

EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

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**EXMOUTH COMMUNITY COLLEGE
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Linda Brown
Alison Maddaford
Barbara Mason (resigned 31.08.21)
Margaret Turgoose
Robert Worrell

Trustees

Margaret Turgoose Chair from 12.09.17 (appointed 05.07.20) ^{1,2,3}
Lesley Miszewska - Vice Chair (appointed 01.04.19) ^{1,2,3,4,5,6}
Andrew Davis Principal & Accounting Officer (appt 01.09.17) ^{1,2,3,6}
Elizabeth Dymond (appointed 23.04.19) ^{1,2,4}
Jill Elson (appointed 25.09.19) ^{3,5,6}
Andrew Gelling (appointed 07.11.16 – Term ended 06.11.20) ^{1,2,3}
Kim Johnson (appointed 12.09.20) ^{1,2,5}
Elizabeth Lee (appointed 23.04.19) ^{2,3,6}
Ian Macqueen (appointed 16.09.19 – resigned 21.09.20) ^{1,3,4}
Emily McGrath (appointed 11.09.18) ^{2,3,6}
Robert Mitchell (appointed 01.04.19) ^{1,3,6}
Amy Phillips (appointed 19.11.20) ^{1,2}
Vicky Raven (appointed 01.03.17 resigned 08.09.20) ^{2,3}
Anna Stimson (appointed 26.11.20) ²
Anna Streather (appointed 01.09.21) ^{1,4}
Clare Tate (appointed 16.10.18) ^{1,3,5}
Philip Wales (appointed 05.07.20) ^{1,2}
Leah Allen (appointed 27.01.20) ^{1,3,4,5,6}
Gary Bowen (appointed 26.09.19) ²

¹ Human Resources Committee

² Curriculum Committee

³ Resources Committee

⁴ Pay Committee

⁵ Audit and Risk Committee

⁶ Value for Money Sub-Committee

Company registered number

07554085 (England and Wales)

Company Secretary

Matt Burrell

Accounting Officer

Mr A J Davis (Principal)

Senior Leadership Team

Mr A Davis – Principal
Mr G Allen – Deputy Principal
Mr D Turner – Deputy Principal
Mr M Burrell – Director of Finance and Resources
Ms K Craddock – Assistant Principal
Mr D Holt – Assistant Principal
Mrs L Malton – Assistant Principal
Miss H Miles – Assistant Principal
Mr N Smith – Assistant Principal
Mrs P Rowe – Assistant Principal

Solicitors

Browne Jacobson
1 Manor Court
Dix's Field
Exeter
EX1 1UP

**EXMOUTH COMMUNITY COLLEGE
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REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank PLC
234 High Street
Exeter
Devon EX4 3NL

EXMOUTH COMMUNITY COLLEGE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates as a stand alone secondary academy for pupils aged 11 to 18 in Exmouth. It has a pupil capacity of 2,418 and had a roll of 2,265 in the school census on October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Exmouth Community College are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details on pages 1 and 2.

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

Trustees' Indemnities

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, error or omissions occurring whilst on Academy business.

Method of recruitment and appointment or election of Trustees

The Academy's Board of Trustees comprises the Principal, a minimum of 2 Parent Trustees, up to 5 Staff Trustees (providing that the total number of Trustees, including the Principal, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) up to 1 Local Authority trustee and up to 12 other Trustees.

Trustees are appointed for a four year period, except that this time limit does not apply to the Principal. 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 gives 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. The board also considers diversity when recruiting new Trustees and when recently appointing new community governors used a variety of sources including Inspiring Governance and social media.

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 will normally include a tour of the Academy and a chance to meet the Principal, staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets and other documents they will need in order to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction can be tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies. Each new Trustee is assigned a mentor.

There is a Trustees' day organised each year as well as Safeguarding, Prevent and GDPR training to keep the Trustees updated on relevant developments impacting on their roles and responsibilities. Trustees are invited to attend any relevant training offered by the LA or other providers.

Organisational Structure

The Board of Trustees normally meets twice 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. Any powers delegated to committees are clearly defined in their terms of reference and there is a

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TRUSTEES' REPORT

rolling programme established each year for all the committees and the Governing Board to ensure meetings are effective.

The committees are as follows;

- **Resources Committee** – Reviews all aspects in relation to the financial management/performance of the College and the Asset Management of the College. It meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and receiving reports from the Responsible Officer/internal audit and reviewing the annual budget including setting staffing levels.
- **Curriculum Committee** - this meets five times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- **Admissions Committee** - meets twice a year to deal with all matters relating to admissions.
- **Human Resources Committee** – meets at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to staffing including, appraisal, pay and employment issues, and to ensure compliance with employment legislation and relevant local agreements.
- **Audit and Risk Committee** – meets three times a year to provide the Board of Trustees with the necessary assurances and quality control and also reviews and updates the risk register.
- **Pay Committee** – meets twice a year to approve teachers' salaries following recommendations from the Principal / Senior Leadership Team, on whether to award performance pay in line with the College's policy. Membership of the Pay Committee complies with the requirement that at least one member must be different from the Principal's Appraisal and Pay Review panel.
- **Pay Appeals Committee** – to hear an appeal against any decision made by the Principal or any other committee of the governing board in accordance with the College's Pay Policy.
- **Principals Performance Management Group** – meets three times each year to undertake the Principal's appraisal.
- **Other Committees** such as the First Committee (staff discipline), the Complaints Committee and Pupil Discipline Committee who meet on an as and when required basis.

