2017	2016	2017	2016	2017	2016
Pupil numbers (October census)	1,314	1,348	765	755	235	245
Public funded income per student	£5,236	£5,173	£6,120	£6,220	£7,810	£7,588
Total income per student	£5,527	£5,479	£6,401	£6,501	£7,859	£7,737
Total staff costs per student	£4,609	£4,633	£5,308	£5,904	£6,459	£6,351
Total staff costs as % of total income	83%	85%	84%	85%	83%	82%
Student to teacher ratio (exc SLT)	16	15	15	13	16	18
Liquidity (Current assets:current liabilities)	2:1	2.4:1	1.7:1	1.2:1	4:1	2:1
Net current assets	£351k	£629k	£364k	£52k	£246k	£222k

The Trust continues to aim for staff cost percentage against income of 80%. Although slight improvements have been made, salary cost pressures of unfunded payawards and higher pension and national insurance contributions have impeded progress against target.

The changes to liquidity and net assets from year to year for each secondary school are largely to do with changes to cash balances from capital grant.

Going Concern

After making appropriate enquiries, the board of trustees 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.

Financial Review

The consolidated results for the year to 31 August 2017 are set out on pages 26-28 of the Financial Statements. The prior year Statement of Financial Activities (SoFA) has been replicated at note 2, to show full comparator figures.

Total incoming resources amounted to £15.1m (2016 £14.6m). The increase from last year is due to increased capital grant of £0.693m.

Of the total incoming resources, £12.6m (2016 £12.8m) of this was received as grants directly from the Education Funding Agency to support the running of the Trust's educational operations, with a further £158k (2016: £161k) for teaching school activities. Additional grants from Kingston Local Authority amounted to £0.6m (2016 £0.6m), primarily for top up funding for pupils with special educational needs at all schools, and the specialist resourced provisions at Knollmead. It also includes nursery grant for Knollmead. This funding and the associated expenditure are shown as restricted funds in the SoFA.

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Trustees' Report (continued)

Financial Review (continued)

A further £0.417m (2016 £0.471m) income was received to fund educational operations, most of this as fees to cover the cost of school trips, and other educational resources, but also includes additional non-grant funding streams generated by the Teaching School.

Income from donations and capital grants amounted to £1.233m (2016 £0.523m). £1.135m was received as capital grants from the EFSA. Each school is eligible for a small devolved formula capital grant, totalling £0.052m in 2016/17 with the remainder being condition improvement funding (CIF) for successful capital bids: £0.598m of this was the outstanding grant due for the Coombe Girls' school drama and staff block replacement awarded in 2015/16 and completed in August 2017; £0.486m for two current year CIF bids awarded to Coombe Boys' school for replacement windows and roof. Work is due for completion on both projects in September 2017.

£0.098m (2016 £0.081m) was received as donations. Where a voluntary contribution is requested from parents towards a specific educational resource, or a trip which is a necessary part of the curriculum this would be included under restricted funds. Where donations are received to purchase fixed assets, they are included in restricted fixed asset funds. This year a £9K donation was received from the Parents & Friends Association (PFA) to upgrade the library facilities at Coombe Boys School.

The Trust was also able to generate £0.103m (2016 £0.110m) of income from hiring premises and facilities and miscellaneous trading activities.

Total resources expended amounted to £15m (2016: £15.9m) resulting in a net surplus for the year of £0.076m. (2016: £1.309m deficit). The in year surplus has been generated largely from the restricted fixed asset fund due to the high level of capital grants received in year. The restricted general fund has an in year deficit of £0.511m. Eliminating the Local Government Pension Scheme (LGPS) operating and finance costs of £0.392m, leaves an underlying in-year deficit of £0.119m for this fund. Offsetting this against the unrestricted fund in-year surplus, gives a net operating surplus against free reserves of £0.135m (2016: £0.689m deficit). The improvement on last year is attributable to a restructuring and redundancy programme which took place in August 2016 impacting on last years costs.

Net assets as at 31 August 2017 including the pension scheme liability were £39,918 (2015 - £37,774m). The increase of £2.144m is largely attributable to an actuarial gain on the LGPS reducing the defined benefit pension scheme deficit. Significant asset purchases of £1.2m (2016: £0.110m) in year have also contributed to the increase in net assets.

