

Sutton Coldfield Grammar School for Girls Academy Trust

Annual Report and Financial Statement

Year ended 31 August 2015

(A Company Limited by Guarantee)

Company Registration Number: 07543893 (England and Wales)

Sutton Coldfield Grammar School for Girls Academy Trust

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Sutton Coldfield Grammar School for Girls Academy Trust

Reference and Administrative Details

Members

Mr Mark Allwood
Mrs Nicky Lloyd
Mrs Hannah Tipper
Mrs Maggie Shackleton
Mr Nicholas Tuton

Trustees

Mr Mark Allwood**
Mrs Joanne Benton
Mrs Debbie Bootyman (resigned 22 September 2014)
Mrs Mona Campbell
Mr Matthew Cannan
Mrs Hilary Cannan, Co-opted Governor**
Mrs Narinda Chopra-Bown
Mr Ian Little (resigned 9 December 2014)
Mrs Nicky Lloyd, Chair**
Mr Stephen Millman, Staff Governor**
Mrs Diane Nash
Mr Mukesh Patel (resigned 30 March 2015)
Mr Bhupendra Pattni**
Professor Mark Radford
Mr David Robinson**
Mrs Charlotte Senior**
Mrs Maggie Shackleton**
Mrs Hannah Tipper**
Mr Nicholas Tuton
Mrs Maggie Hunter, School Business Manager,
Associate Member**

**Finance and Premises Committee

Company Registered Number

07543893

Principal and Registered Office

Jockey Road
Sutton Coldfield
West Midlands
B73 5PT

Senior Leadership Team

Headteacher
Deputy Head
Deputy Head
School Business Manager
Assistant Head
Assistant Head
Assistant Head

Mrs Maggie Shackleton
Mrs Cath James
Mrs Leigh Long
Mrs Maggie Hunter
Mrs Helen Dimmock
Mrs Lindsay Vincent
Mrs Michelle Lucas

Independent Auditors

Clement Keys LLP
Statutory Auditors
No 8 Calthorpe Road
Edgbaston
Birmingham B15 1QT

Sutton Coldfield Grammar School for Girls Academy Trust

Reference and Administrative Details continued

Bankers

Lloyds
9 Birmingham Road
Sutton Coldfield
Birmingham
B72 1QA

Solicitors

Irwin Mitchell
Imperial House
31 Temple Street
Birmingham
B2 5DB

Insurance brokers

Lucas Fettes & Partners
1st Floor, Shore House
68 Westbury Hill
Westbury on Trym
Bristol
B59 3AA

Education Personnel Management

St Johns House
Spitfire Close
Ermine Business Park
Huntingdon
Cambridgeshire
PE29 6EP

Sutton Coldfield Grammar School for Girls Academy Trust

Governors' Report

The Governors present their annual report together with the financial statements and auditors' report of the Charitable Company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Sutton Coldfield Grammar School for Girls Academy Trust's ("SCGSG Academy Trust") principal activity is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

At SCGSG Academy Trust, the principal objective is to provide selective education for girls between the ages of 11 and 19 by raising the standard of educational achievement of all girls.

Structure, Governance and Management

Constitution

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

The Governors act as the trustees for the charitable activities of SCGSG Academy Trust and are also the directors of the Charitable Company for the purposes of company law.

Details of Governors who served throughout the year are included in the Reference and Administrative Details on Page 3.

Members' Liability

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

Trustees' Indemnities

In accordance with the normal commercial practice SCGSG Academy Trust has purchased insurance to protect its members, directors, academy representatives and officers from claims arising from negligent acts, errors or omissions occurring whilst on SCGSG Academy Trust business. The insurance provides cover up to £25 million on any one claim.

Method of Recruitment and Appointment or Election of Governors

No more than one third of the total number of individuals appointed as Governors shall be employees of SCGSG Academy Trust (including the Headteacher).

The Governing Body shall make all necessary arrangements for, and determine all matters relating to, the election and removal of Staff Governors.

Parent Governors shall be elected by parents of the registered pupils at SCGSG Academy Trust. A Parent Governor must be a parent of a pupil at SCGSG Academy Trust at the time when they are elected.

Community Governors may be appointed by the Governing Body and they must be either a person who lives or works in the Community, or a person who is committed to the success and governance of SCGSG Academy Trust. The Governing Body may not appoint an employee of SCGSG Academy Trust as a Community Governor, if the number of Governors who are employed by SCGSG Academy Trust (including the Headteacher) exceeds one third of the total number of Governors.

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Governors' Report (continued)

The Governors may appoint up to three Co-opted Governors. The Governors may not appoint an employee of SCGSG Academy Trust as a Co-opted Governor, if the number of Governors who are employed by SCGSG Academy Trust (including the Headteacher) exceeds one third of the total number of Governors.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Governors will depend on their existing experience. The induction process will provide training on charity and educational, legal and financial matters. All new Governors will be given a tour of the school and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

During the period, a management structure was in place that helps to improve the way SCGSG Academy Trust is run. The structure consists of three levels: the Governors, the Senior Leadership Team and the Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Senior Leadership Team consists of the Headteacher, two Deputy Headteachers, three Assistant Headteachers and the School Business Manager. The Senior Leadership Team controls SCGSG Academy Trust at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Senior Leadership Team always contain a Governor. Some spending control is devolved to members of the Middle Leaders, with limits above which a Senior Manager must countersign.

