

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2016**

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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<b>Members</b>	A full list of members is available on the Academy's website <a href="http://www.colstonsprimary.co.uk">www.colstonsprimary.co.uk</a>
<b>Trustees</b>	Pauline Allen (appointed 11 March 2016) <sup>1,2</sup> Alex Bell, Headteacher (appointed 1 January 2016) Amanda Davies (resigned 22 July 2016) <sup>1</sup> Catherine Olga Dunscombe <sup>1</sup> Peter Kay <sup>2</sup> Eileen Lepine (resigned 22 July 2016) Thomas Loveday (resigned 31 August 2016) <sup>2</sup> Samantha Martin <sup>1</sup> Shuaib Omar (appointed 11 March 2016) <sup>2</sup> Kate Swainson-Price, Chair of Trustees <sup>1,2</sup> Steven Purdie, Vice Chair <sup>2</sup> Cate Robbins (resigned 17 July 2016) <sup>2</sup> Emily Warren-Ballard (appointed 11 March 2016) <sup>2</sup> Helen Elizabeth Wood (appointed 11 March 2016) <sup>2</sup> Nicholas Woodroffe <sup>2</sup> Bronwen Wright, Vice Chair <sup>1,2</sup> Mandeep Bahra (resigned 14 September 2015) Emma Gledhill (resigned 14 September 2015) Peter Rolt (resigned 14 September 2015) Alison Watson-Jones (resigned 12 October 2015) <sup>2</sup>  <sup>1</sup> Resources Committee <sup>2</sup> Outcomes Committee
<b>Company registered number</b>	08144135
<b>Company name</b>	Colston's Primary School
<b>Principal and registered office</b>	16-18 Cotham Grove Bristol BS6 6AL
<b>Company secretary</b>	Rob Davies (resigned 31 August 2016) Kate Patience (appointed 1 September 2016)
<b>Accounting Officer</b>	Alex Bell
<b>Senior Leadership Team</b>	Alex Bell, Headteacher (from 1 January 2016) Lucy Welsford, Deputy Head Seth Insall, Deputy Head Rob Davies, Business Manager (until 31 August 2016) Kate Patience, Business Manager (from 1 September 2016) Stephen Higgins, Assistant Headteacher Sarah Joseph, Assistant Headteacher (from 1 September 2015) Alex Jarman, Assistant Headteacher (from 1 September 2015) Maddy Kent, Headteacher (until 31 December 2015)
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT

**COLSTON'S PRIMARY SCHOOL  
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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Advisers (continued)**

**Bankers**

Lloyds Bank Plc  
58 Queens Road  
Clifton  
Bristol  
BS8 1RQ

**Solicitors**

Harrison Clark Rickerbys Limited  
Ellenborough House  
Wellington Street  
Cheltenham  
GL50 1YD

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 4 to 11 in Bristol. Prior to 1 September 2016 it had a pupil capacity of 468, which rose to 510 on that date.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy 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.

On 6 December 2013 the Trustees adopted new Articles of Association, approved by the EFA for use by Co-operative Academies. Subject to any restrictions imposed by the Education Acts, membership of the Academy is open to individuals interested in promoting the Objects of the Academy who:

- subscribe to the Co-operative Values;
- qualify for membership of one of the constituencies specified below;
- are approved by the Trustees; and
- consent in writing to become a Member and to be bound by the provisions of the Articles of by completing an application to become a Member

The Academy has the following constituencies of Members:

- a Parents and Carers Constituency, for parents and carers of those attending the Academy;
- a Staff Constituency, for those working at the Academy;
- a Local Community Constituency, for those living or working within one mile of the Academy, and
- an Alumni Constituency, for former pupils of the Academy.

The Members may also elect from their number Members of the Co-operative Forum, according to a composition determined by the Trustees. The role of the Forum is:

- to make recommendations to the Trustees in relation to the role of the Academy in the community;
- to make recommendations to the Trustees in relation to the exercise by the Trustees of their powers of co-option;
- to perform such other functions as the Forum may be requested to perform from time to time by the Trustees.

The Trustees of Colston's Primary School are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

**Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the 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 they cease to be a member.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the

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

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costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £2,000,000.

## **TRUSTEES**

### **Method of Recruitment and Appointment or Election of Trustees**

The Academy Trust shall have the following Trustees as set out in its Articles of Association (adopted in December 2013 when the Academy gained co-operative status) and in its funding agreement:

- a minimum of one Staff Trustee;
- a minimum of two Parent Trustees;
- a minimum of one Community Trustee;
- a minimum of one Trustee appointed by the Schools Co-operative Society. Any number of co-opted Trustees as not to exceed the number of elected Trustees;
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils at an appropriate time. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. They are normally assigned a mentor from among the existing Trustees and offered a chance to shadow an appropriate Trustee in the early months. Advantage is taken of specific courses offered by the Local Authority and other bodies.

### **Organisational Structure**

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

It was agreed by the FGB in September 2015 that the number of committees would reduce from 3 to 2; combining what was the Finance and Premises Committees into one Resource Committee. The rationale behind this decision was that as the new site had been handed over a separate Premises Committee was no longer required.

Each committee meets once each term:

- Resources Committee – responsible for monitoring, evaluating and reviewing policy in relation to performance and financial management. Reviewing budget statements and forecasts from the School Business Manager and drafting the annual budget including setting staffing levels. Also responsible for monitoring and reviewing policy and performance in relation to staff performance, pay (via a subsidiary Pay Committee), training, well-being and attendance and all pastoral issues. It evaluates and reviews policy and performance in relation to Health and Safety on site, the maintenance and upkeep of buildings, fixtures and fittings, energy supply and usage and capital projects at the Academy.