Reserves Policy

The policy of the academy trust is to carry forward a prudent level of reserves designed to meet the longer term cyclical needs of asset renewal, to bridge the gap where grant funding is not sufficient to meet the development needs of the academy and to provide a contingency to cushion against any unforeseen circumstances or emergencies. The appropriate level of reserves for each school has been agreed by trustees as 6% of grant income which amounts to £804,000.

Due to the financial pressures on academy budgets over the next few years, the trustees have acknowledged that reserves will be depleted whilst implementing a longer term plan to set budgets within the annual grant available and build reserves back up to the target level.

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Trustees' Report (continued)

Investment Policy

The policy of the academy trust is to hold surplus cash in low risk high interest deposit accounts at the approved UK bank.

Principal Risks and Uncertainties

The trustees have assessed the major risks to which the schools are exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the schools, and their finances. The trustees have implemented a number of systems to assess risks that the schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, behaviour, bullying 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 statement on internal controls) in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover including liability as appropriate.

Risks are identified on a risk register and rated for likelihood of occurrence and impact with a statement on the controls in place to mitigate their effect.

The risk registers are formally reviewed annually by the audit committee on an annual basis, however risk identification, evaluation and management is considered on an ongoing day-to-day basis. The trustees consider the principal risks to which the trust is exposed to be:

- Failure to maintain reserves at Coombe Boys'
- Failure to recruit qualified teaching staff
- Key person/succession loss
- Insufficient demand for school places at Coombe Boys' and Knollmead due to changes and additions to provision in the local area at each key stage
- Poor and ageing facilities

The schools are required to recognise their share of the deficit relating to the Royal Borough of Kingston Pension Fund. Although this represents a significant liability on the Trust's balance sheet, it is not relevant to short term funding. The current employers and employee contribution rate has been set with a view to clearing the liabilities of the fund within 30 years. Full details of the scheme are included in note 24.

Plans for Future Periods

The academy trust will continue to strive to improve the levels of attainment and progress for all students at all levels, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into employment, training or a place in higher education once they leave.

The trust leadership has reviewed the current curriculum provision across each of the trust schools and revisions have been made to the Post 16 provision to ensure that all resources are allocated to the best effect and in the best interest of the students. The post 16 provision is now shared more appropriately across the secondary school sites. The new admissions criteria include an additional form of entry at Coombe Girls' School.

The trust is likely to expand in the coming years and the lessons learned from the inclusion of a primary school in the trust will be used to inform the process of expansion to include further primaries. This will allow the trust's leadership to put in place further curriculum, training and staffing efficiencies across a close network of primaries.

Funds Held as Custodian Trustee on Behalf of Others

No funds are held by the schools as custodian trustee on behalf of others.

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Trustees' Report (continued)

Auditor

Insofar as the trustees are aware:

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

PKF Littlejohn LLP was appointed as auditor to the academy trust during the year and has signified its willingness to continue in office.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2017 and signed on the board's behalf by:



Marion Webb
Chair of Trustees

The Coombe Secondary Schools Academy Trust

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the executive head teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Coombe Secondary Schools Academy Trust and the Secretary of State for Education. The executive head teacher is 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
A Burbridge	5	6
L Clemens	2	2
J Davies	6	6
M Henderson (Vice-Chair)	6	6
J Parrott	1	4
M Webb (Chair)	6	6
N Sellayah	4	6
D Brotherston	5	6
D Walls	6	6
D Smith	3	6

The Academy Trust had reduced the size of the board of trustees to comprise principal post holders in the Coombe local governing body. In 2016/17 this formally included the chair of the Coombe local governing body and Knollmead local governing body, the vice-chair of the Coombe local governing body, the chairs of the Finance & Resources and Curriculum Committees. It also included up to 3 other members of the Coombe local governing body, the chairs of Personnel, Pastoral and Health & Safety committees. The headteacher of each academy was also a member of the board.

Governance Reviews

The trust governance has undergone a restructure based on a self-evaluation completed in the autumn term 2016 and resulted in a review of the Trust's Articles of Association to reduce the duplication of member, trustee and local governor roles. This information has been shared with the Regional Schools Commissioner (RSC) and the Chair of the Board attends events organised by the RSC's office. Additional trustees and governors have been recruited to fill skills gaps, a new clerk has been appointed for the Coombe Local Governing Body and a series of training sessions on effective governance as well as the trust scheme of delegation have been planned.