The Middle Leaders includes Heads of Year and Heads of Department. These managers are responsible for the day to day operation of SCGSG Academy Trust, in particular organising the teaching staff, facilities and students.

Connected organisations

There are no sponsors to SCGSG Academy Trust. Sutton Coldfield Grammar School for Girls' Charity and the Parents' Association are related organisations.

Objectives and Activities

Objects and aims

The principal object and activity of the Charitable Company is the operation of SCGSG Academy Trust to provide selective entry education for girls between the ages of 11 and 19. In accordance with the Articles of Association, the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to SCGSG Academy Trust, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the National Curriculum with an emphasis on science and technology and their practical applications.

Sutton Coldfield Grammar School for Girls Academy Trust

Governors' Report (continued)

The main objectives of SCGSG Academy Trust during the year ended 31 August 2015 are summarised below:

- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care, regardless of income or background;
- to raise the standard of educational achievement of all girls;
- to improve the effectiveness of SCGSG Academy Trust 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 maintain close links with industry and commerce; and
- to conduct SCGSG Academy Trust's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

SCGSG Academy Trust's main strategy is encompassed in its motto which is 'Not for our own advantage but for the common good', and the overriding aim: to ensure outstanding outcomes for every student. To this end the activities provided included:

- tuition and learning opportunities for all students to attain outstanding academic qualifications;
- preparing students for the next stage of their lives whether that be through securing outstanding examination results, or preparing for Higher Education and the world of work;
- a programme of lunchtime and after school activities for all students. In 2014-15 this included a whole-school production of 'We Will Rock You'. Sporting provision was recently further enhanced following the opening of the new Katherine Grainger Sports Hall;
- continuous professional development for all staff in order to ensure maximum impact on the well-being and learning of our students; and
- a system of school clubs to enable students to consolidate and enhance their learning and experience additional enrichment experiences through clubs and societies.

Equal Opportunities Policy

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. SCGSG Academy Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

Ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of SCGSG Academy Trust. The policy of SCGSG Academy Trust is to support recruitment and retention of students and employees with disabilities. SCGSG Academy Trust does this by adapting the physical environment, by making support resources available and through training and career development.

Public Benefit

The Governors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

Sutton Coldfield Grammar School for Girls Academy Trust

Governors' Report (continued)

Strategic Report

Achievements and Performance

SCGSG Academy Trust is now in its fourth year of operation and will continue to achieve the forecast numbers of students. Total students on roll as at 31 August 2015 numbered 1,003 (2014: 976, 2013: 988) and SCGSG Academy Trust has a full complement in all year groups.

Established in 1929, the school has developed both in size and prestige. The school is a thriving community of over 1,000 students, celebrated for academic excellence, creativity and enrichment opportunities. Above all, the school prides itself on attaining the highest standards; promoted through personal care and encouragement and achieved through respect for tradition and openness to innovation. The school achieved 'Outstanding' OFSTED judgements in its last two inspections. SCGSG Academy Trust is committed to ensuring students meet the challenges of the twenty-first century with confidence.

In 2015, SCGSG Academy Trust celebrated another excellent year of GCSE examination results. 68% of all examination entries were graded at A*-A (2014: 70%, 2013: 68.5%). 99% of students gained 5 or more A*-C grades, including English and Maths (2014: 99.3%, 2013: 99%). 52 students in the year group achieved the fantastic feat of each gaining 10 or more A-A* grades.

At A level results A*-B grades totalled 80% of all grades and 26 students achieved A*s and A grades across all their subjects.

A supportive and welcoming environment, a dedicated staff and a rich mix of activities make for a stimulating and rewarding education within the school. The curriculum is tailored to provide challenge, enjoyment and enrichment for our highly able students. SCGSG Academy Trust's belief in the moral purpose of the learning experience is summed up by our school motto: 'Not for our own advantage but for the common good'. The school provides an extensive range of opportunities so that students flourish as thoughtful, caring, confident and assured young women ready to begin the next stage of their lives.

Involvement with the community plays a prominent role in life at SCGSG Academy Trust and takes many forms. In 2014-15, over £23,000 was raised by the school for good causes: including entering the largest team in the Great Midlands Fun Run, fund-raising for national events such as Children in Need, Lepra and Breast Friends, and for local charities such as Birmingham Children's Hospital Heart Appeal and St. Giles' Hospice.

To ensure that standards are continually raised, SCGSG Academy Trust:

- operates a rigorous programme of self-evaluation;
- undertakes a comparison of results from entry in Key Stage 3 to GCSE, and from GCSE to A level, to assess the added value;
- participates in national programmes looking at added value through the key stages; and
- works collaboratively with other schools on a local and national basis in order to ensure best practice.

