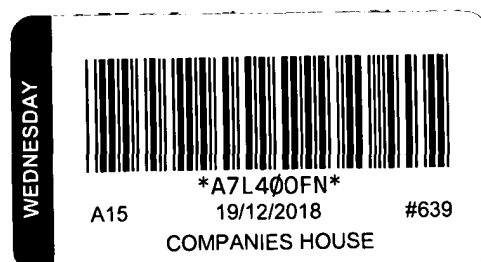


Coombe Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2018

Company Registration Number: 7905433 (England and Wales)



Coombe Academy Trust

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Coombe Academy Trust

Reference and Administrative Details

Members

A Burbridge (until 21.09.17)
 L Clemans
 J Davies
 M Henderson (resigned 20.9.17)
 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
 J Davies
 M Henderson (Vice Chair, resigned 20.9.17)
 D Walls (Executive Headteacher & Accounting Officer)
 M Webb (Chair)
 D Smith (until 20.09.17)
 D Brotherston
 N Sellayah
 D Morgan (appointed 02.10.17)
 J Galloway (appointed 02.03.18)
 M Hunnaball
 E Thomas (appointed 09.02.18)

Director of Finance
 Director of ICT
 Director of Health & Safety/Premises
 Director of Quality Assurance
 HR Manager

D Castanheira
 D Young
 I Bawn
 S Dwyer
 H Griffiths

Coombe Girls' School

Head Teacher
 Deputy Head
 Deputy Head
 Deputy Head

A Platt
 E Barns
 C Knight
 C Mitchell

Coombe Boys' School

Head Teacher
 Deputy Head
 Deputy Head

D Smith
 G Rogers
 K Velissarides

Knollmead Primary School

Head Teacher
 Deputy Head

D Tan
 R Kearns

Coombe Academy Trust

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

Coombe Academy Trust

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. 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 and 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 2,525 pupils from nursery school age to age 18 and had a roll of 2,361 in the school census on 17 May 2018.

Structure, Governance and Management

Constitution

Coombe Academy Trust ('the Trust'), formerly 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. Coombe 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 Coombe 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 for members of the board of 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 new governance structure took effect from 1 September 2017 comprising five members, a skills based board of ten trustees and representatives of local governing bodies. Trustee positions were advertised locally and via the Academy Ambassadors organisation and the Local Authority's governance advisory service. Applicants were interviewed and appointed by 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 improvement plans that enables them to undertake their role as trustees. The new trustee meets with the chair, executive headteacher and clerk, each of whom plays a crucial role in helping trustees understand the unique context in which the schools operate. The new trustee is encouraged to take time to consider which

Coombe Academy Trust

Trustees' Report (continued)

area/s and committee/s they would like to focus on; invited to visit each school, meet senior staff and be briefed on current priorities; encouraged to attend the borough's training seminar for new trustees; and to seek out other appropriate training options.

Organisational Structure

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 specified powers and functions to sub committees, the executive headteacher and the headteachers of the schools in the trust.

Decisions reserved for the board of trustees include approval of: the scheme of delegation; the financial procedures and policies; the Trust's financial statements and annual report; changes to staff terms and conditions; for other schools to join the academy trust; and policies relating to health and safety, human resources, data protection and equality.

The board of trustees has established the following structure of committees to act in an advisory capacity to the Board except where powers have been specifically delegated to them by the trustees and as outlined in the scheme of delegation:

- A Resources Committee;
- An Infrastructure Committee;
- An Audit Committee;
- A Pay & Conditions Committee;
- A Local Governing Body (LGB) for the Coombe Secondary Schools; and
- A Local Governing Body for Knollmead Primary School.

The executive headteacher is responsible for the internal organisation, management and control of the Academy Trust, for advising on and implementing the Trust's strategic framework, and for the implementation of all policies approved by the trustees. Headteachers are responsible for the internal organisation, management and control of their school, for implementing policies approved by the trustees or the relevant local governing body, and for the direction of the teaching and the curriculum within the school.

The executive headteacher works with the headteachers, the school leadership teams and the executive leadership team comprising the directors of finance, health & safety/premises, ICT, quality assurance and human resources to recommend trust-wide strategy and policy to the trustees and to ensure that the Trust fulfils its charitable objects.

The executive headteacher of the academy trust fulfils the role of the chief executive officer for the trust and is the accounting officer taking 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

Coombe Academy Trust

Trustees' Report (continued)

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.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	5
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

The total cost of facility time	£1,145
The total pay bill	£11,661,666
The percentage of the total pay bill spent on facility time	0.1%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	nil
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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.

Coombe Academy Trust

Trustees' Report (continued)

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 Coombe Academy Trust values each school's individuality whilst ensuring that the principles of the Trust's overarching vision are evident in their ethos, values, practice and permeate all aspects of school life. There are high expectations of all members of the Trust community. The Coombe Academy Trust prides itself on providing an excellent education for local children and works in very close partnership with the Coombe and Maldens Cluster schools, many of which are feeders to the Coombe secondary schools.