In the summer term, the local governing bodies undertook their annual self-evaluation against their action plan to inform the new plan for 2017/18. To inform the review, governors considered information from:

- School Improvement Partner reports;
- minutes of governor meetings and the Headteacher reports throughout the year;

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Governance Statement (continued)

- actual and forecast outcomes for 2017;
- the Ofsted inspection of Knollmead Primary School; and
- reviews conducted throughout the year by external and local authority consultants.

The Board intends to complete a thorough self-review of the new structure and its effectiveness in the Spring Term 2018.

The **Finance and Resources Committee** is a sub-committee of the main board of trustees. It operates under its terms of reference as approved by the trustees. Its principal responsibilities are to liaise with the headteacher on financial and resource matters; advise the board of trustees on financial strategy and planning; formulate appropriate policies and procedures; approve budgets, accounts and long term plans; and monitor receipt and usage of capital funds.

Attendance at meetings in the year was as follows:

Trustee/Governor	Meetings attended	Out of a possible
J Davies	3	3
M Henderson	0	3
D Smith	2	3
D Walls	3	3
S Whittington	1	2
M Webb	3	3
D Brotherston	3	3
H Vickers	1	1
N Sellayah	3	3
C Newton	2	3

The **Audit Committee** is also a sub-committee of the main board of trustees. The Audit Committee will oversee the academy trust's independent checking of financial controls, systems, transactions and risk; it will review the risks to internal financial controls at the academy trust, agree a programme of work that will address these risks, inform the governance statement that accompanies the trust's annual accounts and, so far as is possible, provide assurance to the external auditors.

Attendance at meetings in the year was as follows:

Trustee/Governor	Meetings attended	Out of a possible
J Davies	2	2
D Smith	2	2
D Walls	2	2
M Webb	2	2
Diana Brotherston	2	2
J Parrott	0	1
A Burbridge	1	2
L Clemens	0	1
N Sellayah	2	2

The Coombe Secondary Schools Academy Trust

Governance Statement (continued)

Review of Value for Money

As accounting officer the executive headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- an annual detailed review of the curriculum provision at the secondary schools. This has resulted in a more efficient staffing structure and slight adjustments to the curriculum offer;
- generating income through bids available through the Kingston Teaching School Alliance and the Academies Growth Fund and using staff specialisms to offer cross alliance training & support.

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 The Coombe Secondary Schools Academy Trust for the period 1 September 2016 to 31 August 2017 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 trust 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period from 1 September 2016 to 31 August 2017 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 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 board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;

The Coombe Secondary Schools Academy Trust

Governance Statement (continued)

- delegation of authority and segregation of duties; and
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and appointed the Kingston and Richmond Internal Audit Department as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. During the year ended 31 August 2017, an internal audit was undertaken in the following area

- census data

On an annual basis the auditor reports to the board of trustees, through the audit committee on the findings of any audits they have carried out, on systems of control generally and on the discharge of the board of trustees' financial responsibilities.

Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the director of finance within the academy trust 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 and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 12 December 2017 and signed on its behalf by:



Marion Webb
Chair of Trustees



Deborah Walls
Accounting Officer

The Coombe Secondary Schools Academy Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of The Coombe Secondary Schools Academy Trust 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 2016.

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 2016.

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.



Deborah Walls

Accounting Officer

12 December 2017

The Coombe Secondary Schools Academy Trust

Statement of Trustees' Responsibilities

The trustees (who act as governors of The Coombe Secondary Schools Academy Trust 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 published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- 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 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 trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 12 December 2017 and signed on its behalf by:



Marion Webb

Chair of Trustees

The Coombe Secondary Schools Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Coombe Secondary Schools Academy Trust

Opinion

We have audited the financial statements of The Coombe Secondary Schools Academy Trust (the 'academy trust') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, incorporating an Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the academy trust'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 trust'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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2017, 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, the Charities SORP 2015 and the Academies Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of

The Coombe Secondary Schools Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Coombe Secondary Schools Academy Trust (continued)

accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the academy trust 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, and for such internal control as the trustees determine

The Coombe Secondary Schools Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Coombe Secondary Schools Academy Trust (continued)

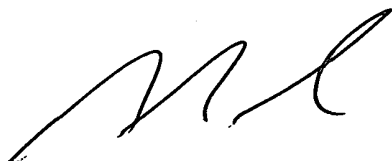
is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.



Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

1 Westferry Circus
Canary Wharf
London E14 4HD

18 December

2017

The Coombe Secondary Schools Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Coombe Secondary Schools Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 23 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Coombe Secondary Schools Academy Trust during the period 01 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Coombe Secondary Schools Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Coombe Secondary Schools Academy Trust's funding agreement with the Secretary of State for Education dated 01 February 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 September 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. 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

The Coombe Secondary Schools Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Coombe Secondary Schools Academy Trust and the Education and Skills Funding Agency (continued)

that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes:

- a review of the conclusions reached on regularity and propriety in the prior year including the action taken in respect of points raised in the auditor's management letter;
- a review of minutes of meetings of the board of trustees (previously the governing body) and key sub-committees;
- checking a sample of expenditure transactions to ensure that they do not contravene the funding agreement and have been authorised in accordance with the academy's financial procedures and /or the Academies Financial Handbook 2016; and
- evaluating and documenting internal controls and testing their application by walkthrough.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 01 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

For and on behalf of PKF Littlejohn LLP

1 Westferry Circus
Canary Wharf
London E14 4HD

Date 18 December 2017

The Coombe Secondary Schools Academy Trust

Statement of Financial Activities for the year ended 31 August 2017

(including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2017 £000	Total 2016 £000
Income and endowments from:						
Donations and capital grants	3	27	62	1,144	1,233	523
Charitable activities:						
Funding for the academy trust's educational operations	4	344	13,255	-	13,599	13,773
Teaching Schools	4	57	158	-	215	227
Other trading activities	5	103	-	-	103	110
Investments	6	1	-	-	1	2
Total		532	13,475	1,144	15,151	14,635
Expenditure on:	7					
Raising funds		12	-	-	12	12
Charitable activities:						
Academy trust educational operations	8	238	13,890	811	14,939	15,749
Teaching Schools		28	96	-	124	183
Other		-	-	-	-	-
Total		278	13,986	811	15,075	15,944
Net income / (expenditure)	7	254	(511)	333	76	(1,309)
Transfers between funds	15	-	(19)	19	-	-
Other recognised gains / (losses):						
Actuarial gains /(losses) on defined benefit pension schemes	24	-	2,068	-	2,068	(1,700)
Net movement in funds		254	1,538	352	2,144	(3,009)
Reconciliation of funds						
Total funds brought forward		848	(5,477)	42,403	37,774	40,783
Total funds carried forward		1,102	(3,939)	42,755	39,918	37,774

All of the academy's activities derive from continuing operation during the above two financial periods.

A separate Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

The accounting policies and notes on pages 29-50 form part of these financial statements

The Coombe Secondary Schools Academy Trust

Balance Sheet as at 31 August 2017

Company Number 7905433

	Notes	2017 £000	2017 £000	2016 £000	2016 £000
Fixed assets					
Tangible assets	12		42,459		42,050
Current assets					
Debtors	13	427		380	
Cash at bank and in hand		1,521		1,392	
		<u>1,948</u>		<u>1,772</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	(987)		(870)	
Net current assets			<u>961</u>		<u>902</u>
Net assets excluding pension liability			<u>43,420</u>		<u>42,952</u>
Defined benefit pension scheme liability	24		(3,502)		(5,178)
Total net assets			<u>39,918</u>		<u>37,774</u>
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	15	42,755		42,403	
. Restricted income fund	15	(437)		(299)	
. Pension reserve	15	(3,502)		(5,178)	
Total restricted funds			<u>38,816</u>		<u>36,926</u>
Unrestricted income funds	15		<u>1,102</u>		<u>848</u>
Total funds			<u>39,918</u>		<u>37,774</u>

The financial statements on pages 26-50 were approved by the trustees and authorised for issue on 12 December 2017 and are signed on their behalf by



Marion Webb
Chair of Trustees

The accounting policies and notes on pages 29-50 form part of these financial statements.

The Coombe Secondary Schools Academy Trust

Statement of Cash Flows

for the year ended 31 August 2017

	Notes	2017 £000	2016 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	204	(577)
Cash flows from investing activities	20	(75)	338
Change in cash and cash equivalents in the reporting period		129	(239)
Cash and cash equivalents at 1 September		1,392	1,631
Cash and cash equivalents at 31 August	21	1,521	1,392

The accounting policies and notes on pages 29-50 form part of these financial statements

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017

1 Statement of accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of Preparation

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Coombe Secondary Schools Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions, there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities 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 in full when there is unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund and are not deferred over the life of the asset on which they are expended.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

1 Statement of accounting policies (continued)

- **Sponsorship Income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable 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 academy trust has provided the goods or services.

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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.