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 Principal and Clerk to the Trustees, to approve the Annual Academy Improvement Plan and five year budget.

The Trustees are responsible for setting the vision for the Academy, establishing general policy, adopting an annual academy improvement plan setting a five year budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, agreeing capital expenditure and staff appointments.

The Board of Trustees has devolved responsibility for day to day management of the Academy to the Principal and Senior Leadership Team (SLT). The SLT comprises the Principal, two Deputy Principals, six Assistant Principals and a Director of Finance and Resources. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Principal is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The pay and conditions of service for the Principal, the SLT and the Director of Finance will be in accord with the regulations applied to the National Negotiated Terms by the School Teachers' Review Body (STRB) outlined in the School Teachers' Pay and Conditions Document (STPCD) and terms agreed by Local Authorities for teachers and support staff who form the management team.

The performance and pay of the Principal is monitored and evaluated annually by the Principal's Appraisal and Pay Review (PAPR) panel which is elected by the Trustees. The panel employ an independent advisor to provide input and advice to this process.

The SLT are appraised and rewarded following National and Local Authority Guidelines.

The SLT 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 in respect of their role as a Trustee.

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

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The pay of key management personnel is reviewed annually and normally increased subject to performance management review and national pay increases.

The Trustees benchmark against pay levels in other Academies of a similar size.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2 WTE

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	2 WTE
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0 in 2020/21
Provide the total pay bill	£11,529,492 in 2020/21
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0 in 2020/21

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0 in 2020/21
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Related Parties and other Connected Charities and Organisations

The Academy has strong collaborative links with 14 partner primary schools which form part of the Exmouth Learning Community.

Leisure East Devon has part use of the Academy's leisure facilities and there is a shared use agreement between it and the Academy.

In order to deliver an outstanding learning experience for our students the College also has informal links with the South West Institute for Teaching, Leading Schools South West, Future Smart Careers, Coachbright, CMAS (Community Mentoring and Support (Belong Learning)) and the social thanking platform Thank and Praise Ltd.

There are no related parties which either control or significantly influence the decisions and operations of Exmouth Community College. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

Engagement with employees (including disabled persons)

The governing board is committed to the elimination of discrimination and equal treatment in employment. This applies to all stages of employment including recruitment, selection, learning and training, pay, working relationships, carer development, redundancy and retirement. This commitment is clearly demonstrated and referred to in the many of the Academy Trust policies. No one will unlawfully be disadvantaged on the grounds of age, race or ethnicity, disability, gender and marital status, gender identity, sexual orientation, religion or belief under the operation of this policy.

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Engagement with suppliers, customers and others in a business relationship with the Trust

We are committed to fostering an excellent working relationship with all our stakeholders and working closely with all to ensure that we provide the best possible education for every child. We ensure that relationships developed are professional in nature and in the best interests of the Academy.

During the Covid 19 pandemic we worked closely with all our suppliers to ensure continuity of service, where appropriate. We also ensured adherence with the Procurement Policy Note (PPN) 02/20 and 04/20.

Vision and Values

The principal objectives and activity of the Charitable Company is the operation of Exmouth Community College to provide free education and care for pupils of different abilities between the ages of 11 and 18.

Our vision is to create a College for the whole of our community that emphasises the importance of progress and innovation alongside more traditional values such as integrity, honesty and respect. For everyone we will provide the skills, knowledge and awareness to enable all to play an active and positive role in their families, workplace and global community. We will do this through world-class teaching delivered by reflective and skilled practitioners, a broad and differentiated curriculum model and opportunities beyond the classroom.

This vision is underpinned by our six core values of integrity, resilience, creativity, belief in the power of education, embracing challenge and being reflective.

Stakeholders from within our College community have also identified seven key characteristics which they would like school to help them develop, Staying Healthy/ Being Safe, Resilience, Aspiration, Respect, how to be confident communicators, Tolerance, Knowledge and being skilled in applying this knowledge.

This vision is delivered through,

1. Consistently excellent teaching following an inspiring curriculum with assessment that informs learning.
2. Superb pastoral support for all students.
3. A strong commitment to our community.

At Exmouth Community College, we aim to achieve the best for, and from, each student.

Our intention is for every student to realise their full academic, creative and physical potential and to develop positive social and moral values. We wish our Academy to be a happy, high achieving and caring community and one in which young adults, staff, parents and carers feel proud to be a part.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on academic achievement, outstanding pastoral support and inclusion.

Objectives, Strategies and Activities

Key activities and targets were identified in the Academy Improvement Plan 20/21 (AIP) through the self-evaluation that was undertaken at a senior level following the publication of results in 2020 (Centre Awarded Grades) and links to action points detailed in the March 2021 and July 2021 OFSTED reports.

Clearly, the post-Covid environment that we have been operating within since March 2020 has greatly affected the delivery of the priorities outlined below.

The Academy Improvement Plan 20/21 and self-evaluation form were shared with, and agreed by, the Governing Board in Autumn 2020. Our Risk Register also plays an important part in deciding on our priorities for development.