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

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- Outcomes Committee – evaluates and reviews Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, and examinations.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the annual School Improvement Plan and budget.

The Trustees are responsible for setting general policy, working consistent with the annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budget, performance and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Board of Trustees has devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteachers, and the School Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance. Other key employees who are involved in the day to day management within the Academy include the Phase Leaders for Early Years, Key Stages 1 and 2.

The Headteacher is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year, except for their role as employees.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Academies of a similar size. The benchmark is the mid-point of the range paid for similar roles adjusting for a weighting of any additional responsibilities.

**Connected Organisations, including Related Party Relationships**

We work closely with North Bristol Schools as part of the NW24 Learning Partnership, including specific NW24 cluster groups for Heads, Governors, Business Managers, SENCOs and Deputy Heads.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The aims of the Academy during the period ended 31 August 2016 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils;
- to provide a broad and balanced curriculum, including extra-curricular activities;
- to develop pupils as effective learners;
- to develop the Academy site so that it enables pupils to achieve their full potential;
- to ensure that every child enjoys the same high quality education in terms of resourcing, teaching and care;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

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

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At Colston's Primary School we aim to achieve the best for, and from, each and every pupil at the Academy. We intend to enable every pupil to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which pupils, staff and parents/carers should be part of a happy and caring environment.

**Objectives, Strategies and Activities**

Key priorities for the period from January to December 2016 are contained in our School Strategic Plan which is available from the School Office. Improvement focuses identified for this year included:

- aiming for children in specific groups to reach the end of year objectives which have been set in SPAG in line with the Academy's expectations of progress
- implementation of the Academy's new assessment framework to positively impact outcome for children such that with planning and teaching it is an integral part of learning cycles, it is accurate, it is consistent with whole school practice, it is efficient
- teaching a mastery curriculum in numeracy and aiming for the majority of children reach the expected level
- provision of EYFS and Y1 at Elmgrove continuing to be established, embedded and improved so that it is judged to be outstanding
- establishing outstanding provision for learning primary languages across school years
- continuing to establish and develop the Academy's co-operative status
- improving behaviour and attitudes to learning
- development of Academy's communications procedures
- development of the playground space at Cotham Grove

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy provides facilities for electoral, recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

**STRATEGIC REPORT**

**Achievements and Performance**

During its fourth year of operation the Academy was slightly under the forecast number of pupils, with 468 on roll at census. The planned school expansion from September 2015 has now been achieved by the successful completion of building and opening of the Academy's new annexe site at Elmgrove Road. Available places will now increase by 30 pupils per year until the Academy reaches its future capacity of 630 pupils in September 2021.

Elmgrove was formerly handed over by Bristol City Council to the Academy for occupation on 4 September 2015. We were very excited to have our new annex opened. The staff worked extremely hard to ensure it was opened and ready for children at the beginning of the new term.

The School Business Manager Rob Davies worked with the contractors to review an ongoing snagging list to ensure that any 'snags' were reviewed and resolved.

Elmgrove has the capacity to house 180 pupils from our Early Years and Year 1. During its first year there were 3 reception classes (82 pupils) and 2 Year 1 classes (60 pupils) a total of 142 pupils.

Expected numbers for the 2016/17 academic year are 174 out of the 180 capacity.

The new site offers an excellent indoor and outdoor learning environment for our youngest pupils, and older pupils make regular visits from Cotham Grove.

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

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The Senior Leadership Team have worked with teaching staff to ensure that cross site working is done as efficiently as possible. Pupils also took part in cross site WOW days to familiarise them with both sites.

Attainment by pupils in Mathematics at Key Stage 2, is above the national average. Attainment in Reading is significantly above the national average.

Attainment in Writing remains above the national average in Key Stage 2.

Attainment of Key Stage 1 pupils in national phonics tests was below the national average.

The difference in attainment and progress between our disadvantaged and EAL pupils remains an issue and continues to be a key area of focus for the Academy.

The Academy has given good consideration to future staffing needs, particularly during and after the Academy's expansion, as well as the need to continually develop teaching generally. It has supported staff self-development through a carefully planned and well monitored Continuous Professional Development (CPD) Plan.

The Academy's former Headteacher Ms. Maddy Kent retired on 31 December 2015. The Academy appointed Mr. Alex Bell as Headteacher, effective 1 January 2016.

Alex Bell has embraced Colston's school life since he arrived in January 2016. He has invested his time in understanding the needs of the Academy and becoming familiar with staff, pupils, Trustees, other local schools and the local community. He has taken an active role with the senior leadership team and teaching body. He has reviewed with the Trustees the objectives and vision for the Academy alongside all key stakeholders.

Alex took over the School Strategic Plan implemented by his predecessor running from January 2015 to January 2016. He has overseen the continuation of actions outlined on this and added two further areas to focus on: behaviour and Cotham Grove playground improvement.

Alex Bell has

- reviewed the behaviour of our children and has introduced 3 Golden Rules and 'Golden Tickets' which encourage all children to behave in a considerate and thoughtful manner, in particular during unstructured times. The drive behind this is to set the tone and attitude for optimum teaching and learning.
- instigated a focus on 'amazing teaching and learning' with teachers by beginning the academic year 2016/17 with an appraisal of what this looks like with all staff, and an action plan as to how to implement this consistently across the board at Colston's Primary School.
- overseen work towards achieving targets on all priority areas of the School Strategic Plan, delegating lead roles to appropriate members of staff, and inviting them to report to and answer questions from Trustees. Trustees appointed link Trustees for each area to ensure robust monitoring, challenge and support.
- overseen ongoing work to improve communications at the Academy including the launch of a new website.

The current School Strategic Plan is due for review and new priorities are being developed to be set and agreed in January 2017. Trustees will be trialling a new monitoring tool they are developing called Trustee Dashboard.