- **Expenditure on Raising Funds**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable Activities**

These 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.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

1 Statement of accounting policies (continued)

Tangible Fixed Assets

Assets costing £2,500 or more 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. 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 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.

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

• Freehold buildings	2%
• Long leasehold buildings	2%
• Long leasehold land	Life of the lease
• Building Improvements	5%
• Plant	4-5%
• Fixtures, fittings and equipment	20%
• Computer hardware	33.3%
• Motor vehicles	20%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Liabilities

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 trust 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.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

1 Statement of accounting policies (continued)

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Leased Assets

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

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

Pensions Benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24 the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

1 Statement of accounting policies (continued)

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 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.

Fund Accounting

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

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

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

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 24, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

2 Statement of Financial Activities for the year ended 31 August 2016 (including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2016 £000
Income and endowments from:					
Donations and capital grants	3	29	48	446	523
Charitable activities:					
Funding for the academy trust's educational operations	4	365	13,408	-	13,773
Teaching School		66	161	-	227
Other trading activities	5	110	-	-	110
Investments	6	2	-	-	2
Total		572	13,617	446	14,635
Expenditure on:					
Raising funds	7	12	-	-	12
Charitable activities:					
Academy trust educational operations	8	337	14,742	853	15,749
Teaching School		-	-	-	183
Total		349	14,742	853	15,944
Net income / (expenditure)		223	(1,125)	(407)	(1,309)
Transfers between funds	15	-	(14)	14	-
Other recognised gains / (losses):					
Actuarial (losses) / gains on defined benefit pension schemes	24	-	(1,700)	-	(1,700)
Net movement in funds		223	(2,839)	(393)	(3,009)
Reconciliation of funds					
Total funds brought forward		625	(2,638)	42,796	40,783
Total funds carried forward		848	(5,477)	42,403	37,774

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

3 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2017 £000	Total 2016 £000
Capital grants	-	-	1,135	1,135	442
Donated fixed assets	-	-	-	-	-
Other donations	27	62	9	98	81
Total	27	62	1,144	1,233	523
2016 total	29	48	446	523	

4 Funding for the Academy Trust's educational operations and Teaching School

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
DfE / EFA grants				
General Annual Grant (GAG)	-	11,938	11,938	12,121
Other DfE/EFA grants	-	688	688	652
National College Grants	-	158	158	161
	-	12,784	12,784	12,934
Other Government grants				
Local authority grants	-	613	613	595
Special educational projects	-	-	-	-
	-	613	613	595
Other income from the academy trust's educational operations				
School trips/visits	219	-	219	263
Other fees & charges for educational activities	88	1	89	151
Other income	94	15	109	57
	401	16	417	471
Total	401	13,413	13,814	14,000
allocated to Educational Operations	344	13,255	13,599	
Teaching School	57	158	215	
2016 total	431	13,569	14,000	

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Hire of facilities	50		50	57
Catering Income	1	-	1	
Billboards	46	-	46	46
Other generated income	6	-	6	7
Total	103	-	103	110
2016 total	110	-	110	

6 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Short term deposits	1	-	1	2
Total	1	-	1	2
2016 total	2	-	2	

7 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2017 £000	Total 2016 £000
		Premises £000	Other £000		
Expenditure on raising funds	12	-	-	12	12
Academy's educational operations:					
Direct costs	10,023	-	1,109	11,132	11,906
Allocated support costs	1,577	627	1,603	3,807	3,843
Teaching School	31	-	93	124	183
Total	11,643	627	2,805	15,075	15,944

Net income/(expenditure) for the period includes:

	2017 £000	2016 £000
Operating lease rentals	20	21
Depreciation	811	853
Fees payable to auditor for:		
- audit	17	16
- other services	4	8

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

7 Expenditure (continued)

Included within expenditure are the following transactions.

	Total £	Individual items above £5,000	
		Amount £	Reason
Unrecoverable debts	486	n/a	n/a

8 Charitable activities

	Total 2017 £000	Total 2016 £000
Direct costs – educational operations	11,132	11,906
Support costs – educational operations	3,807	3,843
	14,939	15,749

Analysis of support costs

	Educational operations £000	Total 2017 £000	Total 2016 £000
Support staff costs	1,577	1,577	1,659
Pension fund finance and other costs	392	392	213
Depreciation	811	811	853
Technology costs	74	74	80
Premises costs	610	610	664
Other support costs	310	310	317
Governance costs	33	33	57
Total support costs	3,807	3,807	3,843