The Coombe Academy Trust schools are committed to ensuring outstanding leadership at all levels underpinned by well-understood core values and bespoke professional development for all members of the schools' communities to ensure life-long learning for all in an environment where success is recognised and celebrated. All members of the Trust are friendly, caring, respectful and tolerant towards each other; ambitious and aspirational for themselves and others; honest and show integrity in all they do; positive and resilient at all times.

These core values underpin each school's vision statement:

Coombe Boys' and Girls' Schools prepare each student for the World of Opportunity by enabling individuals to flourish through:

- innovative teaching that is inspirational, compelling and fun. It engages every learner in their journey of self-discovery, fulfilment and academic excellence;
- a community in which empathy, tolerance, integrity and shared purpose promote exemplary behaviour and outstanding relationships between all; and
- developing confident learners who are, resilient and committed to shaping their world. They are proud of their abilities, highly ambitious and excited about their potential.

Knollmead Primary School provides a stimulating, safe and happy environment where teaching inspires a love of learning and an enquiring mind. Individual strengths and talents are nurtured, encouraged and celebrated and pupils are excited to take risks.

We expect and strive for the highest possible achievement for every child. Within a challenging, aspirational and nurturing environment we provide the foundation for our children to develop as tolerant, committed and confident citizens.

Coombe Academy Trust

Trustees' Report (continued)

Objectives, Strategies and Activities

The main objectives of the academy trust for the year ended 31 August 2018 are summarised as follows:

- to achieve in line with aspirational targets set and ensure outstanding outcomes and progress for all pupils and students across the Trust schools;
- to address any inconsistencies in attainment and progress at subject and key stage level and use Trust expertise to address;
- to ensure that all pupils and students are exceptionally well prepared for the next stage in their education or training;
- to continue to refine assessment processes and moderate across the schools for consistency of application and effect;
- to ensure challenge and high aspirations for all pupils and groups of pupils;
- to focus relentlessly on the progress and attainment of disadvantaged pupils at the three schools;
- to ensure that all children with special educational needs and disabilities are supported appropriately and make outstanding progress;
- to develop the potential of the trust, based on evidence based research, to enhance teaching and learning;
- to deliver the key objectives and actions for the Kingston Teaching School Alliance;
- to continue 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 each of the schools; and
- to ensure value for money, appropriate 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 Coombe Academy Trust values diversity and seeks to provide everyone with an equal chance to learn, work and live, free from the action of, or fear of, discrimination and 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 learners, parents, colleagues and visitors.

The Trust complies fully with the requirements of the Equalities Act. Accessibility arrangements are in place at each of the schools. Recruitment, training and career development opportunities and procedures are equitable and fair to all employees, as detailed

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.

Coombe Academy Trust

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) pupil on roll on the schools' census on May 2018 (previous year May 2017) are shown below:

School	Main school		Nursery or Sixth Form		Total		PAN (exc 6th form)
	2018	2017	2018	2017	2018	2017	
Knollmead Primary School	188	194	13	14	201	208	30 & 26 fte in nursery
Coombe Boys' School	721	731	101	62	822	793	180 (2017) & 150 (2018)
Coombe Girls' School	1046	1,044	292	272	1338	1,316	210
Total	1955	1,969	406	348	2361	2,317	

The examination results and academic outcomes for 2018 at both secondary schools and at Knollmead Primary School were very pleasing.

Coombe Sixth Form - Coombe Boys' (CBS) and Coombe Girls' (CGS) combined

A*/A = 28% A*-B = 57% A*-C = 82% A*-E = 97%

A Level: A*/A = 23% A*-B = 52% A*-C = 80% A*-E = 97%

Level 3 Vocational Courses: Distinction and * Distinction = 60% Merit = 27% Pass = 13%

The 2018 Year 13 students have continued the sixth form's strong academic tradition for an all ability sixth form despite the challenges of new specifications and more challenging standards.

Coombe Academy Trust

Trustees' Report (continued)

Strategic Report (continued)

GCSE

	Coombe Boys'	Coombe Girls'
% En Ma 4+	70	84
% En Ma 5+	55	64
% EBacc 4+	26	56
Progress 8	0.22	0.74
Attainment 8	48.8	56.1
% English 4+	75	88
% English 5+	61	74
% maths 4+	77	88
% maths 5+	67	73
% grade 9-8	11	18

Key Stage 2 attainment

	Mainstream		Mainstream & SRP	
%	2017	2018	2017	2018
Exp RWM	64	79	60	63
Exp reading	76	84	71	67
Exp writing	85	89	80	71
Exp maths	91	95	86	75
HS RWM	27	32	26	24
HS reading	33	42	31	33
GDS writing	30	42	29	33
HS maths	42	63	40	50

Exp = Expected Standard

HS = High Standard

GDS = Greater Depth Standard

Coombe Academy Trust

Trustees' Report (continued)