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

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**Key Performance Indicators**

The main financial performance indicator is the level of free reserves (total reserves less the fixed asset fund and pension deficit) held at the Balance Sheet date. At the end of the period, the free reserves stood at £75,567. The projected reserves, together with overall expenditure and cash flow forecasts are monitored termly by Trustees in the Resources Committee. Other notable metrics which Trustees monitor include:

- Pupil to teacher ratio - 2016: 29:1 compared to 25:1 in 2015
- General Annual Grant (GAG) as a percentage of total income (excluding donated assets) - 2016: 75% compared to 80% in 2015
- Staff costs as a percentage of total income (excluding donated assets) – 2016: 77% compared to 71% in 2015
- Capital spend per pupil (excluding donated assets) – 2016: £36 compared to £187 in 2015

As the majority of funding is based on pupil numbers, measured at annual census, this is also a key performance indicator. Pupil numbers for 2016 were 469, an increase of 26 over 2015. It is anticipated that numbers will continue to rise until 2021 when the extended Academy's full capacity should be reached.

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy 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 Going Concern policy.

**FINANCIAL REVIEW**

**Financial Review**

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

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2016, total expenditure (excluding the fixed asset fund) of £2,320,142 was covered by recurrent grant funding from the DfE, together with other incoming resources (excluding the fixed asset fund) of £2,264,332. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £55,810.

At 31 August 2016 the net book value of fixed assets was £7,504,409 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy took on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activities with details in note 21 to the financial statements.

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

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**Reserves Policy**

The Academy's reserve policy takes into account the risk of fluctuations in grant income and spending needs. In-year reserves are set to cover costs and other commitments, to fund changes in the curriculum and to meet unexpected emergencies such as urgent maintenance. Significant expenditure such as significant refurbishment or equipment costs are planned for taking into account cash flow forecasts.

Our current level of reserves are £75,567, this is a shortfall of about £125,000 if we maintain a standard level of reserves at 10% of yearly costs, equating to about £200,000. We are currently reviewing what measures can be taken in the next financial year to overcome this shortfall. We are reviewing our largest cost types and will look to reduce these over the next 5 years.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy.

**Investment Policy**

The Trustees' Policy adopts a prudent approach to the investment of surplus funds investing in low risk short term bank deposits.

**Principal Risks And Uncertainties**

The Board of Trustees has reviewed the known risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The principal risks and uncertainties facing the Academy are as follows:

**Financial** - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 92% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The Trustees examine the financial health of the Academy formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Resources Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 21 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - risks to revenue funding from a falling roll is evident in a reduction on roll, however the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that pupil success and achievement are closely monitored and reviewed and interventions are made as appropriate.

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

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**Staffing** - the success of the Academy is reliant upon the quality and performance of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is a fair performance review process and clear succession planning.

**Fraud and mismanagement of funds** - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed by Trustees and updated on a regular basis.

### **PLANS FOR FUTURE PERIODS**

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

During the forthcoming academic year particular focus will be given to closing the gap between disadvantaged, EAL and their peers.

Changes in government policy have led to changes in the way pupils will be assessed. The Academy has completed its initial implementation of "Assessment without Levels" which was monitored and adapted during 2015/16, and it will continue to be a focus for improvement this year.

The teaching of reading particularly for younger pupils is to be reviewed and improved.

The refurbishment of the Cotham Grove site will continue to be reviewed. The majority of the internal refurbishment is completed; focus will now be given to updating the playground facilities.

A review of funding streams other than government funding will take place.

### **FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

### **AUDITORS**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 5 December 2016 and signed on the board's behalf by:

**Kate Swainson-Price**  
Chair of Trustees

## **GOVERNANCE STATEMENT**

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### **SCOPE OF RESPONSIBILITY**

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Colston's Primary School 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 7 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
Pauline Allen	1	3
Alex Bell	4	4
Amanda Davies	6	7
Catherine Olga Dunscombe	6	7
Peter Kay	3	7
Eileen Lepine	5	7
Thomas Loveday	3	7
Samantha Martin	2	7
Shuaib Omar	1	3
Kate Swainson-Price	6	7
Steven Purdie	0	7
Cate Robbins	4	4
Emily Warren-Ballard	1	3
Helen Elizabeth Wood	1	3
Nicholas Woodroffe	5	7
Bronwen Wright	5	7
Emma Gledhill	5	7
Alison Watson-Jones	2	2

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving and reviewing budget statements and forecasts from the School Business Manager and drafting the annual budget including setting staffing levels.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Alex Bell	3	4
Amanda Davies	5	6
Sam Martin	6	6
Alison Watson Jones	1	1
Pauline Allen	0	2
Catherine Olga Dunscombe	3	6
Kate Swainson-Price	2	6
Bronwen Wright	5	6
Cate Robbins	0	3

**GOVERNANCE STATEMENT (continued)**

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**Governance Review**

As a Governing Body with a new Chair and Headteacher, a Governors End of Year Review Meeting was held in July 2016, in addition to the usual Committee Meetings.

Eleven members out of twelve from the Governing Body and four members of the School Leadership Team attended, including the Headteacher and the Business Manager (also non-voting attendee at Governors' Meetings), and the new Business Manager due to take over in September 2016.

Long serving and outgoing governor Eileen Lepine, together with long serving and outgoing Business Manager Rob Davies gave presentations at the meeting. These set the Academy in its current context sharing the school's journey from a LEA run two form entry Primary in 2010 to a Co-operative Academy three form entry Primary in 2016. The new headteacher, Alex Bell, shared his aspirations and vision for taking the Academy from Good to Outstanding over the next five years. The group discussed political, economic, social, technological, legal and environmental factors currently relating to our school and looking to the future; and reviewed the Academy's current vision statement.