Our AIP continued to focus on developmental areas that we have identified through our data and Schools Evaluation Form in conjunction with our most recent Ofsted report. The broad areas of development within the AIP were:

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Key Theme 1:

Providing a curriculum across the whole school which is well planned, reflects our values and skills, implemented well and reviewed throughout the year to ensure it is meeting the needs of all learners.

Update September 21: Significant training and development was undertaken by teaching staff in the Summer term resulting in all curriculum plans and schemes of learning being redesigned to follow a mastery approach. In July 21 Ofsted visited the College and commended the work we had undertaken.

Key Theme 2:

Ensuring that all leaders have the skills and confidence to check that the curriculum is being implemented in the classroom consistently and effectively.

Update September 21: During the year we did pilot incremental coaching with groups of staff and this work has now been rolled out across the College. Unfortunately Covid did curtail many of the normal monitoring processes that would normally be undertaken.

Key Theme 3:

Providing a curriculum which has high expectations, is appropriate to the needs of all learners, particularly our most vulnerable and implemented in a personalised way within the classroom.

Update September 21: This relates to Key Theme 1 and we feel that we now have a curriculum in place which will enable all learners to make better progress.

Key Theme 4:

All appropriate staff should have the skills to manage behaviour effectively, apply behavioural processes in a consistent way and be able to use data trends to identify and act on issues as they become apparent.

Update September 21: The developments in this area were also recognised by Ofsted and saw the introduction of a new STEPs provision to support students in modifying their behaviour for learning in order to maximise their progress.

Key Theme 5:

Leaders across the College need to have access to high quality training fully understand their roles, responsibilities and accountabilities as we work towards a more devolved and affiliative climate within the College.

Update September 21: Some of this work was curtailed due to Covid however we did join the National College to allow our staff (both support and teaching) to access high quality training materials remotely.

Key Theme 6:

Students need to fully understand the role they have in ensuring they achieve well and the part they play in further developing a culture of success

Update September 21: Much of this work had to be done remotely since we were not allowed to have large groups of students together but we did deliver aspirational assemblies remotely and redesigned our assessment processes for implementation in 21/22 to help motivate and inspire students.

Key Theme 7:

Maintaining a healthy school culture

Update September 21: This was probably the most important area given the prevalence of Covid and our determination to keep students, staff, families and our community safe. We were very conscious that due to the size of our College within the community a significant outbreak could have significant consequences. Thankfully our hierarchy of controls worked really well and our good work in this area meant relatively few students missed school due to Covid, fact which OfSTED recognised when they visited in March 21.

Key Theme 8:

Campus development and Effective Financial Management

Update September 21: Throughout the year the Director of Finance and Resources and his Finance team continued to receive exemplary audit reports with no management actions. The College achieved a surplus during the year and are in a financially secure position moving forward.

Pleasingly despite Covid we continued to progress our massive £13.5 million new build along with further heating improvements and refurbishment of a large administration block along with a smaller teaching block. This is being centrally funded by the DfE under the Priority School Building Programme 2.

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

The Academy will also continue to work with partner schools and teaching Schools Alliances to improve the educational opportunities for students in the wider community and ensure seamless transition for our students when they enter year 7.

The Academy is continuing to work with Devon County Council to address 'basic need' building requirements identified by Devon County Council which is linked to additional pupil places required in future years. Phase two of the maths block forms part of these plans.

The Academy will also aim to continue to build on previous successful Condition Improvement Bids to address our maintenance backlog with the Dance studio a priority. Subsequent to the year end, we have also successfully won a £150,000 from East Devon District Council which will go towards replacing our artificial grass pitch.

The Academy has now received permission to sell the redundant cottage on the Gipsy Lane site and look forward to receiving the income for reinvestment in the campus in the future.

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 Commissioner'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 recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the quality of life for our community.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Due to the impact of Covid in 2021 the College was asked by the Department for Education and OfQUAL to calculate Assessment Awarded Grades (AAG) for students in Year 11, 12 and 13 who could not take their external examinations due to being in lockdown. The guidance issued by OfQUAL stated that the College should award grades that were to be judged on the range of existing evidence that we had in place for students. The grades calculated by subject teachers were to be awarded on a wide range of evidence, including, but not exclusive to, mock exam results, other class assessments and non-examined assessments (coursework). In our case this involved the use of five evidence points in most cases which were then assessed and signed off by two members of staff and quality assured by our AAG team to ensure the process was fair, unbiased and robust.

This should be borne in mind when comparing outcomes to previous years, other schools or national data for this year.

It should be noted that AAGs gave a positive picture overall for our results leading to most students obtaining their chosen university place, apprenticeship placement, employment or their choice of course in Post-16 or College.

GCSE outcomes

As the performance measures have been suspended for a second year due to the changes to the awarding process for GCSE/L2 and A-Level/L3 qualifications, using progress measures based on the last published data from 2019 does not provide data with outcomes which can be accurately compared across the last 3 years. Therefore, we are using attainment scores this year which are more reflective. It is worth noting that the grading process this year was different to last year. In 2020 we were asked to give the grades we felt the students would have achieved had they sat their exams, this year we were asked to provide grades based on the evidence we had from across the duration of the course. It is difficult to compare outcomes when the requirements for the last 3 years have been different and so the data should be viewed with this in mind.

Also, we know that the impact of lockdown on disadvantaged and SEND students has been greater than the rest of the students. We are seeing increased gaps in the attainment this year due to this.