Key Stage 2 progress

	Reading	Writing	Maths
2017	3.1 (6.6)	3.1 (4.2)	5.8 (7.4)
2018	3.7 (2.9)	2.1 (4)	4.6 (5.5)

Disadvantaged pupil scores in brackets

Coombe Girls' School was graded Outstanding at each threshold in its most recent inspection (May 2013) and Coombe Boys' School was graded Good with Outstanding Leadership & Management in December 2013 which was further confirmed at a Section 8 inspection in March 2018. The feedback from the most recent inspection confirms that:

- teaching arouses pupils' curiosity and leads to high levels of engagement;
- pupils are courteous and respectful. They show considerable pride for their schools and endorse the high standards of behaviour you expect;
- warm positive relationships have created a supportive environment in which pupils feel confident to ask questions and push themselves further;
- the school has provided an enriching range of opportunities. This has the effect of raising aspirations and increasing pupils' enjoyment of school; and
- inspectors found that the highly cohesive, harmonious and inclusive community referred to in the last inspection was still very much evident'.

The Coombe Academy Trust is committed to continual improvement in each of the schools and this is achieved in number of ways: accurate school improvement planning; targeted review meetings; curriculum provision reviews and evaluation; lesson observations and learning walks; relentless focus on teaching and learning and cross-school initiatives; targeted continuing professional development and appraisal; accurate self evaluation; detailed data analysis and action planning; and 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 and 2018 outcomes at key stage 2 have been outstanding and significantly above average for all pupils and disadvantaged pupils. The combined scaled score for reading and mathematics was ranked in the top 4% nationally in 2017 and 2018; the school improvement partner's most recent evaluation has graded the school as outstanding on the back of these outcomes. A recent Local Authority review (October 2018) of the Specialist Resource Provision for children with autism and social & communication needs has confirmed an outstanding judgement at each threshold.

Coombe Academy Trust

Trustees' Report (continued)

Strategic Report (continued)

Key Performance Indicators

Key financial performance indicators for the year ended August 2018, compared to the previous year were as follows:

	COOMBE GIRLS' SCHOOL		COOMBE BOYS' SCHOOL		KNOLLMEAD PRIMARY SCHOOL	
	2018	2017	2018	2017	2018	2017
Pupil numbers (October census)	1320	1314	797	765	220	235
Public funded income per student	£5,140	£5,236	£6,053	£6,120	£7,818	£7,810
Total income per student	£5,430	£5,527	£6,375	£6,401	£7,893	£7,859
Total staff costs per student	£4,567	£4,609	£5,272	£5,308	£6,942	£6,459
Total staff costs as % of total income	84%	83%	82%	84%	84%	83%
Student to teacher ratio (exc SLT)	17	16	16	15	17	16
Liquidity (Current assets:current liabilities)	1.8:1	2:1	1.3:1	1.7:1	3:1	4:1
Net current assets	£289k	£351k	£107k	£364k	£165k	£246k

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 increments are continuing to make this very challenging.

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 and a depletion of reserves.

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 2018 are set out on pages 28-30 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 £14.4m (2017: £15.1m). The decrease from last year is due to a reduction in capital grant of £0.7m. Of the total incoming resources, £12.5m (2016 £12.8m) of this was received as grants directly from the Education and Skills Funding Agency (ESFA) to support the running of the academy's educational operations, with a further £112k (2017: £158k) for teaching school activities.

Coombe Academy Trust

Trustees' Report (continued)

Financial Review (continued)

EFSA grant income also includes £25k academy conversion grant for the conversion of Green Lane primary school on 1 September 2018 and a balance of £58k relating to the MAT Growth grant carried forward from 2016/17. Additional grants from Kingston Local Authority amounted to £0.576m (2017 £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.

A further £0.504m (2017 £0.417m) 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 £0.53m (2017 £1.233m) £0.351m was received as capital grants from the EFSA. Each school is eligible for a small devolved formula capital grant, totalling £0.052m this year, with the remainder being condition improvement funding (CIF) for successful capital bids: £0.182m of this was for the 6th form roof at Coombe Girls' school; £0.118m the balance of 2016/17 CIF bids awarded to Coombe Boys' school for replacement windows and roof. Work was completed on all three projects in the year. £0.093m was received from Royal Borough of Kingston Local Authority to fund modifications to support the girls with hearing impairment at Coombe Girls' school.

£0.085m (2017 £0.098m) 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. Coombe Girls' school received a donation of £8k from the PFA in August 2018 to fund new curtains in the school hall. Work will not be completed until October 2018, so this donation forms part of the restricted funds balance.

The academy was also able to generate £0.102m (2016 £0.103m) of income from hiring premises and facilities and miscellaneous ancillary trading activities.