Going Concern

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

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Governors' Report (continued)

Financial Review

Most of SCGSG Academy Trust's income is obtained from the Department for Education (DfE) 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 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

SCGSG Academy Trust also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2015, total expenditure of £5,216,056 (2014: £5,430,747) was more than covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the period (including restricted fixed asset funds) before transfers was £80,474 (2014: £655,699).

At 31 August 2015 the net book value of fixed assets was £13,402,070 (2014: £13,525,649) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of SCGSG Academy Trust.

Reserves Policy

The Governors review the reserve levels of SCGSG Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. It is the policy of SCGSG Academy Trust to hold reserves that support future educational objectives and which provide a contingency against unforeseen exceptional events or stresses on working capital.

The restricted reserves maintained at 31 August 2015 are £(162,832) (2014: £(286,372)). These are represented by the General Annual Grant of £1,067,169 (2014: £765,997), Pensions Reserve of £(1,230,000) (2014: £(1,073,000)), Private fundraising account of £53,930 (2014: £56,105), and other restricted funds of £Nil (2014: £20,271).

The General Annual Grant carry forward balance into 2015-16 represents 22.6% of the GAG funds received in the year.

A significant part of the brought forward GAG balance into 2015-16 will be earmarked towards the development of the proposed new classroom block.

Investment Policy

Apart from retaining a prudent amount in reserves each year, most of SCGSG Academy Trust's funds are spent in the short term. SCGSG Academy Trust maintains two accounts with Lloyd's, current account and a debit account. The current account receives all income from funding sources, whilst the debit account allows SCGSG Academy Trust to purchase resources using the debit card either for online or local supplier purchases. There is the opportunity to earn interest on both accounts. The interest earned on the current account is a "fixed term special rate" and is higher than most deposit account rates.

Principal Risks and Uncertainties

The Governors have assessed the major risks to which SCGSG Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of SCGSG Academy Trust, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g.

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Governors' Report (continued)

vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. SCGSG Academy Trust has an effective system of internal financial controls and this is explained in more detail in the following statement.

Key Risks:

- Business Continuity Plan — SCGSG Academy Trust understands and recognises the importance of having a robust Business Continuity Plan — one that has adequate insurance provision in the unlikely event of a major disaster that prevents the continuation of the principal activity;
- Building Maintenance and Renewal Schedule — to develop long term 5 year property maintenance programme detailing areas of the school that require maintenance and renewal and are affordable via its devolved formula capital funding; and
- GAG funding — to monitor information from the EFA regarding both the School Budget Share and 16-19 funding allocations, ensuring that business plans are adapted as and when required to ensure the level of service of education for the students is maintained.

Plans for Future Periods

SCGSG Academy Trust will continue to deliver and provide education for girls between the ages of 11 and 19.

SCGSG Academy Trust operates a selective exam entry process and will continue to do so in the future.

SCGSG Academy Trust will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in higher education once they leave.

SCGSG Academy Trust aims in the future to provide the opportunity for a technological education to a greater number of students. To achieve this it is drawing up a community development plan, based on an identification and analysis of need. The plan's aim is to establish ways to benefit the wider community (from links with mainly local secondary and primary schools) and direct access to SCGSG Academy Trust's technology facilities, curricular materials and the expertise of SCGSG Academy Trust staff.

Auditors

In so far as the Governors are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Governors 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, Clement Keys LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approved by order of the members of the Governing Body on 3 December 2015 and signed on its behalf by:



Mrs Nicky Lloyd
Chair of Governors

Sutton Coldfield Grammar School for Girls Academy Trust

Governance Statement

Scope of Responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between SCGSG Academy Trust and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Governors Responsibilities Statement. The Board of Governors has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mr Mark Allwood	4	4
Mrs Joanne Benton	4	4
Mrs Debbie Bootyman	0	1
Mrs Mona Campbell	2	4
Mr Matthew Cannan	4	4
Mrs Hilary Cannan, Co-opted Governor	2	4
Mrs Narinda Chopra-Bown	3	4
Mr Ian Little	1	2
Mrs Nicky Lloyd, Chair	3	4
Mr Stephen Millman, Staff Governor	4	4
Mrs Diane Nash	4	4
Mr Mukesh Patel	1	2
Mr Bhupendra Pattni	3	4
Professor Mark Radford	1	4
Mr David Robinson	4	4
Mrs Charlotte Senior	4	4
Mrs Maggie Shackleton	4	4
Mrs Hannah Tipper	4	4
Mr Nicholas Tuton	4	4

During 2015, the Finance Committee and Resources and Community Affairs Committee were amalgamated following a review of the Governing Body's committee structure. Henceforth the committee will be called the Finance and Premises Committee.

The Finance and Premises Committee is a sub-committee of the main Governing Body. Its purpose is to oversee and scrutinise the financial procedures, regulations and management of SCGSG Academy Trust's financial budget and to oversee the management of the school buildings. The revised Committee formally met eight times during the financial year.