In terms of governor core strategic functions, it was agreed before the meeting that the focus would be to review the strategic direction. It was felt that improving measures for effectively holding the headteacher to account for the educational performance of the Academy and its pupils, and overseeing the financial performance of the Academy and making sure its money is well-spent, would follow naturally once the strategic direction was properly reviewed and re-established. The outcomes of the meeting outlined below (after the aims) bear this out.

The Outcomes of the meeting were the following agreed Governing Body Objectives for the year 2016/17:

- School vision and aims refresh project
- Pilot the Trustee Dashboard tool and related school improvement plans as a monitoring tool
- Recruit and establish good working relations with a new School Improvement Officer
- Improve succession planning for the Governing Body
- Continue to embed the co-operative model of working as per the Co-operative Academy Articles

The Clerk to the Governors is currently undertaking a skills audit to ensure the governing body is making best use of its members and filling skills gaps as required.

The Trust will conduct its next self evaluation review in July 2017, and will look into options for an external review.

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

The Trustees and school managers apply the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of the Academy.
- the targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all pupils.

The Trustees, and the school managers:

- make comparisons with other/similar schools using data provided by the LA and the Government
- challenge proposals, examining them for effectiveness, efficiency, and cost,
- require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup,

**GOVERNANCE STATEMENT (continued)**

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- consult individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers

We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements, by targeting resources in line with the School Strategic Plan priorities to:

- aiming for all children in specific groups to reach the end of year objectives which have been set in Spelling, Punctuation and Grammar in line with the Academy's expectations of progress
- implementation of the Academy's new assessment framework is implemented to positively impact outcome for children such that with planning and teaching it is an integral part of learning cycles, it is accurate, it is consistent with whole school practice, it is efficient
- teaching a mastery curriculum is taught in numeracy and aiming for the majority of children reach the expected level
- provision of EYFS and Y1 at Elm Grove continues to be established, embedded and improved so that it is judged to be outstanding
- establishing outstanding provision for learning primary languages across school years
- continued to establish and develop the Academy's co-operative status
- improving behaviour and attitudes to learning
- continued to develop the Academy's communications procedures
- development of the playground space at Cotham Grove

The following specific examples illustrate areas in which the Trustees and school managers have achieved Best Value during the period:

- Staffing – The staffing structure has been reviewed to ensure the most appropriate provision for pupils, paying particular regard to the sustainability of the staffing structure as the Academy expands. This has resulted in effective deployment of senior leadership, teaching and support staff across the two school sites.
- Income Generation - The Academy continues to use its premises to generate lettings income from community use.
- Financial Governance and Oversight - Our governance arrangements include regular monitoring by the Trustees and its committees, including the Resources Committee. They receive regular financial reports and ask relevant questions as evidenced in the minutes.
- Reviewing Controls and Managing Risks - The Resources Committee, Business Manager, Headteacher and the Senior Leadership Team have reviewed regular budget reports, including future recommendations. This has ensured that spending is within budget and forward plans are agreed and implemented when there has been any variance. Actions taken to manage risk include the purchase of an appropriate level of insurance cover. Professional advice (for example from the HR and legal service providers) has also been sought when needed.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

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

**CAPACITY TO HANDLE RISK**

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

**GOVERNANCE STATEMENT (continued)**

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**THE RISK AND CONTROL FRAMEWORK**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have agreed that the Chair of the Resources Trustee, will act as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

During the year, the Trustees received 3 written reports from the Responsible Officer which contained some recommendations for Colston's to consider.

**REVIEW OF EFFECTIVENESS**

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

- the work of the Responsible Officer;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 5 December 2015 and signed on their behalf, by:

**Kate Swainson-Price**  
Chair of Trustees

**Alex Bell**  
Accounting Officer

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Colston's Primary School I have considered my responsibility to notify the Academy Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

**Alex Bell**  
**Accounting Officer**

Date: 5 December 2016

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The Trustees (who act as Trustees of Colston's Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- 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;
- 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 the EFA/DfE have been applied for the purposes intended.

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

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

**Kate Swainson-Price**  
Chair of Trustees

**Date: 5 December 2016**

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES  
OF COLSTON'S PRIMARY SCHOOL**

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We have audited the financial statements of Colston's Primary School for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

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

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

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

**EMPHASIS OF MATTER**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in accounting policy 1.3 concerning the Academy's ability to continue as a going concern. There are significant doubts over whether the Academy has adequate resources to continue in operational existence based on the expected income and costs to be incurred in the next financial year. The Trustees along with the Senior Leadership Team have put in place a significant cost reduction plan. If this plan is adhered to and there are no unexpected costs then the Academy will continue to be a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES  
OF COLSTON'S PRIMARY SCHOOL**

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

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

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

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

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

David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

15 December 2016

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO COLSTON'S  
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 27 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Colston's Primary School during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF COLSTON'S PRIMARY SCHOOL'S AND THE REPORTING  
ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Colston's Primary School's funding agreement with the Secretary of State for Education dated 31 August 2012, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO COLSTON'S  
PRIMARY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

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**CONCLUSION**

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

David Butler FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

15 December 2016

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	55,783	23,477	2,832,264	2,911,524	101,837
Charitable activities	3	93,677	2,081,902	-	2,175,579	2,082,637
Other trading activities	4	9,253	-	-	9,253	6,513
Investments	5	240	-	-	240	193
<b>TOTAL INCOME</b>		<b>158,953</b>	<b>2,105,379</b>	<b>2,832,264</b>	<b>5,096,596</b>	<b>2,191,180</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		151,927	2,168,215	130,729	2,450,871	2,179,508
<b>TOTAL EXPENDITURE</b>	6	<b>151,927</b>	<b>2,168,215</b>	<b>130,729</b>	<b>2,450,871</b>	<b>2,179,508</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
Transfers between Funds	17	7,026	(62,836)	2,701,535	2,645,725	11,672
		-	(17,037)	17,037	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		7,026	(79,873)	2,718,572	2,645,725	11,672
Actuarial losses on defined benefit pension schemes	21	-	(279,000)	-	(279,000)	(3,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>7,026</b>	<b>(358,873)</b>	<b>2,718,572</b>	<b>2,366,725</b>	<b>8,672</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		68,541	(177,127)	4,785,837	4,677,251	4,668,579
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>75,567</b>	<b>(536,000)</b>	<b>7,504,409</b>	<b>7,043,976</b>	<b>4,677,251</b>

The notes on pages 24 to 44 form part of these financial statements.