Attainment 8 score 52.86

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% of students achieving 4+ in both English and Mathematics 80%
% of students achieving 5+ in both English and Mathematics 60%
% of students achieving Grade 9-5 (inc. Eng and Maths) 56%

In order to support our vulnerable students, we have secured increased amounts of wellness support for them, re-designed our revory curriculum to support their learning and invested in additional 1:1 online academic support, in addition to implementing a Covid Catch up plan over the past 12 months.

Post-16 outcomes

At A level the APS was 37.77 with 15% achieving AAB or higher in at least 2 facilitating subjects. 31% of entries achieved an A* or A grade.

76 (53%) students were placed into Universities with 24 (32%) of students moving into Russell Group universities including two to Oxford and two into Medicine.

Recruitment into Post-16 remained strong with approximately half of our Year 11 students moving into Post-16 education with us.

Financial performance

Financial control continues to be strong. The financial implications associated with Covid 19 have not been insignificant as the College is reliant on non-GAG income to ensure the funding of activities associated with the delivery of the following in-house services, Catering, Nursery and Peripatetic music services. In order to mitigate the financial loss, staff were furloughed for proportions of the year when these activities could not take place. The College also welcomed the additional funding for Covid 19 related expenses such as test centre funding,

Moving forward and considering the increases to Education funding the College is now in a good financial position.

The College submitted all Academy funding returns in line with key dates outlined in the Academy planning calendar produced by the Education & Skills Funding Agency.

Campus development

In terms of campus development, the Academy continues to work in partnership with the Education & Skills Funding Agency in order to deliver the successful Priority Schools Building Programme Two project estimated at £13 million. Work on this project started on site in January 2021 and is progressing well. Phase 2 of the Maths block with a value estimated at £3.5 million to provide a further eight maths classrooms has been agreed by East Devon District Council and Devon County Council and we are hopeful that this project will start onsite in December 2021. We were delighted to be awarded CIF funding in the summer of 2020 to upgrade heating systems across the College to the sum of £303,408 and again in the summer of 2021 to provide a new roof, doors, windows and re-rendering to one of our oldest buildings on the Green Close site at the sum of £149,191. The CIF grant application for the Dance Studio on the Green Close site was not successful, but this will be re-applied for in October 2021. Work on the refurbishment of The Grange started late August 2021 and this project is funded from reserves. The project includes new windows, external doors, external decoration, complete internal refurbishment including flooring, decorations and minor adaptations to the internal layout.

In addition, during the early part of 2020, the College commissioned a condition survey of the campus as the last survey was undertaken in 2007. The report highlights a business-critical maintenance backlog of £1.3 million. Consequently a 5-year campus development plan is currently being drafted.

The Premises team met its legal obligations and undertook both the Annual Fire and Asbestos Management inspections and associated risk assessments during the year and no areas of high risk or concerns were highlighted in the reports.

The Premises department has worked diligently to ensure the site was safe and aligned to the numerous risk assessments and government guidance associated with opening a school during the pandemic, for example, the procurement of additional sanitising, additional signage, review of fire escapes and collection points.

ICT Developments

The College is currently working on a five-year ICT development plan to ensure the College's ICT infrastructure is the best that it can be. Over this period the College will be looking to flood the College with Wi-Fi technologies to better support mobile devices and establish a site wide CCTV system. In addition, the College developed its use of cloud-based technologies such as Microsoft Office 365, SharePoint, OneDrive and Microsoft Teams during the pandemic to further support teaching and learning across the College.

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Staff development

Continuing professional development for all staff has been very successful:-

- All new and 80% of current staff attended Safeguarding training either during the first two non-contact days in September or on subsequent staff training days
- Rolling programme of Emergency First Aid at Work training continues, with (21) members of staff undertaking a one-day course, 2 staff undertaking an Outdoor First Aid course, and 3 staff undertaking the 3-day Paediatric First Aid Course.
- Safer Recruitment Refresher and Child Protection Refresher training has been undertaken by members of the Senior Leadership Team (SLT) and Governors as required
- Diverse range of training courses attended by staff including; Exploring Anxiety, Children Living in Different Settings, Bid Writing, Understanding Depression and Anxiety, England Rugby Game Law Variations, Emotions and Emotional Disorders, Managing Microsoft Teams, Memory and the Science of Learning, Behaviour in the Classroom, Suicide Awareness, Wellbeing for Education Return, Identify types of Abuse, A Level Science Practical Endorsement Training, Leading Literacy to Outstanding, Grief and Loss, COVID-19 Psychological First Aid, Understanding Autism, Teaching Writing for GCSE, Concussion Awareness and RSHE in Practice
- The Premises Team continue to update their Health & Safety training requirements, including Asbestos Awareness and Legionella Awareness
- The Catering Team continue to update their Food & Hygiene training requirements
- Rolling programme of Manual Handling training continuing, with (25) members of staff undertaking an online training course, resulting in a total of seventy-eight members of staff with up to date training
- Three members of teaching staff have completed their National Professional Qualification for Senior Leadership training
- The Technology Department are keeping relevant training up to date on various pieces of machinery
- Information shared with all staff to include Emergency Evacuation Induction/Refresher, Asbestos Induction, Working at Height
- Eight members of staff and two casual members of staff refreshed their minibus driving certification
- One member of the HR team continued with their CIPD Level 5 Diploma in HR Management
- All staff had access to the following online wellbeing courses: Healthy Living, Life Balance, Mindset, Attitude, Stress Awareness, Resilience, Relaxation, Prioritisation, Mindfulness, Yoga
- 125 members of staff have undertaken Unconscious Bias for Managers training
- 26 members of staff have undertaken Equality, Diversity and Inclusion training, with a further talk by an external expert being offered to all staff via a recorded session.
- Teaching staff have undertaken Behaviour Management Training, in line with the new Behaviour Hub
- Teachers who will have a new year 7 tutor group in September 2021 have undertaken "My Big Life" training – Building Resilient Learners.
- We have invested in a new subscription for The National College, a CPD hub providing access to a huge variety of courses and webinars provided by leading experts.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £374,250 of GAG was carried forward representing 3.2% of GAG