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Governance Statement continued

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr Mark Allwood	8	8
Mrs Hilary Cannan	7	8
Mrs Maggie Hunter (Associate)	8	8
Mrs Nicky Lloyd	6	8
Mr Stephen Millman	7	8
Mr Bhupendra Pattni	4	8
Mr David Robinson	5	8
Mrs Charlotte Senior	7	8
Miss Maggie Shackleton	7	8
Mrs Hannah Tipper	8	8
Mrs Charlotte Senior	7	8

Governance Reviews

Every September, Governors undertake a review of the Terms of Reference for each Sub Committee and the full Governing Body. Dependent upon legislation, these are amended in accordance with DfE guidelines. Together with this, new members to the Governing Body are required to complete a self-evaluation of their skills and knowledge with regard to supporting the Governing Body. After the initial self-evaluation assessment, Governors are required to recomplete the assessment every 3 years.

Review of Value for Money

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

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

- Economy – minimising costs without compromising quality e.g. changing the payroll provider to one with a more streamlined and efficient service saving both administration time and financial costs;
- Efficiency – the relationship between output in terms of goods, services or other results and the resources used to produce them e.g. the cost of sandwiches for the canteen was minimized following the introduction of sandwiches from an outsourced provider, at the same time as enhancing the nutritional quality of the sandwiches provided to students;
- Effectiveness – the extent to which objectives have been achieved e.g. the use of Pupil Premium funding improving outcomes for the Ever6 FSM students.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of SCGSG Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised, and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in SCGSG Academy Trust for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements and prior to this.

Capacity to Handle Risk

The Board of Governors has reviewed the key risks to which SCGSG Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing SCGSG Academy Trust's significant risks that have been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements and prior to this. This process is regularly reviewed by the Board of Governors.

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Governance Statement (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Premises 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Clement Keys LLP, the external auditors, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on SCGSG Academy Trust's financial systems. On an annual basis, the auditors report to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of Effectiveness

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

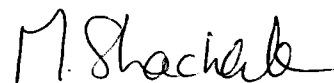
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within SCGSG Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Governing body on 3 December 2015 and signed on its behalf by:



Mrs Nicky Lloyd
Chair of Governors



Mrs Maggie Shackleton
Accounting Officer

Sutton Coldfield Grammar School for Girls Academy Trust

Statement on Regularity, Propriety and Compliance

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

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

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



Mrs Maggie Shackleton
Accounting Officer

3 December 2015

Sutton Coldfield Grammar School for Girls Academy Trust

Statement of Governors' Responsibilities

The Governors (who act as trustees for charitable activities of SCGSG Academy Trust and are also the directors of the Charitable Company for the purposes of company law), are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP 2005);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 3 December 2015 and signed on its behalf by:



Chair of Governors
Mrs Nicky Lloyd

Sutton Coldfield Grammar School for Girls Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Sutton Coldfield Grammar School for Girls Academy Trust

We have audited the financial statements of Sutton Coldfield Grammar School for Girls Academy Trust for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Trust for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As explained more fully in the Governors' Responsibilities Statement, the Governors (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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' 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 forming our opinion, we have considered the disclosures made in note 1 to the financial statements concerning the non-compliance with the requirement of the Statement of Recommended Practice – "Accounting and Reporting by Charities" issued March 2005 and the non-compliance with the requirement of the Accounts Direction 2014 issued by the Education Funding Agency in respect of disclosure of remuneration paid to individual staff governors. We consider that the absence of this disclosure should be drawn to your attention but our opinion is not qualified in this respect.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

Sutton Coldfield Grammar School for Girls Academy Trust
Independent Auditor's Report on the Financial Statements to the Board of Members of The
Sutton Coldfield Grammar School for Girls Academy Trust (continued)

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

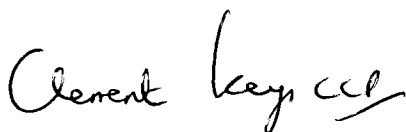
In our opinion the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- 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
- we have not received all the information and explanations we require for our audit.

In relation to the disclosure of Governors' remuneration required by the Statement of Recommended Practice – "Accounting and Reporting by Charities" issued in March 2005 and Accounts Direction 2014 issued by the Education Funding Agency, we draw your attention to our opinion above and note 10 to the financial statements.



Simon Atkins FCA (Senior statutory auditor)
for and on behalf of

Clement Keys LLP

Chartered Accountants
Statutory Auditors

No.8 Calthorpe Road
Edgbaston
Birmingham
B15 1QT

3 December 2015

Sutton Coldfield Grammar School for Girls Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Sutton Coldfield Grammar School for Girls Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 10 September 2015 and further to the requirements of the Education Funding Agency ('EFA') as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sutton Coldfield Grammar School for Girls Academy Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Sutton Coldfield Grammar School for Girls Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sutton Coldfield Grammar School for Girls Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2011 and the Academies Financial Handbook extant from 1 September 2013, 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 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 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 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

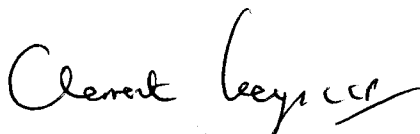
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

Sutton Coldfield Grammar School for Girls Academy Trust
Independent Reporting Accountant's Assurance Report on Regularity to The Sutton
Coldfield Grammar School for Girls Academy Trust and the Education Funding Agency
continued