Total resources expended amounted to £15.4m (2017: £15m) resulting in a net deficit for the year of £0.977m. (2017: £0.076m surplus). The change from last year is largely due to reduced capital grant. The restricted general fund has an in year deficit of £0.835m. Eliminating the LGPS operating and finance costs of £0.437m, leaves an underlying in-year deficit of £0.398m for this fund. Offsetting this against the unrestricted fund in-year surplus, gives a net operating deficit against free reserves of £0.159m (2017: £0.135m surplus). A transfer of £17k to the fixed asset fund, increases the in year deficit against free reserves to £0.176m.

Net assets as at 31 August 2018 including the pension scheme liability were £39,844m (2017 - £39,918m). Although there has been another actuarial gain on the pension fund this year, reducing the liability to £3.036m (2017: £3.502m), working capital has reduced to £0.560m (2017: £0.961m) along with the net book value of fixed assets resulting in this reduction to 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 contingencies or emergencies. The appropriate level of reserves for each school has been agreed by trustees as 6% of General Annual Grant (GAG) income.

Coombe Academy Trust

Trustees' Report (continued)

Total free reserves available as at 31 August 2018 were £0.489m (2017: £0.665m) which falls short of the target, however due to the continued financial pressures on academy budgets, and pending full implementation of the national funding formula, the trustees have acknowledged that reserves will be depleted whilst implementing a longer term plan to set budgets within the annual grant available.

Investment Policy

The policy of the academy trust is to hold surplus cash in low risk high interest deposit accounts at an 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 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 bi-annually by the audit committee, 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 the secondary schools;
- failure to recruit qualified teaching staff;
- key person/succession loss;
- insufficient demand for school places at Knollmead Primary School and in the Coombe Sixth Form due to changes and additions to provision in the local area; and
- 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.

Fundraising

The Trust has not been involved in any formal fundraising practices

Plans for Future Periods

The Coombe 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.

Coombe Academy Trust

Trustees' Report (continued)

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 Green Lane Primary and Nursery School joined the Trust in September 2018 and it is possible that another local primary school will consult to join the Trust from September 2019. The inclusion of additional primary schools in the Trust enables the 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.

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 11 December 2018 and signed on the board's behalf by:



Marion Webb
Chair of Trustees

Coombe Academy Trust

Governance Statement

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Coombe 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 Coombe Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings attended	Out of a possible
D Brotherston	5	6
A Burbridge	5	6
J Davies	6	6
J Galloway	3	3
M Henderson	1	1
D Morgan	5	5
N Sellayah	5	6
E Thomas	3	3
D Walls	6	6
M Webb	6	6

Governance Reviews

The trust governance underwent a restructure based on a self-review completed in the previous academic year. Additional trustees were recruited during the year 2017/18 to ensure a full complement of skills and a series of training sessions were put in place to familiarise the new trustees with the schools in the Trust and the regulations around governance. All trustees have been asked to assess the impact of their training going forward from September 2018.

In the summer term 2018, the trustees undertook their annual self-review against their action plan to inform the new plan for 2018/19. To inform the review, trustees considered information from:

- School Improvement Partner reports;
- Internal and external audit reports;
- Actual and forecast outcomes for 2018;
- Reviews conducted throughout the year by local authority advisors and educational consultants;
- Minutes of local governing body meetings and the Headteacher reports throughout the year; and
- Ofsted report for Coombe Boys' School.

Coombe Academy Trust

Governance Statement (continued)

The trustees have additionally commissioned an external review, to be led by an educational consultant, to take place during the Autumn Term 2018. The brief for the review was confirmed at the board of trustees meeting in July 2018. The annual self-review will take place in April 2019.

The **resources sub-committee** of the board meets 3 times per year and its purpose is to focus on the effectiveness and efficiency of the management of the financial and staffing resources of the Trust. This sub-committee covers human resources and financial resources. The external audit partner presented the accounts during the Autumn Term meeting to the full board and 2 new trustees have been appointed to this sub-committee during the course of the year. Attendance at meetings in the year was as follows:

Attendance at meetings in the year was as follows:

Trustee/Governor	Meetings attended	Out of a possible
D Brotherston	3	3
J Davies	3	3
N Sellayah	3	3
E Thomas	2	2
D Walls	3	3

The **audit committee** is also a sub-committee of the main board of trustees. The audit committee oversees 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.

1 meeting of the full audit committee took place during the year 2017/18.

Trustee/Governor	Meetings attended	Out of a possible
J Davies	1	1
D Morgan	1	1
N Sellayah	1	1
E Thomas	1	1
D Walls	1	1

Review of Value for Money

As accounting officer the executive headteacher has responsibility for ensuring that the Coombe 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 Coombe 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 minor adjustments to the curriculum offer;
- generating income through bids available through the Kingston Teaching School Alliance; and

Coombe Academy Trust

Governance Statement (continued)

- using staff expertise to offer cross school teaching, training & support
- developing combined IT, accounting, HR and premises services under the Trust Executive Team for further efficiency gains

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 Coombe Academy Trust for the period 1 September 2017 to 31 August 2018 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 1st September 2017 to 31 August 2018 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;
- 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 South West Lond Audit Partnership 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 2018, an internal audit was undertaken on the procure to pay process and related party issues. Substantial audit assurance was provided as a result. 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.