The following KPI's were reported to the Trustees when the budget was prepared for 2020/2021

Key Performance indicators	Set as per agreed budget	Achieved
Pupil teacher ratio	17.44	19.73
Percentage of staffing costs to GAG income	96%	95%
Percentage of Staffing costs to total income	85%	86%
Percentage of salary costs as a % of total costs	80%	83%
In year deficit budget set	(316,314)	314,088

Going Concern

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

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FINANCIAL REVIEW

Most of the Academy's income is obtained from the DfE via the ESFA 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 2021 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 2021 (excluding restricted fixed asset and pension reserves), the Academy received total income of £13,422,844 and incurred total expenditure of £13,043,096. The excess of income over expenditure for the year (excluding restricted fixed asset and pension reserves) and after transfers to restricted fixed asset reserves of £65,657, was £314,091.

At 31 August 2021 the net book value of fixed assets was £25,545,152 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 August 2013 at £25,504,993. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken 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 Activity with details in Note 26 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Principal, managers, budget holders and other staff, as well as delegated authority for spending.

The Trustees have appointed an internal auditor to undertake a programme of internal checks on the financial controls. During the year, the Trustees have received three internal audit visits from the internal auditor which contained no matters of significance.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately £1,000,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance as well as mitigating any impact in reductions or increases in student numbers. In addition, the College is undergoing a major building development programme where it will be required to contribute funds from reserves to equip the new building. Also, a refurbishment of The Grange building is planned which will also be funded from reserves along with contributions to successful CIF projects. Total reserves of the academy amount to £19,252,998 although £16,484,942 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £2,768,056 (representing £2,393,056 unrestricted funds and £374,250 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 2.6 months of normal recurring expenditure.

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

Investment Policy

Where possible all funds surplus to immediate requirements are invested to optimal effect, however, the rates available this financial year have not delivered a favourable return. Daily this is achieved by automatic transfer of surplus funds to overnight deposit. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

EXMOUTH COMMUNITY COLLEGE (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Principal and Finance Director within strict guidelines approved by the Board of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 95% of the Academy's incoming resources were 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.

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 - 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 student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality 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 clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer/internal audit 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.

Cyber Security – The Academy is aware of the risk of cybercrime and has put in place proportionate controls and are aware of what action to take should a cyber security incident occur. Trustees review cyber security risks through the Audit and Risk committee at points throughout the year. The Academy ICT team continue to review these risks and ensure that appropriate actions are taken.

Covid 19 – The Academy has taken appropriate action throughout the year to mitigate the risks related to the Covid-19 pandemic across the College operations and subsequent impact on teaching and learning. The Academy put in place a Pandemic Policy and ensured robust risk assessments were in place for the management of Covid-19. All government guidelines surrounding the pandemic are followed and the Academy continues to review and mitigate the risks of the pandemic on the Academy going forward.

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 and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial position, formally, six times a year, although management accounts are produced monthly. 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, investments, balance sheet and ensure sufficient funds are held to cover all known and anticipated commitments.

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TRUSTEES' REPORT

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 26 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.

FUNDRAISING

Where possible the Academy looks to generate additional funds and this is undertaken internally by staff using the local authority Devon funding news to review what sources of funding are available to Schools and Colleges. In addition, we are working with Future First to establish an alumni database which will primarily be used for careers work but may also be a source of voluntary contributions in the future. The College has been successful with sourcing additional funding of £149,191 in 2020/21 from the Condition improvement fund.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	2,245,253	2,085,042
Energy consumption break down (kWh) (optional)		
• gas,	1,482,300	1,359,361
• electricity,	760,716	713,889
• transport fuel	2,237	11,792
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	271.49	249.94
Owned transport – mini-buses	5.60	1.80
<u>Total scope 1</u>	277.09	251.75
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	161.52	166.43
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	0	0.86
Total gross emissions in metric tonnes CO2e	438.61	419.04
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.20	0.18

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites. In addition, a number of block have benefitted from new heating systems (either full or in part) and The Grange building windows and external doors are being replaced with uPVC.

PLANS FOR FUTURE PERIODS

Our Academy Improvement Plan for 2021/22 will be based around three key areas,

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TRUSTEES' REPORT

Priority Development Area 1: Further developing a healthy school culture

- Achievement of the Well Being Award including delivery of a Student Wellness Plan
- Continuing to improve our infrastructure and buildings
- Review our current support staff appraisal model

Priority Development Area 2: Ensuring that the College has exemplary behaviour from our students at all times

- Continue to work with the national Behaviour Hubs programme
- Implement new Key Stage 3 assessment processes to foster higher student aspiration
- Further development of onsite Alternative Provision

Priority Development Area 3: Ensuring the effective implementation of our new curriculum models to maximise the impact on the learning of students

- Fully implement our incremental coaching programme
- Roll out appropriate National College training resources to all staff and Governors
- Investigate Level 1 curriculum provision within Post-16 to provide a broader range of options for learners

Trustees' indemnities

There were no third party indemnity provisions during the year or at the date of approval of the Trustees' report.