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clement Keys LLP
Reporting Accountant

No.8 Calthorpe Road
Edgbaston
Birmingham
B15 1QT

Date: 3 December 2015

Sutton Coldfield Grammar School for Girls Academy Trust
Statement of Financial Activities for the Year Ended 31 August 2015 (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Un- restricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
• Voluntary income	2	-	-	-	-	138,394
• Activities for generating funds	3	348,883	-	-	348,883	402,676
• Investment income	4	15,450	-	-	15,450	18,839
<i>Incoming resources from charitable activities:</i>						
• Funding for the Academy's educational operations	5	-	4,869,994	62,203	4,932,197	5,526,537
Total incoming resources		364,333	4,869,994	62,203	5,296,530	6,086,446
Resources expended						
<i>Cost of generating funds</i>						
• Cost of generating voluntary income	-	-	-	-	-	236,820
<i>Charitable activities:</i>						
• Academy's educational operations	6	350,906	4,589,021	249,816	5,189,743	5,109,656
<i>Governance costs</i>	8	-	26,313	-	26,313	84,271
Total resources expended	6	350,906	4,582,334	249,816	5,216,056	5,430,747
Net incoming/(outgoing) resources before transfers		13,427	254,661	(187,613)	80,474	655,699
Gross transfers between funds	15	-	(6,760)	6,760	-	-
Net income/ (expenditure) for the year		13,427	247,901	(180,853)	80,474	655,699
Other recognised gains and losses						
Actuarial (losses)/gains on defined benefit pension schemes	24	-	(124,000)	-	(124,000)	123,000
Net movement in funds		13,427	123,901	(180,853)	(43,526)	778,699
Reconciliation of funds						
Funds brought forward at 1 September 2014	16	569,216	(286,732)	13,582,923	13,865,407	13,086,708
Funds carried forward at 31 August 2015		582,643	(162,832)	13,402,070	13,821,881	13,865,407

All of the Academy's activities derive from continuing operations during the above two financial periods.
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Sutton Coldfield Grammar School for Girls Academy Trust
Company Number 07543893
Balance Sheet as at 31 August 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	12		13,402,070		13,525,649
Current assets					
Debtors	13	108,165		209,347	
Cash at bank and in hand		<u>1,690,300</u>		<u>1,519,382</u>	
		1,798,465		1,728,729	
Creditors: Amounts falling due within one year	14	<u>(148,654)</u>		<u>(315,971)</u>	
Net current assets			<u>1,649,811</u>		<u>1,412,758</u>
Total assets less current liability excluding pension liability			<u>15,051,881</u>		<u>14,938,407</u>
Pension scheme liability	24		<u>(1,230,000)</u>		<u>(1,073,000)</u>
Net assets including pension liability			<u>13,821,881</u>		<u>13,865,407</u>
Funds of the Academy:					
Restricted income funds					
• Fixed asset fund	15		13,402,070		13,582,923
• General fund	15		1,067,168		786,268
• Pension reserve	15		<u>(1,230,000)</u>		<u>(1,073,000)</u>
Total restricted funds			<u>13,239,238</u>		<u>13,296,191</u>
Unrestricted income funds					
• General fund(s)	15		<u>582,643</u>		<u>569,216</u>
Total unrestricted funds			<u>582,643</u>		<u>569,216</u>
Total funds			<u>13,821,881</u>		<u>13,865,407</u>

The financial statements on pages 19 - 36 were approved by the Governors, and authorised for issue on 3 December 2015 and are signed on their behalf by:



Mrs Nicky Lloyd
Chair of Board of Governors

Sutton Coldfield Grammar School for Girls Academy Trust
Cash Flow Statement for the Year Ended 31 August 2015

	Notes	2015 £	2014 £
Net cash inflow from operating activities	19	219,502	81,233
Returns on investments and servicing of finance	20	15,450	18,839
Capital expenditure	21	(64,034)	(880,314)
Increase/(decrease) in cash in the year	22	170,918	(780,252)
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		1,519,382	2,299,364
Net funds at 31 August 2015		1,690,300	1,519,382

Sutton Coldfield Grammar School for Girls Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015

1. Accounting policies

1.1 Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006.

1.2 Going concern

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

1.3 Incoming Resources

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

- **Grants Receivable**

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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Sponsorship Income**

This income provided to the SCGSG Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it receivable, where there is certainty of receipts and it is measurable.

- **Donations**

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

- **Other Income**

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

- **Donated Goods, Facilities and Services**

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

Sutton Coldfield Grammar School for Girls Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 continued

1. Accounting Policies (continued)

1.4 Resources Expended

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

- **Cost of generating funds**

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

- **Charitable activities**

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

- **Governance costs**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet.

Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the SCGSG Academy Trust's depreciation policy.

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

Freehold land	0%
Long Leasehold buildings	2%
Education/Classroom equipment	10% - 33.3%
Computer equipment	33.3%

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

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

Sutton Coldfield Grammar School for Girls Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 continued

1. Accounting Policies (continued)

1.6 Leased assets

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

1.7 Taxation

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

1.8 Pensions

Retirement benefits to employees of the SCGSG Academy Trust 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 SCGSG Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 24, the TPS is a multi-employer scheme and the SCGSG Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1.9 Fund Accounting

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

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 and include grants from the Education Funding Agency.