Coombe Academy Trust

Governance Statement (continued)

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 11 December 2018 and signed on its behalf by:



Marion Webb
Chair of Trustees



Deborah Walls
Accounting Officer

Coombe Academy Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of Coombe Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding of all funding received by the academy trust, 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 2017.

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 2017.

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 ESFA.



Deborah Walls

Accounting Officer

11 December 2018

Coombe Academy Trust

Statement of Trustees' Responsibilities

The trustees (who act as governors of Coombe 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 Academies Accounts Direction published by the Education and Skills 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 2017 to 2018;
- 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 ESFA/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 11 December 2018 and signed on its behalf by:



Marion Webb

Chair of Trustees

Coombe Academy Trust

Independent Auditor's Report To The Members Of Coombe Academy Trust

Opinion

We have audited the financial statements of Coombe Secondary Schools Academy Trust (the 'academy trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, incorporating an Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related 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 2017 to 2018 issued by the Education & Skills Funding Agency.

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 2018, 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 2017 to 2018 issued by the Education & 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 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

Coombe Academy Trust

Independent Auditor's Report To The Members Of Coombe Academy Trust (continued)

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 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.

Coombe Academy Trust

Independent Auditor's Report To The Members Of Coombe Academy Trust (continued)

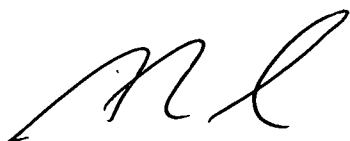
Auditor's responsibilities for the audit of the financial statements

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.



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

1 Westferry Circus
Canary Wharf
London E14 4HD

17 December 2018

Coombe Academy Trust

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

In accordance with the terms of our engagement letter dated 2 November 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Coombe Academy Trust during the period 01 September 2017 to 31 August 2018 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 Coombe Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Coombe 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 Coombe Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Coombe 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 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 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 that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Coombe Academy Trust

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

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 2017; 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 2017 to 31 August 2018 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 17 December 2018

Coombe Academy Trust

Statement of Financial Activities for the year ended 31 August 2018

(including Income and Expenditure Account)

		Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2018 £000	Total 2017 £000
	Note					
Income and endowments from:						
Donations and capital grants	3	35	50	445	530	1,233
Charitable activities:						
Funding for the academy trust's educational operations	4	438	13,188	-	13,626	13,599
Teaching Schools	4	59	112	-	171	215
Other trading activities	5	102	-	-	102	103
Investments	6	1	-	-	1	1
Total		635	13,350	445	14,430	15,151
Expenditure on:						
Raising funds	7	15	-	-	15	12
Charitable activities:						
Academy trust educational operations	8	342	14,076	826	15,244	14,939
Teaching Schools	27	39	109	-	148	124
Total		396	14,185	826	15,407	15,075
Net income / (expenditure)		239	(835)	(381)	(977)	76
Transfers between funds	15	-	(17)	17	-	-
Other recognised gains / (losses):						
Actuarial gains / (losses) on defined benefit pension schemes	24	-	903	-	903	2,068
Net movement in funds		239	51	(364)	(74)	2,144
Reconciliation of funds						
Total funds brought forward		1,102	(3,939)	42,755	39,918	37,774
Total funds carried forward		1,341	(3,888)	42,391	39,844	39,918

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 31-55 form part of these financial statements

Coombe Academy Trust

Balance Sheet as at 31 August 2018

Company Number 7905433

	Notes	2018 £000	2018 £000	2017 £000	2017 £000
Fixed assets					
Tangible assets	12		42,320		42,459
Current assets					
Debtors	13	501		427	
Cash at bank and in hand		812		1,521	
		1,313		1,948	
Liabilities					
Creditors: Amounts falling due within one year	14	(753)		(987)	
Net current assets			560		961
Net assets excluding pension liability			42,880		43,420
Defined benefit pension scheme liability	24		(3,036)		(3,502)
Total net assets			39,844		39,918
Funds of the academy trust:					
Restricted funds					
. Fixed asset fund	15	42,391		42,755	
. Restricted income fund	15	(852)		(437)	
. Pension reserve	15	(3,036)		(3,502)	
Total restricted funds			38,503		38,816
Unrestricted income funds	15		1,341		1,102
Total funds			39,844		39,918

The financial statements on pages 28-55 were approved by the trustees and authorised for issue on 11 December 2018 and are signed on their behalf by



Marion Webb
Chair of Trustees

The accounting policies and notes on pages 31-55 form part of these financial statements.