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.

AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is 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 auditor is 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.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on **7** December 2021 and signed on the board's behalf by:



Margaret Turgoose
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Exmouth Community College 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 Principal, 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 Exmouth Community College 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. We are currently running with three vacancies, one teacher and two parent.

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 nine 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
M Turgoose (Chair)	9	9
L Miszewska	8	9
A Davis (Principal & Accounting Officer)	9	9
A Gelling	2	2
R Mitchell	8	9
C Tate	8	9
E McGrath (Vice Chair)	8	9
V Raven	0	1
A Streather	5	9
E Dymond	5	9
K Johnson	8	9
E Lee	9	9
J Elson	8	9
I Macqueen	1	1
A Stimson	6	9
P Wales	7	9
G Bowen	9	9
L Allen	1	5

The Governing Board reviews its processes and impact, as a Governing Board, on an ongoing basis. Specifically, this year the following were undertaken:

1. Three internal audit visits were undertaken by the Responsible Officer during 2020-2021, see below for details of the areas covered, there were no recommendations made.
2. In order to ensure that we have an effective Governing Board, we review the skills of the Governing Board on an annual basis, based on the skills audit (recommended by the National Association of Governors). This informs plans for training to be undertaken by individuals. It also inputs to discussions about where there might be skills gaps and therefore how, when looking for new Governors, we might attempt to fill these. One parent Governor was re-appointed this year and one Governor moved from being a Parent to Community governor. Two new community Governors have been appointed who will start on 01.09.21.
3. Clearly this year has brought significant challenges caused by the pandemic and the focus of the Board this year has been to support the Principal and his senior leadership team in dealing with the implications. Notwithstanding this, the Board has also continued to prioritise the academic progress and welfare of the students in the College and has continued to meet remotely for both its Committee and Full Governing Board meetings. As well as taking account of the changes that needed to be implemented operationally, both when the College was open as "normal" and during lockdown, the Board has monitored the work being done by the College to implement the changes and improvements identified following the Ofsted visits received during the year. The Board has monitored the budget closely and tracked the impact of the pandemic to try to ensure that we were still in a robust financial position at the year end.
4. The Governing Board review and input to the College's Self Evaluation document which informs the annual Academy

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Improvement Plan. This includes Governance as part of Leadership and Management.

In the academic year 2020-2021 the key actions taken by the Board were to:

- i) Monitor and evaluate the return of students back into College for face to face learning, following three lockdowns.
- ii) Continue succession planning for changes to membership of the Board.
- iii) Support the work to bid for grants to replace outdated buildings and plan to increase capacity for when student numbers increase.
- iv) Take a strategic overview of the plans put in place to respond to the Ofsted inspections in March and July 2021 with a particular focus on the Curriculum.
- v) Monitor student and staff wellbeing throughout the year and ensure both were being supported during a very difficult time due to the pandemic.
- vi) Continue to monitor the spend and effectiveness of pupil premium and catch-up funding as well as remote education.
- vii) Review and monitor the College risk assessment throughout the year.
- viii) Consider and review the plans and policy in place for Assessment Awarded Grades for examination results for July 2021.

5. Our committees have a clear focus and work in parallel so that there is no overlap. All agenda items have a clear purpose and outputs and identify where and how they impact on the Academy Improvement Plan. We review our Risk Management strategy actively through each committee to ensure that we have ownership of the mitigating actions. We have two Lead Governors for key areas such as: Pupil Premium, Behaviour, SEND, Safeguarding and Health and Safety and one Lead Governor for Children in Care, Careers and Communication. All meet the relevant SLT link in order to question and monitor in more detail the plans and actions being taken in these areas. These Governors report back to the relevant committee.

6. Our rolling programme ensures that we have a structured plan for effective monitoring throughout the year at each of the committees. Any papers required for meetings are clearly identified beforehand and are provided to committee members 7 days before the meeting is to be held. The link Governors are able to add commentary to the papers alongside the relevant member of SLT and they ensure that the information provided is appropriate and sufficient to allow decisions to be made effectively. As part of our approach to continuous improvement, there is a review at the end of each meeting which allows for the identification of any concerns about the quality of information provided and the process of the meeting.