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER: 08144135**

**BALANCE SHEET  
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	13		<b>7,504,409</b>		4,785,837
<b>CURRENT ASSETS</b>					
Debtors	14	<b>133,966</b>		103,330	
Cash at bank and in hand		<b>126,335</b>		384,775	
			<u><b>260,301</b></u>	<u>488,105</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	<b>(184,734)</b>		(370,691)	
<b>NET CURRENT ASSETS</b>			<u><b>75,567</b></u>		<u>117,414</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>7,579,976</b></u>		<u>4,903,251</u>
Defined benefit pension scheme liability	21		<b>(536,000)</b>		(226,000)
<b>NET ASSETS</b>			<u><u><b>7,043,976</b></u></u>		<u><u>4,677,251</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
General funds	17	-		48,873	
Fixed asset funds	17	<b>7,504,409</b>		4,785,837	
			<u><b>7,504,409</b></u>	<u>4,834,710</u>	
Restricted income funds excluding pension liability					
Pension reserve		<b>(536,000)</b>		(226,000)	
			<u><b>6,968,409</b></u>	<u>4,608,710</u>	
Total restricted income funds			<u><b>6,968,409</b></u>	<u>4,608,710</u>	
Unrestricted income funds	17		<u><b>75,567</b></u>	<u>68,541</u>	
<b>TOTAL FUNDS</b>			<u><u><b>7,043,976</b></u></u>	<u><u>4,677,251</u></u>	

The financial statements were approved by the Trustees, and authorised for issue, on 5 December 2016 and are signed on their behalf, by:

**Kate Swainson-Price**  
Chair of Trustees

**Alex Bell**  
Accounting Officer

The notes on pages 24 to 44 form part of these financial statements.

**COLSTON'S PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	19	<u>(241,643)</u>	<u>316,375</u>
<b>Cash flows from investing activities:</b>			
Interest received		240	193
Purchase of tangible fixed assets		(17,037)	(82,979)
Capital grants from DfE/EFA		-	59,133
<b>Net cash used in investing activities</b>		<u>(16,797)</u>	<u>(23,653)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(258,440)</b>	292,722
Cash and cash equivalents brought forward		<u>384,775</u>	<u>92,053</u>
<b>Cash and cash equivalents carried forward</b>	20	<u><u>126,335</u></u>	<u><u>384,775</u></u>

## **1. ACCOUNTING POLICIES**

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

### **1.1 GENERAL INFORMATION**

Colston's Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is 16-18 Cotham Grove, Bristol, BS6 6AL.

### **1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

#### **First time adoption of FRS 102**

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

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 25.

### **1.3 GOING CONCERN**

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

There are significant doubts over whether the Academy has adequate resources to continue in operational existence based on the expected income and costs to be incurred in the next financial year. The Trustees along with the Senior Leadership Team have put in place a significant cost reduction plan. If this plan is adhered to and there are no unexpected costs then the Academy will continue to be a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.4 FUND ACCOUNTING**

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**1.5 INCOME**

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donated fixed assets are 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.

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

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

**1.6 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.

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

All resources expended are inclusive of irrecoverable VAT.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.7 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

On conversion the Academy was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	2% straight line
Leasehold land	-	over the life of the lease
Plant and machinery	-	15% straight line
Fixtures and fittings	-	15% straight line
Computer equipment	-	25% straight line

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.

**1.9 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.10 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.11 TAXATION**

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

**1.12 LIABILITIES AND PROVISIONS**

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

**1.13 FINANCIAL INSTRUMENTS**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

**1.14 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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.

**1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

Estimates and judgments 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 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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FOR THE YEAR ENDED 31 AUGUST 2016**

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	55,783	14,493	2,832,264	2,902,540	33,698
Capital Grants	-	8,984	-	8,984	68,139
	<u>55,783</u>	<u>23,477</u>	<u>2,832,264</u>	<u>2,911,524</u>	<u>101,837</u>

In 2015, £3,669 of the total income from donations and capital grants was unrestricted, £39,035 was restricted and £59,133 was restricted fixed asset.

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant	-	1,694,695	1,694,695	1,749,891
Other DfE/EFA grants	-	195,093	195,093	196,072
	<u>-</u>	<u>1,889,788</u>	<u>1,889,788</u>	<u>1,945,963</u>
<b>Other Government grants</b>				
High Needs	-	54,496	54,496	30,000
Other Government grants non capital	-	137,618	137,618	15,035
	<u>-</u>	<u>192,114</u>	<u>192,114</u>	<u>45,035</u>
<b>Other funding</b>				
Internal catering income	31,442	-	31,442	34,801
Income for hosting trainee teachers	1,500	-	1,500	8,894
Music, tuition, trips and sports activities	60,735	-	60,735	47,944
	<u>93,677</u>	<u>-</u>	<u>93,677</u>	<u>91,639</u>
	<u>93,677</u>	<u>2,081,902</u>	<u>2,175,579</u>	<u>2,082,637</u>

In 2015, £91,639 of the total income from charitable activities was unrestricted and £1,990,998 was restricted.