Coombe Academy Trust

Statement of Cash Flows

for the year ended 31 August 2018

	Notes	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	(468)	204
Cash flows from investing activities	20	(241)	(75)
Change in cash and cash equivalents in the reporting period		<u>(709)</u>	<u>129</u>
Cash and cash equivalents at 1 September		1,521	1,392
Cash and cash equivalents at 31 August	21	<u>812</u>	<u>1,521</u>

The accounting policies and notes on pages 31-55 form part of these financial statements

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018

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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Coombe 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.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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.

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.

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.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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 2018. 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.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

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

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

3 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Asset Funds £000	Total 2018 £000	Total 2017 £000
Capital grants	-	-	445	445	1,135
Other donations	35	50	-	85	98
Total	35	50	445	530	1,233
2017 total	27	62	1,144	1,233	

4 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
DfE / EFA grants				
General Annual Grant (GAG)	-	11,828	11,828	11,938
Other DfE/EFA grants	-	777	777	688
National College Grants	-	112	112	158
	-	12,717	12,717	12,784
Other Government grants				
Local authority grants	-	576	576	613
	-	576	576	613
Other income from the academy trust's educational operations				
School trips/visits	246	-	246	219
Other fees & charges for educational activities	153	1	154	89
Other income	98	6	104	109
Total	497	13,300	13,797	13,814
Allocated to Educational Operations	438	13,188	13,626	13,599
Allocated to Teaching School	59	112	171	215
2017 total	401	13,413	13,814	

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Hire of facilities	52	-	52	50
Catering Income	-	-	-	1
Billboards	39	-	39	46
Other generated income	11	-	11	6
Total	102	-	102	103
2017 total	103	-	103	

6 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Short term deposits	1	-	1	1
Total	1	-	1	1
2017 total	1		1	

7 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2018 £000	Total 2017 £000
		Premises £000	Other £000		
Expenditure on raising funds	13	-	2	15	12
Academy's educational operations:					
Direct costs	9,981	-	1,233	11,214	11,132
Allocated support costs	1,654	643	1,733	4,030	3,807
Teaching School	109	-	39	148	124
Total	11,757	643	3,007	15,407	15,075

Net income/(expenditure) for the period includes:

	2018 £000	2017 £000
Operating lease rentals	24	20
Depreciation	826	811
Fees payable to auditor for:		
- audit	17	17
- other services	5	4

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

7 Expenditure (continued)

Included within expenditure are the following transactions.

	Total £	Individual items above £5,000	
		Amount £	Reason
Unrecoverable debts	6,260	0	n/a

8 Charitable activities

	Total 2018 £000	Total 2017 £000
Direct costs – educational operations	11,214	11,132
Support costs – educational operations	4,030	3,807
	15,244	14,939

Analysis of support costs

	Educational operations £000	Total 2018 £000	Total 2017 £000
Support staff costs	1,654	1,654	1,577
Pension fund finance and other costs	437	437	392
Depreciation	826	826	811
Technology costs	106	106	74
Premises costs	630	630	610
Other support costs	328	328	310
Governance costs	49	49	33
Total support costs	4,030	4,030	3,807

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

9 Staff

a. Staff costs

Staff costs during the period were:

	Total 2018 £000	Total 2017 £000
Wages and salaries	9,206	9,033
Social security costs	954	930
Operating costs of defined benefit pension schemes	1,533	1,510
	11,693	11,473
Supply staff costs	61	162
Staff restructuring costs	3	8
	11,757	11,643
Staff restructuring costs comprise:		
Redundancy payments	3	8
	3	8

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £0 (2017: £0).

c. Staff numbers

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

	2018		2017	
	No	F.T.E	No.	F.T.E
Teachers	147	133	156	138
Administration and support	141	96	135	93
Management	23	23	24	24
	311	252	315	255

d. Higher paid staff

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

	2018 No.	2017 No.
£60,001 - £70,000	8	5
£70,001 - £80,000	5	5
£80,001- £90,000	1	1
£90,001 -£100,000	2	2
£120,001-£130,000	1	1

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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 and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,223,104. (2017 £1,072,228).

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 £125,000 - £130,000 (2017: £120,000 - £125,000)

Employer's pension contributions paid £20,000 - £25,000 (2017: £20,000 - £25,000)

D Smith (staff trustee): resigned 20 September 2017 as trustee.

Remuneration £0-£5000 (2017: £90,000 - £95,000)

Employer's pension contributions paid £0-£5000 (2017: £10,000 - £15,000)

During the period ended 31 August 2018, there were no expenses reimbursed or paid directly to trustees (2017: £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 2018 was £1,671 (2017: £2,862). The cost of this insurance is included in the total insurance cost.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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 2017	17,206	28,126	641	446	296	46,715
Transfers	221	75	-	-	(296)	-
Additions	315	205	21	57	89	687
Disposals	-	-	-	-	-	-
At 31 August 2018	17,742	28,406	662	503	89	47,402
Depreciation						
At 1 September 2017	1,384	2,189	292	391	-	4,256
Charged in year	276	448	62	40	-	826
Disposals	-	-	-	-	-	-
At 31 August 2018	1,660	2,637	354	431	-	5,082
Net book values						
At 31 August 2017	15,822	25,937	349	55	296	42,459
At 31 August 2018	16,082	25,769	308	72	89	42,320