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to review all aspects in relation to the financial management / performance of the College and the Asset Management of the College. It meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from both the Director of Finance and Resources and the Responsible Officer / internal audit and reviewing and recommending the 5 year budget including setting staffing levels.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jill Elson	6	6
Andrew Davis	5	6
Emily McGrath	4	6
Elizabeth Lee	6	6
Andrew Gelling	1	1
Lesley Miszewska	5	6
Robert Mitchell	6	6
Margaret Turgoose	6	6
Clare Tate	5	6
Leah Allen	1	4

The Audit and Risk Committee meets three times a year to provide the Board of Governors with the necessary assurance and quality control. It is the Audit and Risk Committee's responsibility to ensure that high risk areas are being tested and

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reviewed by the internal auditors where possible. The Audit and Risk Committee has agreed that what the internal auditor tests currently is appropriate.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Kim Johnson	2	3
Jill Elson	3	3
Lesley Miszewska	3	3
Leah Allen	1	2
Clare Tate	2	3

Governance Review

In January 2020, we commissioned Babcock to carry out a Governance Review. Out of 65 areas ECC was judged as 58 being green, which is no action or minimal change required and 7 areas as amber which is "Less urgent action required/ Action underway but not embedded" and there were no red which is action required immediately. The report was discussed by Governors and Members and a plan put in place to address the areas rated as amber. For example, one comment related to succession planning for the Board. As a result, we appointed a new Vice Chair of Governors this year a new Vice Chair of Resources and a new Vice Chair of Curriculum, who this year will become the Chair of the Resources Committee and the Chair of the Curriculum committee respectively.

Additionally, every summer the Chair of Governors meets with each governor to review governance from the previous year and consider any feedback and / or suggestions for the following year. Last year, as a result of this feedback, we have undertaken a short review at the end of all meetings to ensure that everyone felt they had sufficient time to study any reports and were able to contribute effectively to the meetings.

Our intention will be to review progress against the actions in our improvement plan on an internal basis (since there were no significant issues raised) and undertake another independent review in 2 years' time.

The Academies Financial Handbook sets out that the board and its committees must meet regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements.

It states that board meetings **must** take place **at least three times a year** and larger trusts should consider meeting more frequently. ECC's Full Governing Board has met 9 times this year.

Governance was reviewed by the internal auditor, Griffin Accountants, in February 2021 and the areas covered were:-

Leases
Declarations of Interest
Membership Independence
Related Party Transactions
Gifts and Hospitality Policy
Staff Severance Payments
Governance Structure
ESFA Accounting Officer Letters
Board Performance and Effectiveness
Provision of Information as per section 2.54 of the Academies Financial Handbook
Information on the Academy website
Risk Register
Data Protection and Cyber Security
Audit Committee

ECC were found to be compliant in all the above areas and there were no recommendations made.

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of

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benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Robust financial governance and budget management.
- Reviewing timely monthly management accounts and cashflow
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA; the Government and Kreston benchmark reports.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of students' learning to enable students to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Membership of the schools buying hub.
- Working closely with our suppliers during the Covid 19 pandemic, to ensure continued value for money and also continuity of service and adherence with the Procurement Policy Note (PPN) 02/20 and 04/20.

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 the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Exmouth Community College for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Provision of monthly management accounts which are scrutinised by the Accounting Officer; Chair of Trustees and Chair of Resources.
- Regular reviews by the Resources Committee/Full Governing Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes; this scrutiny occurs six times per annum.
- Regular review of cashflow, investments, disposal of assets and the balance sheet.
- Regular review of financial performance against the KPIs.
- Clearly defined purchasing (assets purchase or capital investment) guidelines.
- Ensuring that budget virements are fully authorised.
- Ensuring regular review of contracts.
- Ensuring regular review of inventories.
- Delegation of authority and segregation of duties.
- Identification and management of risks.
- Annual Review of the Fraud Checklist.

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- Robust Scrutiny by the Responsible Officer.
- Maintenance of a master list of business interests which is reviewed when new Governors are appointed.
- Annual Review of the New Academies Handbook to ensure compliance.

The Board of Trustees has considered the need for a specific internal audit function and has appointed Griffin Chartered Accountants as internal auditor.

The internal auditor role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

Visit 1 – Work completed November 2020

Financial budgeting and monitoring

- Trustee approval of school budget
- Financial information provided to Trustees
- Evidence of financial challenge by Trustees
- Timely submission of ESFA returns
- Resource Committee meeting frequency and appropriate review
- Senior Leadership Team awareness of performance/budgets

Purchases

- Controls testing on a sample of purchases
- Tender process review
- Credit card controls
- Walkthrough of purchase systems
- Review of bank reconciliations
- Staff permissions and segregation of duties
- Staff expense claims

Recommendations

From the tests conducted, no areas were identified for improvement. The school's control systems "seem robust, and risks have been mitigated as far as possible. The new Director of Finance and his team have done a thorough job in ensuring that the controls tested are working as intended."

Visit 2 - Work completed 12 February 2021

Income and cash receipts

- Processes and controls around main ESFA grant income and pupil premium
- Process and controls for invoiced income
- Process and controls for non-invoiced income
- Bad debt recovery procedures

Governance, regularity, and risk management

- Compliance with the Academies Financial Handbook
- Review of leases
- Trustee interests and related parties
- Gifts, hospitality, and awards
- Governance details provided on school website
- Risk register and Trustee approval

Recommendations

From the testing of the income, governance, regularity and risk management, no recommendations were identified, this is testament to the Director of Finance and Resources and his team.

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Visit 3 - Work completed April 2021

Fixed assets

- Process and procedures around the acquisition and disposal of fixed assets
- Maintenance of a fixed asset register
- Authorisation of fixed asset additions

Business continuity plan

- Review and evaluation of the continuity plan

Covid-19 impact

- Functions operating and impact on finance team
- Board meetings and management accounts preparation
- Staff cost savings and availability of additional income
- Authorisation of purchases
- Provision of free school meals during closure
- Risk recognition
- Trip cancellations

Recommendations

From our testing of the fixed assets, Business Continuity Plan and Covid-19 impact, no recommendations were identified. This is testament to the thorough work undertaken by the Director of Finance and Resources and his team.