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**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	9,253	-	9,253	6,513

In 2015, the total income from other trading activities of £6,513 was unrestricted.

**5. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	240	-	240	193

In 2015, the total investment income of £193 was unrestricted.

**6. EXPENDITURE**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Education:					
Direct costs	1,497,486	70,887	221,574	1,789,947	1,573,359
Support costs	245,169	181,568	234,187	660,924	606,149
	<u>1,742,655</u>	<u>252,455</u>	<u>455,761</u>	<u>2,450,871</u>	<u>2,179,508</u>

In 2016, of the total expenditure, £151,927 (2015: £89,657) relates to unrestricted funds, £2,168,215 (2015: £2,003,323) relates to restricted funds and £130,729 (2015: £86,528) relates to restricted fixed assets.

**COLSTON'S PRIMARY SCHOOL  
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**7. DIRECT COSTS**

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Pension finance costs	5,063	3,690
Educational supplies	58,621	68,440
Staff development	14,765	18,570
Trips, sports activities and other costs	94,229	78,669
Supply teachers and support staff	75,674	22,828
Technology costs	7,446	8,920
Wages and salaries	1,162,221	1,085,798
National insurance	83,050	67,924
Pension cost	176,541	145,129
Depreciation	112,337	73,391
	<u>1,789,947</u>	<u>1,573,359</u>

**8. SUPPORT COSTS**

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Pension finance costs	3,937	3,310
Recruitment and support	2,954	5,020
Maintenance of premises and equipment	52,238	84,517
Cleaning	71,869	40,951
Rent and rates	23,140	12,371
Energy costs	22,781	19,909
Insurance	36,541	31,221
Catering	110,855	102,322
Technology costs	19,635	17,242
Office overheads	16,203	15,621
Legal and professional	23,249	10,677
Bank charges	1,195	1,059
Governance	12,766	12,998
Wages and salaries	201,038	197,309
National insurance	9,959	7,515
Pension cost	34,172	30,970
Depreciation	18,392	13,137
	<u>660,924</u>	<u>606,149</u>

In 2016 and 2015 depreciation has been split between direct and support costs on the basis of the split between support staff and teaching staff.

**COLSTON'S PRIMARY SCHOOL  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	<b>2016</b>	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	<b>130,729</b>	86,528
Auditors' remuneration - audit	<b>6,600</b>	6,600
Auditors' remuneration - other services	<b>2,350</b>	1,975
Operating lease rentals	<b>11,750</b>	7,610
	<b>=====</b>	<b>=====</b>

**COLSTON'S PRIMARY SCHOOL  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. STAFF COSTS**

Staff costs were as follows:

	<b>2016</b>	2015
	<b>£</b>	£
Wages and salaries	<b>1,363,259</b>	1,283,107
National insurance	<b>93,009</b>	75,439
Operating costs of defined benefit pension schemes	<b>210,713</b>	176,099
	<b>1,666,981</b>	1,534,645
Supply teacher costs	<b>75,674</b>	22,828
	<b>1,742,655</b>	1,557,473

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

	<b>2016</b>	2015
	<b>No.</b>	No.
Teachers	<b>18</b>	23
Administration and support	<b>51</b>	43
Management	<b>7</b>	5
	<b>76</b>	71

Average headcount expressed as a full time equivalent:

	<b>2016</b>	2015
	<b>No.</b>	No.
Teachers	<b>16</b>	18
Administration and support	<b>28</b>	21
Management	<b>7</b>	5
	<b>51</b>	44

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

	<b>2016</b>	2015
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>1</b>	1

The key management personnel of the Academy comprise Trustees (who do not received remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £366,450 (2015: £267,465).

As Staff Trustees are not remunerated in respect of their role as a Trustee, where Staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

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**11. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands: Maddy Kent: Remuneration £20,000 - £25,000 (2015: £65,000 - £70,000), Employer's pension contributions £0 - £5,000 (2015: £5,000 - £10,000), Alex Bell: Remuneration: £40,000 - £45,000 (2015: £NIL), Employer's pension contributions £5,000 - £10,000 (2015: £NIL), Sam Martin: Remuneration £15,000 - £20,000 (2015: £15,000 - £20,000), Amanda Davies: Remuneration £40,000 - £45,000 (2015: £35,000 - £40,000), Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000), and Thomas Loveday Remuneration £15,000 - £20,000 (2015: £10,000 - £15,000), Employer's pension contributions £0 - £5,000 (2015: £0 - £5,000).

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year ended 31 August 2016, expenses totalling £267 (2015: £1,591) were reimbursed to 6 Trustees (2015: 5).

Other related party transactions involving the Trustees are set out in note 23.

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

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £369 (2015: £61).

**13. TANGIBLE FIXED ASSETS**

	Long term leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
<b>COST</b>					
At 1 September 2015	4,799,848	95,279	13,451	117,209	5,025,787
Additions	2,832,264	-	9,439	7,598	2,849,301
At 31 August 2016	<u>7,632,112</u>	<u>95,279</u>	<u>22,890</u>	<u>124,807</u>	<u>7,875,088</u>
<b>DEPRECIATION</b>					
At 1 September 2015	177,627	40,228	1,364	20,731	239,950
Charge for the year	82,427	14,292	2,962	31,048	130,729
At 31 August 2016	<u>260,054</u>	<u>54,520</u>	<u>4,326</u>	<u>51,779</u>	<u>370,679</u>
<b>NET BOOK VALUE</b>					
At 31 August 2016	<u>7,372,058</u>	<u>40,759</u>	<u>18,564</u>	<u>73,028</u>	<u>7,504,409</u>
At 31 August 2015	<u>4,622,221</u>	<u>55,051</u>	<u>12,087</u>	<u>96,478</u>	<u>4,785,837</u>

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**13. TANGIBLE FIXED ASSETS (continued)**

Included in additions is £2,832,264 which represents assets donated to the Academy by the Local Authority.