13 Debtors

	2018 £000	2017 £000
Trade debtors	116	24
VAT recoverable	107	119
Other debtors	2	-
Prepayments and accrued income	276	284
	501	427

14 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	118	286
Taxation and social security	236	233
Other creditors	51	114
Accruals and deferred income	348	354
	753	987

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

14 Creditors: amounts falling due within one year (continued)

	2018 £000	2017 £000
Deferred income		
Deferred income at 1 September 2017	233	217
Released from previous years	(233)	(217)
Resources deferred in the year	215	233
Deferred Income at 31 August 2018	<u>215</u>	<u>233</u>

At the balance sheet date the academy trust was holding funds received in advance for: rates relief grant of £57k (2017:£55k), universal free school meals grant of £14k (2017:£13k), MAT growth grant of £6.5k (2017:£65k), unspent bursary grant of £19k, school trip fees of £63k (2017:£85k), teaching school recruitment initiative fees of £6k (2017-£16k) and teaching school grants of £46k (2017-£0).

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

15 Funds

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	(460)	11,828	(12,214)	(17)	(863)
Pupil Premium	-	497	(497)	-	-
Other DfE /EFA grants	-	392	(389)	-	3
Other	23	633	(648)	-	8
Pension reserve	(3,502)	-	(437)	903	(3,036)
	(3,939)	13,350	(14,185)	886	(3,888)
Restricted fixed asset funds					
Transfer on conversion	39,237	-	(624)	-	38,613
DfE/EFA capital grants	3,059	351	(140)	-	3,270
Capital expenditure from GAG	26	-	(12)	17	31
Private donations/ sponsorship	28	-	(5)	-	23
General capital expenditure	405	94	(45)	-	454
	42,755	445	(826)	17	42,391
Total restricted funds	38,816	13,795	(15,011)	903	38,503
Total unrestricted funds	1,102	635	(396)	-	1,341
Total funds	39,918	14,430	(15,407)	903	39,844

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 ESFA 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 ESFA or Department for Education. They include grants for 16-19 bursaries, rates relief, 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).

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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.

Coombe Girls' school was successful in its bid for the a new 6th form roof from the ESFA Condition Improvement Fund (CIF). £182k was awarded to cover the project , which was completed by 31 August 2018.

Work was completed on the window replacement and roof replacement works, started at Coombe Boys school in 2016/17 . The roof project was underspent by £87k and £67k of CIF grant remains in the fixed asset fund waiting to be repaid.

Devolved capital, included in DfE/EFA capital grants, is available for other minor fixed asset purchases, for example furniture and equipment and computers.

The Trust also received £88k from the local authority to fund modifications to the premises to support students with a hearing impairment at Coombe Girls' school and £6k to fund improvements to the existing hearing impaired unit at Knollmead Primary School.

The transfers of £17k from the restricted GAG fund to the restricted fixed asset fund, reflect fixed asset purchases from restricted GAG reserves to cover the purchase of chromebooks and other IT equipment as there was insufficient devolved formula capital to cover these.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

15 Funds (continued)

Comparative information in respect of the preceding period is as follow:

	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

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

15 Funds (continued)

A current year 12 months and prior year 12 months combined position Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	(299)	23,766	(24,307)	(23)	(863)
Pupil Premium	-	999	(999)	-	-
Other DfE /EFA grants	-	577	(574)	-	3
Other	-	1,483	(1,462)	(13)	8
Pension reserve	(5,178)		(829)	2,971	(3,036)
	(5,477)	26,825	(28,171)	2,935	(3,888)
Restricted fixed asset funds					
Transfer on conversion	39,861	-	(1,248)	-	38,613
DfE/EFA capital grants	2,025	1,486	(241)	-	3,270
Capital expenditure from GAG	45	-	(35)	21	31
Private donations/ sponsorship	10	9	(11)	15	23
General capital expenditure	462	94	(102)	-	454
	42,403	1,589	(1,637)	36	42,391
Total restricted funds	36,926	28,414	(29,808)	2,971	38,503
Total unrestricted funds	848	1,167	(674)	-	1,341
Total funds	37,774	29,581	(30,482)	2,971	39,844

Total funds analysis by academy

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	Total 2017 £000
Coombe Boys' School	37	97
Coombe Girls' School	289	323
Knollmead Primary School	163	245
Total before fixed assets and pension reserve	489	665
Restricted fixed asset fund	42,391	42,755
Pension reserve	(3,036)	(3,502)
Total	39,844	39,918

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (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 2018 £000	Total 2017 £000
Coombe Boys' School	3,588	616	270	651	5,125	4,837
Coombe Girls' School	5,131	897	366	806	7,200	7,229
Knollmead Primary School	1,346	181	54	238	1,819	1,805
Academy Trust	10,065	1,694	690	1,695	14,144	13,871