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

9 Staff

a. Staff costs

Staff costs during the period were:

	Total 2017 £000	Total 2016 £000
Wages and salaries	9,033	9,573
Social security costs	917	841
Operating costs of defined benefit pension schemes	1,510	1,653
Apprenticeship Levy	13	
	11,473	12,067
Supply staff costs	162	204
Staff restructuring costs	8	205
	11,643	12,476
Staff restructuring costs comprise:		
Redundancy payments	8	154
Severance payments	-	51
	8	205

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £0 (2016: £51,287).

c. Staff numbers

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

	2017		2016	
	No	F.T.E	No.	F.T.E
Teachers	156	138	164	147
Administration and support	135	93	147	98
Management	24	24	22	22
	315	255	333	267

d. Higher paid staff

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

	2017 No.	2016 No.
£60,001 - £70,000	5	6
£70,001 - £80,000	5	3
£80,001 - £90,000	1	2
£90,001 - £100,000	2	2
£120,001 - £130,000	1	1

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

9 Staff (continued)

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,072,228, (2016 £963,308).

10 Related Party Transactions – 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 staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

D Walls (principal and trustee):

Remuneration £120,000 - £125,000 (2016: £135,000 - £140,000)

Employer's pension contributions paid £20,000 - £25,000 (2016: £20,000 - £25,000)

D Smith (staff trustee):

Remuneration £90,000 - £95,000 (2016: £80,000 - £85,000)

Employer's pension contributions paid £10,000 - £15,000 (2016: £10,000 - £15,000)

During the period ended 31 August 2017, there were no expenses reimbursed or paid directly to trustees (2016: £nil).

There were no other related party transactions involving the trustees.

11 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 period ended 31 August 2017 was £2862 (2016: £4,965). The cost of this insurance is included in the total insurance cost.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

12 Tangible fixed assets

	Freehold Land and Buildings £000	Leasehold Land and Buildings £000	Furniture Equipment Plant & vehicles £000	Computer Hardware £000	Assets under construction £000	Total £000
Cost						
At 1 September 2016	17,187	27,207	625	424	52	45,495
Transfers	-	52	-	-	(52)	-
Additions	19	867	16	22	296	1,220
At 31 August 2017	17,206	28,126	641	446	296	46,715
Depreciation						
At 1 September 2016	1,132	1,754	221	338		3,445
Charged in year	252	435	71	53		811
At 31 August 2017	1,384	2,189	292	391		4,256
Net book values						
At 31 August 2016	16,055	25,453	404	86	52	42,050
At 31 August 2017	15,822	25,937	349	55	296	42,459

The school buildings of Coombe Boys' and Coombe Girls' Schools were valued as at 31 August 2012 on behalf of the Department for Education by Drivers Jonas Deloitte based on data provided by the EFA sourced from the Academy and the Local Authority. The basis of the valuation was fair value on the assumption of continuation of existing use using a Depreciated Replacement Cost approach. This reflects that the assets are specialised and follows the assumption set out in GN6 of the RICS Professional Standards. The valuation was undertaken on the Special Assumption of Instant Build, in accordance with the Charity SORP. The trustees are not aware of any material changes since the previous valuation.

The school buildings of Knollmead Primary School were valued as at 31 March 2014, when the school transferred to the Academy Trust. The valuation was determined by the trustees with advice received from The Royal Borough of Kingston Upon Thames.

Freehold land of £5,234,313 is included within freehold land and buildings. Within the leasehold land and buildings valuation, there is land with a net book value of £9,817,498 which is being depreciated over the lease term of 125 years.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

13 Debtors

	2017 £000	2016 £000
Trade debtors	24	59
VAT recoverable	119	77
Other debtors	-	1
Prepayments and accrued income	284	243
	427	380

14 Creditors: amounts falling due within one year

	2017 £000	2016 £000
Trade creditors	286	148
Taxation and social security	233	245
Other creditors	114	94
Accruals and deferred income	354	383
	987	870

	2017 £000	2016 £000
Deferred income		
Deferred income at 1 September 2016	217	220
Released from previous years	(217)	(220)
Resources deferred in the year	233	217
Deferred Income at 31 August 2017	233	217

At the balance sheet date the Academy Trust was holding funds received in advance for: Rates Relief grant of £55k (2016-£50k), Insurance grant £0k (2016-£22k), Universal free school meals grant of £13k (2016-£16k), Mat growth grant of £65k, school trip fees of £85k (2016-£62k), other non gov grant £4k (2016-£0) and a teaching school recruitment initiative fees of £16k (2016-£0). The balance at 31 August 2016 also included £62k teaching school grants.