**14. DEBTORS**

	2016 £	2015 £
Other debtors	1,425	107
Prepayments and accrued income	78,531	49,696
VAT recoverable	54,010	53,527
	<u>133,966</u>	<u>103,330</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade creditors	58,638	151,236
Other taxation and social security	27,218	24,914
Other creditors	26,319	22,101
Accruals and deferred income	72,559	172,440
	<u>184,734</u>	<u>370,691</u>

	2016 £	2015 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September	117,024	51,540
Resources deferred during the year	48,461	117,024
Amounts released from previous years	(117,024)	(51,540)
	<u>48,461</u>	<u>117,024</u>

Deferred income is made up of a grant received in advance for Universal Infant Free School Meals, income received in advance for camps taking place in September and October 2016 and monies held on account for pupil dinners for the academic year 2016/17.

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**16. FINANCIAL INSTRUMENTS**

	<b>2016</b>	2015
	£	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Accrued income	<b>32,233</b>	22,362
Other debtors	<b>1,400</b>	107
Cash at bank and in hand	<b>126,335</b>	384,775
	<u><b>159,968</b></u>	<u>407,244</u>

	<b>2016</b>	2015
	£	£
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	<b>(58,638)</b>	(151,236)
Accruals	<b>(24,098)</b>	(55,416)
	<u><b>(82,736)</b></u>	<u>(206,652)</u>

**COLSTON'S PRIMARY SCHOOL**  
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**17. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>						
General funds	<b>68,541</b>	<b>158,953</b>	<b>(151,927)</b>	-	-	<b>75,567</b>
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	<b>27,225</b>	<b>1,694,695</b>	<b>(1,714,865)</b>	<b>(7,055)</b>	-	-
High needs funding	-	<b>54,496</b>	<b>(54,496)</b>	-	-	-
Donations	-	<b>14,493</b>	<b>(14,493)</b>	-	-	-
Pupil premium	<b>11,666</b>	<b>113,655</b>	<b>(125,321)</b>	-	-	-
Devolved formula capital	-	<b>8,984</b>	<b>(8,984)</b>	-	-	-
Other EFA grants	-	<b>10,239</b>	<b>(10,239)</b>	-	-	-
Bristol City Council IT grant	<b>9,982</b>	-	-	<b>(9,982)</b>	-	-
Universal Infant Free School Meals	-	<b>61,617</b>	<b>(61,617)</b>	-	-	-
Rates Relief	-	<b>9,582</b>	<b>(9,582)</b>	-	-	-
Growth Fund	-	<b>119,521</b>	<b>(119,521)</b>	-	-	-
Split Site funding	-	<b>18,097</b>	<b>(18,097)</b>	-	-	-
Pension reserve	<b>(226,000)</b>	-	<b>(31,000)</b>	-	<b>(279,000)</b>	<b>(536,000)</b>
	<b>(177,127)</b>	<b>2,105,379</b>	<b>(2,168,215)</b>	<b>(17,037)</b>	<b>(279,000)</b>	<b>(536,000)</b>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	<b>4,542,367</b>	-	<b>(64,919)</b>	-	-	<b>4,477,448</b>
Fixed assets purchased from GAG and other restricted funds	<b>243,470</b>	-	<b>(43,332)</b>	<b>17,037</b>	-	<b>217,175</b>
Fixed assets donated by the Local Authority	-	<b>2,832,264</b>	<b>(22,478)</b>	-	-	<b>2,809,786</b>
	<b>4,785,837</b>	<b>2,832,264</b>	<b>(130,729)</b>	<b>17,037</b>	-	<b>7,504,409</b>
Total restricted funds	<b>4,608,710</b>	<b>4,937,643</b>	<b>(2,298,944)</b>	-	<b>(279,000)</b>	<b>6,968,409</b>
Total of funds	<b>4,677,251</b>	<b>5,096,596</b>	<b>(2,450,871)</b>	-	<b>(279,000)</b>	<b>7,043,976</b>

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

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

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

General Annual Grant (GAG) - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs. During the year £7,055 (2015: £8,346) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

High needs funding - Money received from the Local Authority to fund further support for students with additional needs.

Donations - Voluntary income which has been given to the Academy for a specific purpose. Examples include contributions made by parents towards educational trips, donations by the Academy's PTA.

Pupil Premium - Represents funding received from the EFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Devolved formula capital - This represents funding from the EFA to contribute towards the maintenance and purchase of the Academy's assets.

Other EFA grants - This includes income received from the EFA to improve the PE and sport provision, for the benefit of primary aged pupils, so that they develop healthy lifestyles. It also includes income received from the EFA for carrying out baseline assessments on reception pupils.

Bristol City Council IT Grant - Money received from the local authority to purchase IT equipment for the Elmgrove development. During the year £9,982 (2015: NIL) was transferred to the restricted fixed asset fund to represent fixed assets purchased from this fund.

Universal Infant Free School Meals - This represents the income received from the EFA to fund the cost of providing Universal Infant Free School Meals.

Rates Relief - This represents the amount reimbursed to the Academy by the EFA for business rates payments.

Growth Fund - Income received from Bristol City Council to make up a funding gap as a result of increasing the reception intake.

Split Site funding - Income received from Bristol City Council to assist the Academy with the additional costs associated with operating over two sites.

Pension reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the Academy from the Local Authority on conversion to an Academy.