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

2. Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Other donations	-	-	-	138,394
	-	-	-	138,394

3. Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
School trips	130,404	-	130,404	161,209
Hire of facilities	5,426	-	5,426	5,243
Catering Income	155,328	-	155,328	175,688
Other Income	57,725	-	57,725	60,536
	348,883	-	348,883	402,676

4. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Short term deposits	15,450	-	15,450	18,839

5. Funding for the Academy Trust's Educational Operations

	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
DfE/EFA capital grant				
• Academy building grant	-	62,203	62,203	543,525
DfE/EFA revenue grant				
• General Annual Grant (GAG)	4,694,414	-	4,694,414	4,909,906
• Pupil Premium Award	25,000	-	25,000	-
• Other DfE/EFA grants	150,580	-	150,580	73,106
	4,869,994	62,203	4,932,197	5,526,537

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

6. Resources Expended

	Staff Costs	Non Pay Expenditure	Other Costs	Total 2015	Total 2014
	£	Premises £	£	£	£
Cost of generating voluntary income	-	-	-	-	236,820
Costs of activities for generating funds	120,251	-	230,655	350,906	-
Academy's educational operations					
• Direct costs	3,243,945	-	368,398	3,612,343	3,890,960
• Allocated support costs	594,774	321,827	309,893	1,226,494	1,218,696
	3,958,970	321,827	908,946	5,189,743	5,346,476
Governance costs including allocated support costs	-	-	26,313	26,313	84,271
	-	-	26,313	26,313	84,271
	3,958,970	321,827	935,259	5,216,056	5,430,747

Incoming/outgoing resources for the period include:

	2015 £	2014 £
Fees payable to auditor - audit	11,950	12,000
- other services	3,955	4,290
Operating leases	8,474	4,498

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

7. Charitable Activities - Academy's educational operations

	Total 2015 £	Total 2014 £
Direct costs		
Teaching and educational support staff costs	3,243,945	3,159,899
Technology costs	3,075	-
Educational supplies	170,243	314,451
Examination fees	103,049	97,942
Staff development	13,477	21,548
Educational consultancy	78,553	151,424
Other direct costs	-	145,696
	<u>3,612,343</u>	<u>3,890,960</u>
Allocated support costs		
Support staff costs	594,774	573,650
Depreciation	249,816	225,000
Technology costs	-	31,203
Recruitment and support	4,856	-
Maintenance of premises and equipment	153,888	155,146
Cleaning	6,127	12,865
Rent & rates	16,089	15,819
Heat & light	104,619	96,748
Insurance	33,476	38,658
Security and transport	7,627	7,903
Other support costs	55,221	61,704
	<u>1,226,494</u>	<u>1,218,696</u>
	<u>4,838,837</u>	<u>5,109,656</u>

8. Governance costs

	Total 2015 £	Total 2014 £
Legal and professional fees	16,301	63,190
Auditor's remuneration		
Audit of financial statements	9,594	20,330
Trustees' reimbursed expenses	418	751
	<u>26,313</u>	<u>84,271</u>

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9. Staff

a. Staff costs

	2015 £	2014 £
Wages and salaries	3,196,848	2,974,333
Social security costs	235,566	215,731
Pension costs	509,793	579,758
	3,942,207	3,769,822
Supply teacher costs	16,763	84,013
	3,958,970	3,853,835

b. Non statutory / non contractual staff severance payments

Included in wages and salaries cost are non-statutory/non-contractual severance payments totaling £nil (2014: £9,350).

c. Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the period expressed as full time equivalents was as follows:

	2015 Number	2014 Number
Teachers	56	55
Administration and support	45	45
Management	3	3
	104	103

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

	2015 Number	2014 Number
£60,001-£70,000	2	1
£90,001-£100,000	1	1

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions (Employers) for these staff amounted to £34,701 (2014: £11,426).

10. Related Party Transactions – Governors' Remuneration & Expenses

The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff under their contracts of employment, and not in respect of their role as Governors.

The aggregate value of the Headteachers and the three staff governors' remuneration (2014: Headteacher and three staff Governors') during the 12 month period fell within the following band:

Headteacher and other staff governors £200,000 - £210,000 (2014: £220,000 - £230,000)

Sutton Coldfield Grammar School for Girls Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

10. Related Party Transactions – Governors' Remuneration & Expenses continued

Non-compliance with paragraph 230 of Charities SORP 2005 and Accounts Direction 2014

Paragraph 230 of Charities SORP 2005 requires that details of remuneration paid to governors be disclosed on an individual basis. The disclosure has not been included for the following reasons -

- Retention of Staff Governors - the Governing Body agreed unanimously that the disclosure of individual remuneration of Staff Governors would risk losing the willingness of staff to put themselves forward to act as Staff Governors in the future; and
- All Staff Governor remuneration is in line with that for the appropriate school group within the current School Teachers Pay and Conditions Document.