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

15 Funds

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
Restricted general funds					
General Annual Grant (GAG)	(299)	11,938	(12,093)	(6)	(460)
Pupil Premium	-	502	(502)	-	-
Other DfE /EFA grants	-	185	(185)	-	-
Other	-	850	(814)	(13)	23
Pension reserve	(5,178)	-	(392)	2,068	(3,502)
	(5,477)	13,475	(13,986)	2,049	(3,939)
Restricted fixed asset funds					
Transfer on conversion	39,861	-	(624)	-	39,237
DfE/EFA capital grants	2,025	1,135	(101)	-	3,059
Capital expenditure from GAG	45	-	(23)	4	26
Private donations/ sponsorship	10	9	(6)	15	28
General capital expenditure	462	-	(57)	-	405
	42,403	1,144	(811)	19	42,755
Total restricted funds	36,926	14,619	(14,797)	2,068	38,816
Total unrestricted funds	848	532	(278)	-	1,102
Total funds	37,774	15,151	(15,075)	2,068	39,918

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

General Annual Grant (GAG) income must be used for the running of the academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the GAG that it could carry forward.

Pupil Premium is not a ring-fenced grant but is provided by the EFA to help raise the attainment of disadvantaged pupils of all abilities to reach their potential and to support children and young people with parents in the regular armed forces.

Other DfE/EFA grants relate to non-GAG income received from the EFA or Department for Education. They include grants for 16-19 bursaries, rates relief, top up insurance, teaching school and universal infant free school meals.

Other relates to local authority funding for special educational needs top up funding and nursery provision; it also includes small amounts of other income/donations received for a specific purpose.

The pension reserve is the academy's share of the liabilities of the Local Government Pension Scheme (see note 24).

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

15 Funds (continued)

The restricted fixed asset fund represents unspent capital grants and fixed assets purchased with both restricted and unrestricted funding net of depreciation charged through the income and expenditure account.

Last year Coombe Girls' school was successful in its bid for the demolition and replacement of the drama /staff block from the EFSA Condition Improvement Fund. £987,000 was awarded to cover the project, which was in its final stages as at 31 August 2017. The restricted fixed asset fund includes £15k of unspent grant which will be utilised to cover outstanding works.

Coombe Boys school was successful in bids for window replacement works to one teaching block and roof replacement works to another block. Work on these projects was delayed and as at 31 August 2017, £265k grant remains in the fixed asset fund unspent. Work is due for completion in October 2017.

Devolved capital, included in DfE/EFA capital grants, is available for other minor fixed asset purchases, for example furniture and equipment and computers. A small amount of unspent devolved formula capital forms part of the fixed asset fund balance.

The transfers of £6,022 from the restricted GAG fund to the restricted fixed asset fund, reflect fixed asset purchases from restricted GAG reserves. The transfer of £13,239 from other restricted funds includes Local Authority funding of £11,663 received to upgrade the Specialised Resource Provision playground area.

Total funds analysis by academy

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £000	Total 2016 £000
Coombe Boys' School	97	37
Coombe Girls' School	323	291
Knollmead Primary School	245	221
Total before fixed assets and pension reserve	665	549
Restricted fixed asset fund	42,755	42,403
Pension reserve	(3,502)	(5,178)
Total	39,918	37,774

Coombe Secondary Schools Academy Trust

to the Financial Statements for the year ended 31 August 2017 (continued)

15 Funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depn. & pension finance costs) £000	Total 2017 £000	Total 2016 £000
Coombe Boys' School	3,500	569	245	523	4,837	5,412
Coombe Girls' School	5,182	856	375	816	7,229	7,573
Knollmead Primary School	1,341	164	50	250	1,805	1,893
Academy Trust	10,023	1,589	670	1,589	13,871	14,878

16 Analysis of net assets between funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets			42,459	42,459
Cash at bank	1,142	(99)	478	1,521
Other current assets	53	323	51	427
Current liabilities	(93)	(661)	(233)	(987)
Non-current liabilities				
Pension scheme liability		(3,502)		(3,502)
Total net assets	1,102	(3,939)	42,755	39,918

17 Capital commitments

	2017 £000	2016 £000
Contracted for, but not provided in the financial statements	275	0