Fixed assets purchases from GAG and other restricted funds - This represents the net book value of assets purchased using GAG and other restricted funds.

Fixed assets donated by the Local Authority - This represents the Elmgrove buildings and equipment donated to the Academy from the Local Authority.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	7,504,409	7,504,409	4,785,837
Current assets	98,443	161,858	-	260,301	488,105
Creditors due within one year	(22,876)	(161,858)	-	(184,734)	(370,691)
Pension scheme liability	-	(536,000)	-	(536,000)	(226,000)
	<u>75,567</u>	<u>(536,000)</u>	<u>7,504,409</u>	<u>7,043,976</u>	<u>4,677,251</u>

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

	2016 £	2015 £
Net income for the year (as per Statement of Financial Activities)	2,645,725	11,672
<b>Adjustment for:</b>		
Depreciation charges	130,729	86,528
Interest received	(240)	(193)
(Increase)/decrease in debtors	(30,636)	69,109
(Decrease)/increase in creditors	(185,957)	182,392
Capital grants from DfE and other capital income	-	(59,133)
Donated assets	(2,832,264)	-
Defined benefit pension scheme cost less contributions payable	22,000	19,000
Defined benefit pension scheme finance cost	9,000	7,000
<b>Net cash (used in)/provided by operating activities</b>	<u>(241,643)</u>	<u>316,375</u>

**20. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	126,335	384,775
Total	<u>126,335</u>	<u>384,775</u>

**NOTES TO THE FINANCIAL STATEMENTS  
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**21. PENSION COMMITMENTS**

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Avon Pension Fund. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £23,231 were payable to the schemes at 31 August 2016 (2015: £20,453) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £139,661 (2015: £115,767).

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

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**21. PENSION COMMITMENTS (continued)**

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £71,000 (2015: £62,000), of which employer's contributions totalled £50,000 (2015: £44,000) and employees' contributions totalled £21,000 (2015: £18,000). The agreed contribution rates for future years are 12.9% for employers and 5.5%-12.5% for employees.

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

Principal actuarial assumptions:

	<b>2016</b>	2015
Discount rate for scheme liabilities	<b>2.20 %</b>	4.00 %
Rate of increase in salaries	<b>3.40 %</b>	3.70 %
Rate of increase for pensions in payment / inflation	<b>2.00 %</b>	2.20 %
Inflation assumption (CPI)	<b>1.90 %</b>	2.20 %

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

	<b>2016</b>	2015
Retiring today		
Males	<b>23.5 years</b>	23.4 years
Females	<b>26 years</b>	25.9 years
Retiring in 20 years		
Males	<b>25.9 years</b>	25.8 years
Females	<b>28.9 years</b>	28.8 years

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**21. PENSION COMMITMENTS (continued)**

The Academy has entered into an agreement to make lump sum payments to the pension scheme to repay an element of the deficit. The Academy is due to make a lump sum payment of £7,200 in the 2016/17 financial year.

The Academy's share of the assets in the scheme was:

	<b>Fair value at 31 August 2016 £</b>	Fair value at 31 August 2015 £
Equities	<b>127,000</b>	86,000
Debt instruments	<b>55,000</b>	32,000
Property	<b>25,000</b>	13,000
Cash	<b>(1,000)</b>	3,000
Other	<b>47,000</b>	21,000
	<hr/>	<hr/>
Total market value of assets	<b>253,000</b>	155,000
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The actual return on scheme assets was £29,000 (2015: £2,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>2016 £</b>	2015 £
Current service cost (net of employee contributions)	<b>(72,000)</b>	(63,000)
Net interest cost	<b>(9,000)</b>	(7,000)
	<hr/>	<hr/>
Total	<b>(81,000)</b>	(70,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2016 £</b>	2015 £
Opening defined benefit obligation	<b>381,000</b>	289,000
Current service cost	<b>72,000</b>	63,000
Interest cost	<b>16,000</b>	11,000
Contributions by employees	<b>21,000</b>	18,000
Actuarial losses	<b>299,000</b>	-
	<hr/>	<hr/>
Closing defined benefit obligation	<b>789,000</b>	381,000
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**21. PENSION COMMITMENTS (continued)**

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

	2016 £	2015 £
Opening fair value of scheme assets	155,000	92,000
Interest income	8,000	5,000
Actuarial gains and (losses)	20,000	(3,000)
Contributions by employer	50,000	44,000
Contributions by employees	21,000	18,000
Administration expense	(1,000)	(1,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	<b>253,000</b>	155,000
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**22. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	6,039	11,750
Between 1 and 5 years	4,140	10,179
	<hr/>	<hr/>
Total	<b>10,179</b>	21,929
	<hr/> <hr/>	<hr/> <hr/>

**23. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The Colston's Primary School (Fundraising) Trust ceased activities up during the year ended 31 August 2016. The Trust had Trustees in common with the Academy. During the year The Colston's Primary School (Fundraising) Trust donated £51,566 to the Academy (2015: £9,000).

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses as already disclosed in note 11.

**24. MEMBERS' LIABILITY**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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

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

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

<b>RECONCILIATION OF TOTAL FUNDS</b>	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP	4,668,579	4,677,251
Total funds reported under FRS 102	<u>4,668,579</u>	<u>4,677,251</u>
<b>Reconciliation of net income/ (expenditure)</b>		31 August 2015 £
Net income previously reported under UK GAAP		13,672
Current service cost		(2,000)
Net movement in funds reported under FRS 102		<u>11,672</u>

Explanation of changes to previously reported funds and net income/expenditure:

Under previous UK GAAP the Academy recognised an expected return on defined benefit plan assets in expenditure. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in expenditure. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the expenditure by £2,000 and decrease the other recognised gains and losses in the SoFA by an equivalent amount.