During the year ended 31 August 2015, travel and subsistence expenses totaling £462 (2014: £751) were reimbursed to two trustees (2014: two trustees).

Other related party transactions involving the Trustees are set out in note 25.

11. Trustees' and Officers' Insurance

In accordance with the normal commercial practice SCGSG Academy Trust has purchased insurance to protect its members, governors, academy representatives and officers from claims arising from negligent acts, errors or omissions occurring whilst on SCGSG Academy Trust business. The insurance provides cover up to £25 million on any one claim and the cost for the period ended 31 August 2015 is included in the total income of £33,476 (2014: £38,658).

12. Tangible Fixed Assets

	Leasehold Land & buildings £	Educational Equipment £	Computer Equipment £	Assets Under Construction £	Total £
Cost					
At 1 September	13,923,962	18,548	311,574	-	14,254,084
Additions	41,496	1,300	25,346	58,095	126,237
At 31 August	<u>13,965,458</u>	<u>19,848</u>	<u>336,920</u>	<u>58,095</u>	14,380,321
Depreciation					
At 1 September	501,411	4,997	222,027	-	728,435
Charged in period	185,560	2,327	61,929	-	249,816
At 31 August	<u>686,971</u>	<u>7,324</u>	<u>283,956</u>	<u>-</u>	978,251
Net book values					
At 31 August 2015	<u>13,278,487</u>	<u>12,524</u>	<u>52,964</u>	<u>58,095</u>	13,402,070
At 31 August 2014	<u>13,422,551</u>	<u>13,551</u>	<u>89,547</u>	<u>-</u>	13,525,649

The lease for the land is a 125 year period and commenced on conversion of Academy Trust status. The Landlord is Birmingham City Council.

Assets under construction represent professional fees incurred in respect of a feasibility study for a new classroom block.

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

13. Debtors

	2015	2014
	£	£
Trade debtors	25	1,503
VAT recoverable	31,920	163,434
Prepayments	76,220	44,410
	108,165	209,347

14. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	55,514	114,284
Taxation and social security	74,577	68,987
Other creditors	-	33,872
Accruals and deferred income	18,563	98,828
	148,654	315,971

	2015	2014
	£	£
Deferred income		
Deferred Income at 1 September	38,454	4,226
Resources deferred in the period	-	38,454
Amounts released from previous periods	(38,454)	(4,226)
Deferred income at 31 August	-	38,454

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

15. Funds

	Balance at 1 September 2014 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG)	765,997	4,694,414	(4,411,483)	(6,760)	1,042,168
Pupil Premium Award	-	25,000	-	-	25,000
Other DfE/EFA grants	20,271	150,580	(170,851)	-	-
	<u>786,268</u>	<u>4,869,994</u>	<u>(4,582,334)</u>	<u>(6,760)</u>	<u>1,067,168</u>
Pensions reserve	(1,073,000)	-	(33,000)	(124,000)	(1,230,000)
	<u>(286,732)</u>	<u>4,869,994</u>	<u>(4,615,334)</u>	<u>(130,760)</u>	<u>(162,832)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	323,334	62,203	(6,467)	-	379,070
Sports Hall	1,443,766	-	(28,875)	-	1,414,891
Capital expenditure from GAG	81,418	-	(1,628)	6,760	86,550
Assets on conversion	11,734,405	-	(212,846)	-	11,521,559
	<u>13,582,923</u>	<u>62,203</u>	<u>(249,816)</u>	<u>6,760</u>	<u>13,402,070</u>
Total restricted funds	<u>13,296,191</u>	<u>4,932,197</u>	<u>(4,865,150)</u>	<u>(124,000)</u>	<u>13,239,238</u>
Total unrestricted funds	<u>569,216</u>	<u>364,333</u>	<u>(350,906)</u>	<u>-</u>	<u>582,643</u>
Total funds	<u>13,865,407</u>	<u>5,296,530</u>	<u>(5,216,056)</u>	<u>(124,000)</u>	<u>13,821,881</u>

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

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

Restricted general funds

The balance of £1,067,169 on the restricted general funds will be used for educational purposes in accordance with the restrictions attached to the funding.

The Pension reserve of £1,230,000 (overdrawn) represents the Academy Trust's share of the deficit in the West Midlands Pension Fund.

Restricted fixed asset funds

The restricted fixed assets funds relate predominantly to the assets acquired on conversion to an Academy Trust, being the properties.

Unrestricted funds

The unrestricted funds represent the surplus generated by the trust on activities for generating funds.