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

18 Commitments under operating leases

Operating leases

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £000	2016 £000
Amounts due within one year	19	18
Amounts due between two and five years	21	16
Amounts due after five years	-	-
	<u>40</u>	<u>34</u>

19 Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2017 £000	2016 £000
Net income(expenditure) for the reporting period (as per the statement of financial activities)	76	(1,309)
Adjusted for:		
Depreciation [note 12]	811	853
Capital grants from DfE and other capital income	(1,144)	(446)
Interest receivable [note 6]	(1)	(2)
Defined benefit pension scheme cost less contributions payable [note 24]	281	87
Defined benefit pension scheme finance cost [note 24]	111	126
(Increase)/decrease in debtors	(47)	87
Increase/(decrease) in creditors	117	27
Net cash provided by / (used in) Operating Activities	<u>204</u>	<u>(577)</u>

20 Cash flows from investing activities

	2017 £000	2016 £000
Dividends, interest and rents from investments	1	2
Purchase of tangible fixed assets	(1,220)	(110)
Capital grants from DfE/EFA	1,135	442
Capital funding received from sponsors and others	9	4
Net cash provided by / (used in) investing activities	<u>(75)</u>	<u>338</u>

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

21 Analysis of cash and cash equivalents

	At 31 August 2017 £000	At 31 August 2016 £000
Cash in hand and at bank	1,521	1,392
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	1,521	1,392

22 Contingent liabilities

There were no contingent liabilities as at 31 August 2017 (2016-none).

23 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.

24 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Royal Borough of Kingston upon Thames. Both are multi-employer defined benefit schemes

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year

Teachers' Pension Scheme

Introduction

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

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

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2016 (continued)

24 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

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 is currently underway based on April 2016 data, 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 £1,057,829 (2016: £1,103,226).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £554,095, (2016: £619,674), of which employer's contributions totalled £445,235 (2016: £500,597) and employees' contributions totalled £108,860 (2016: £119,077). At the 2016 formal valuation the administering authority (Royal Borough of Kingston) agreed stabilised employer contribution rates for academies. The agreed contribution rates for the

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

three years of the valuation period were 25.5% to March 2018, 24.5% from April 2018 to March 2019 and 23.5% to March 2020. Employees contribute between 5.5% and 12.5%, banded according to salary.

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

Principal actuarial assumptions	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	2.8%	4.1%
Rate of increase for pensions in payment/inflation	2.4%	2.1%
Discount rate for scheme liabilities	2.5%	2.1%
Inflation assumption (CPI)	2.4%	2.7%
Commutation of pensions to lump sums		
pre April 2008 service	50%	50%
post 2008 service	75%	75%

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

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	22.5	22.5
Females	24.2	24.7
<i>Retiring in 20 years</i>		
Males	24.8	24.6
Females	26.7	27

Sensitivity analysis

	At 31 August 2017	At 31 August 2016
Discount rate +0.1%	(204)	(238)
Discount rate -0.1%	204	238
Mortality assumption - 1 year increase	328	265
Mortality assumption - 1 year decrease	(328)	(265)
CPI rate +0.1%	159	144
CPI rate -0.1%	(159)	(144)

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

The academy trust's share of the assets in the scheme were:

	Fair value at 31 August 2017 £000	Fair value at 31 August 2016 £000
Equity instruments	3,391	2,571
Bonds	989	919
Property	188	146
Cash	141	36
Total market value of assets	4,709	3,672

The actual return on scheme assets was £501,000 (2016: £592,000)

Amount recognised in the statement of financial activities

	2017 £000	2016 £000
Current service cost (net of employee contributions)	(786)	(587)
Net interest cost	(111)	(126)
Total operating charge	(897)	(713)

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

	2017 £000	2016 £000
At 1 September	8,852	5,773
Current service cost	786	587
Interest cost	194	232
Employee contributions	111	119
Actuarial (gain)/loss	(1,650)	2,186
Benefits paid	(82)	(45)
At 31 August	8,211	8,852

The Coombe Secondary Schools Academy Trust

Notes to the Financial Statements for the year ended 31 August 2017 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2017 £000	2016 £000
At 1 September	3,674	2,508
Interest income	83	106
Return on plan assets (excluding net interest on the net defined pension liability)	418	486
Employer contributions	505	500
Employee contributions	111	119
Benefits paid	(82)	(45)
At 31 August	4,709	3,674

25 Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

26 Central Services

No central services were provided by the trust to its academies during the period and no central charges arose.