16 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	42,320	42,320
Cash at bank	1,342	(637)	107	812
Other current assets	70	413	18	501
Current liabilities	(71)	(628)	(54)	(753)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(3,036)	-	(3,036)
Total net assets	1,341	(3,888)	42,391	39,844

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

Comparative information in respect of the preceding period is as follows:

	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

	2018 £000	2017 £000
Contracted for, but not provided in the financial statements	29	275

18 Commitments under operating leases

Operating leases

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £000	2017 £000
Amounts due within one year	15	19
Amounts due between two and five years	22	21
Amounts due after five years	-	-
	37	40

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

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

	2018 £000	2017 £000
Net income(expenditure) for the reporting period (as per the statement of financial activities)	(977)	76
Adjusted for:		
Depreciation [note 12]	826	811
Capital grants from DfE and other capital income	(445)	(1,144)
Interest receivable [note 6]	(1)	(1)
Defined benefit pension scheme cost less contributions payable [note 24]	345	281
Defined benefit pension scheme finance cost [note 24]	92	111
(Increase)/decrease in debtors	(74)	(47)
Increase/(decrease) in creditors	(234)	117
Net cash provided by / (used in) Operating Activities	(468)	204

20 Cash flows from investing activities

	2018 £000	2017 £000
Dividends, interest and rents from investments	1	1
Purchase of tangible fixed assets	(687)	(1,220)
Capital grants from DfE/EFA	351	1,135
Capital funding received from sponsors and others	94	9
Net cash provided by / (used in) investing activities	(241)	(75)

21 Analysis of cash and cash equivalents

	At 31 August 2018 £000	At 31 August 2017 £000
Cash in hand and at bank	812	1,521
Total cash and cash equivalents	812	1,521

22 Contingent liabilities

There were no contingent liabilities as at 31 August 2018 (2017-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.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

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.

Valuation of the Teachers' Pension Scheme

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%.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

24 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

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 £1,034,922 (2017: £1,057,829).

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 2018 was £625,785, (2017: £554,095), of which employer's contributions totalled £499,748 (2017: £445,235) and employees' contributions totalled £126,036 (2017: £108,860). 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

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 2018	At 31 August 2017
Rate of increase in salaries	2.8%	2.8%
Rate of increase for pensions in payment/inflation	2.4%	2.4%
Discount rate for scheme liabilities	2.8%	2.5%
Inflation assumption (CPI)	2.4%	2.4%
Commutation of pensions to lump sums		
pre April 2008 service	50%	50%
post 2008 service	75%	75%

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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 2018	At 31 August 2017
<i>Retiring today</i>		
Males	22.5	22.5
Females	24.8	24.2
<i>Retiring in 20 years</i>		
Males	24.2	24.8
Females	26.7	26.7

Sensitivity analysis

	At 31 August 2018	At 31 August 2017
Discount rate +0.1%	(217)	(204)
Discount rate -0.1%	217	204
Mortality assumption - 1 year increase	345	328
Mortality assumption - 1 year decrease	(345)	(328)
CPI rate +0.1%	175	159
CPI rate -0.1%	(175)	(159)

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equity instruments	4,085	3,391
Bonds	1,120	989
Property	280	188
Cash	112	141
Total market value of assets	5,597	4,709

The actual return on scheme assets was £338,000 (2017: £501,000)

Amount recognised in the statement of financial activities

	2018 £000	2017 £000
Current service cost (net of employee contributions)	(844)	(786)
Net interest cost	(92)	(111)
Total operating charge	(936)	(897)

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2018 £000	2017 £000
At 1 September	8,211	8,852
Current service cost	844	786
Interest cost	216	194
Employee contributions	126	111
Actuarial (gain)/loss	(689)	(1,650)
Benefits paid	(75)	(82)
At 31 August	8,633	8,211

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

	2018 £000	2017 £000
At 1 September	4,709	3,674
Interest income	124	83
Return on plan assets (excluding net interest on the net defined pension liability)	214	418
Employer contributions	499	505
Employee contributions	126	111
Benefits paid	(75)	(82)
At 31 August	5,597	4,709

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.

Coombe Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

27 Teaching School trading account

	year to	31 August 2018 £000	31 August 2018 £000	31 August 2018 £000	31 August 2017 £000	31 August 2017 £000
Income						
	Direct Income					
	Grant Income	112			158	
	Other Income					
	Trading activities	59			57	
Total Income				171		215
Expenditure						
	Direct costs					
	Direct staff costs	84			73	
	other direct costs	37			59	
			121			132
	Other costs					
	support staff costs	25			28	
	other	2			2	
			27			30
Total Expenditure				148		162
Surplus from all sources				23		53
Teaching school balances as at 1 September 2017				53		0
Teaching school balances as at 31 August 2018				76		53