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

16. Analysis of Net Assets between Funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	13,402,070	13,402,070
Current assets	582,643	1,215,822	-	1,798,465
Current liabilities	-	(148,654)	-	(148,654)
Pension scheme liability	-	(1,230,000)	-	(1,230,000)
Total net assets	582,643	(162,832)	13,402,070	13,821,881

17. Capital Commitments

	2015 £	2014 £
Contracted for, but not provided in the financial statements	-	-

18. Financial Commitments

Operating Leases

At 31 August 2015 the Academy Trust had annual commitments under non- cancellable operating leases as follows:

	2015 £	2014 £
Other		
Expiring within one year	214	3,042
Expiring within two and five years inclusive	13,803	5,432
	14,017	8,474

19. Reconciliation of Net Income to Net Cash Inflow from Operating Activities

	2015 £	2014 £
Net income	80,474	655,699
Depreciation (note 12)	249,816	225,000
Capital grants from DfE and other capital income	(62,203)	(543,525)
Interest receivable	(15,450)	(18,839)
FRS 17 pension cost less contributions payable	19,000	14,000
FRS 17 pension finance income	14,000	34,000
Capital donations	-	(130,289)
Decrease in debtors	101,182	(100,777)
Decrease in creditors	(167,317)	(54,046)
Net cash inflow from operating activities	219,502	81,223

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

20. Returns on investments and servicing of finance

	2015 £	2014 £
Interest received on cash balances	15,450	18,839
Net cash inflow from returns on investment and servicing of finance	<u>15,450</u>	<u>18,839</u>

21. Capital expenditure and financial investment

	2015 £	2014 £
Purchase of tangible fixed assets	(126,237)	(1,554,128)
Capital grants from DfE/EFA	62,203	543,525
Capital donations	-	130,289
Net cash outflow from capital expenditure and financial investment	<u>(64,034)</u>	<u>(880,314)</u>

22. Analysis of Changes in Net Funds

	At 1 September 2014 £	Cash flows £	At 31 August 2015 £
Cash in hand and at bank	<u>1,519,382</u>	<u>170,918</u>	<u>1,690,300</u>

23. Members' Liability

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

Sutton Coldfield Grammar School for Girls Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24. Pension and Similar Obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

Sutton Coldfield Grammar School for Girls Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24. Pension and Similar Obligations (continued)

The pension costs paid to TPS in the period amounted to £314,786 (2014 £309,958).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £213,000 (2014: £171,000), of which employer's contributions totalled £165,000 (2014: £129,000) and employees' contributions totalled £48,000 (2014: £42,000). The agreed contribution rates for future years are 21.1% for employers and between 5.5 and 7.5% 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

	At 31 August 2015	At 31 August 2014
Rate of increase for pensions in payment / inflation	2.4%	2.2%
Rate of increase in salaries	4.1%	3.9%
Inflation assumption (CPI)	2.4%	2.2%
Discount rate for scheme liabilities	4.0%	4.0%

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

	At 31 August 2015	At 31 August 2014
<i>Retiring today</i>		
Males	23.0	22.9
Females	25.2	25.5
<i>Retiring in 20 years</i>		
Males	25.6	25.1
Females	28.0	27.8

Sutton Coldfield Grammar School for Girls Academy Trust **Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)**

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

	Expected return at 31 August 2015	Fair value at 31 August 2015 £	Expected return at 31 August 2014	Fair value at 31 August 2014 £
Equities	5.9%	986,000	7.0%	629,000
Government bonds	5.9%	122,000	2.9%	110,000
Property	5.9%	140,000	6.2%	121,000
Cash liquidity	5.9%	83,000	0.5%	61,000
Other bonds	5.9%	167,000	3.8%	144,000
Other	5.9%	152,000	0.1%	331,000
Total market value of assets		1,650,000		1,396,000
Present value of scheme liabilities				
- Funded		(2,880,000)		(2,469,000)
Deficit in the scheme		(1,230,000)		(1,073,000)

The actual return on scheme assets was £67,000 (2014: £142,000).

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost (net of employee contributions)	184,000	143,000
Total operating charge	184,000	143,000

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	87,000	78,000
Interest on pension liabilities	(101,000)	(112,000)
Pension finance costs	(14,000)	(34,000)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £124,000 loss (2014: £123,000 gain).

Sutton Coldfield Grammar School for Girls Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and Similar Obligations (continued)

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

	2015	2014
	£	£
Opening defined benefit obligation	2,469,000	2,408,000
Current service cost	184,000	143,000
Interest cost	101,000	112,000
Employee contributions	48,000	42,000
Actuarial loss	104,000	(211,000)
Benefits paid	(26,000)	(25,000)
At 31 August 2015	2,880,000	2,469,000

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

	2015	2014
	£	£
Opening fair value of employer assets	1,396,000	1,260,000
Expected return on assets	87,000	78,000
Contributions by members	48,000	42,000
Employer contributions	165,000	129,000
Actuarial loss	(20,000)	(88,000)
Benefits paid	(26,000)	(25,000)
At 31 August 2015	1,650,000	1,396,000

The estimated value of employer contributions for the year ended 31 August 2016 is £170,000.

The three-year history of experience adjustments is as follows:

	2015	2014	2013
	£	£	£
Present value of defined benefit obligations	(2,880,000)	(2,469,000)	(2,408,000)
Fair value of share of scheme assets	1,650,000	1,396,000	1,260,000
Deficit in the scheme	(1,230,000)	(1,073,000)	(1,148,000)
Experience adjustments on share of scheme assets:			
Amount £	104,000	(211,000)	-
Experience adjustments on scheme liabilities:			
Amount £	(20,000)	(88,000)	47,000

25 Related Party Transactions

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

No related party transactions took place in the year.