REVIEW OF EFFECTIVENESS

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

- The work of the internal auditor
- The work of the external auditor
- The work of the executive managers within the 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 Audit and Risk Committee / Resources Committees and was pleased with the high level of assurances provided.

Approved by order of the members of the Board of Trustees on 7 December 2021 and signed on its behalf by:



Margaret Turgoose
Trustee and Chair of Governing Board



Andrew Davis
Accounting Officer

**EXMOUTH COMMUNITY COLLEGE
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Exmouth Community College have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with ESFA 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 2020.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all 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 ESFA.



Andrew Davis

Accounting Officer

Date: 7 December 2021

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial . 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 2019 and the Academies Accounts Direction 2020 to 2021;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mrs Margaret Turgoose

Chair of Trustees

Date: 17 December 2021

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE**

Opinion

We have audited the financial statements of Exmouth Community College (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. 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', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 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 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

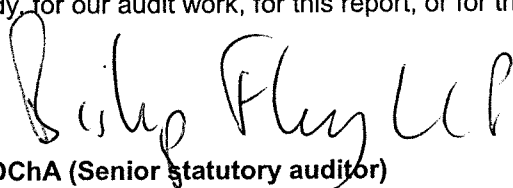
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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 opinions we have formed.



Tim Borton FCA DChA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

15 December 2021
Page 26

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EXMOUTH
COMMUNITY COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 30 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Exmouth Community College during the year 1 September 2020 to 31 August 2021 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 Exmouth Community College and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Exmouth Community College and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Exmouth Community College and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Exmouth Community College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Exmouth Community College's funding agreement with the Secretary of State for Education dated [enter date here] and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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.

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EXMOUTH
COMMUNITY COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Tim Borton FCA (Reporting Accountant)

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date:

15 December 2021

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	1,475	-	1,793,678	1,795,153	340,091
Other trading activities		36,430	-	-	36,430	58,641
Investments	7	5,368	-	-	5,368	20,970
Charitable activities	4	696,887	12,682,684	-	13,379,571	12,369,321
Total income		740,160	12,682,684	1,793,678	15,216,522	12,789,023
Expenditure on:						
Charitable activities	9	322,702	13,591,394	720,374	14,634,470	13,895,496
Total expenditure		322,702	13,591,394	720,374	14,634,470	13,895,496
Net income/ (expenditure)		417,458	(908,710)	1,073,304	582,052	(1,106,473)
Transfers between funds	19	-	(65,657)	65,657	-	-
Net movement in funds before other recognised gains/(losses)		417,458	(974,367)	1,138,961	582,052	(1,106,473)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	-	(448,000)	-	(448,000)	(1,281,000)
Net movement in funds		417,458	(1,422,367)	1,138,961	134,052	(2,387,473)
Reconciliation of funds:						
Total funds brought forward		1,976,348	(8,908,383)	26,050,981	19,118,946	21,506,419
Net movement in funds		417,458	(1,422,367)	1,138,961	134,052	(2,387,473)
Total funds carried forward		2,393,806	(10,330,750)	27,189,942	19,252,998	19,118,946

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 33 to 60 form part of these financial statements.

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07554085**

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	25,545,152	25,596,856
		<u>25,545,152</u>	<u>25,596,856</u>
Current assets			
Stocks	15	7,252	5,356
Debtors	16	1,196,009	701,109
Investments	17	101,104	2,101,094
Cash at bank and in hand		4,057,031	816,083
		<u>5,361,396</u>	<u>3,623,642</u>
Creditors: amounts falling due within one year	18	(948,550)	(715,552)
Net current assets		<u>4,412,846</u>	<u>2,908,090</u>
Total assets less current liabilities		<u>29,957,998</u>	<u>28,504,946</u>
Defined benefit pension scheme liability	26	(10,705,000)	(9,386,000)
Total net assets		<u><u>19,252,998</u></u>	<u><u>19,118,946</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	27,189,942	26,050,981
Restricted income funds	19	374,250	477,617
		<u>27,564,192</u>	<u>26,528,598</u>
Restricted funds excluding pension asset	19	27,564,192	26,528,598
Pension reserve	19	(10,705,000)	(9,386,000)
Total restricted funds	19	<u>16,859,192</u>	<u>17,142,598</u>
Unrestricted income funds	19	<u>2,393,806</u>	<u>1,976,348</u>
Total funds		<u><u>19,252,998</u></u>	<u><u>19,118,946</u></u>

EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07554085

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 29 to 60 were approved by the Trustees, and authorised for issue on
7 December 2021 and are signed on their behalf, by:



Margaret Turgoose
Chair of Trustees

The notes on pages 33 to 60 form part of these financial statements.

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	371,650	(91,834)
Cash flows from investing activities	22	869,308	(7,378)
Change in cash and cash equivalents in the year		1,240,958	(99,212)
Cash and cash equivalents at the beginning of the year		2,917,177	3,016,389
Cash and cash equivalents at the end of the year	23, 24	4,158,135	2,917,177

The notes on pages 33 to 60 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 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 historic 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 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 and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as 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 2021**

1. Accounting policies (continued)

1.3 INCOME

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy has provided the goods or services.

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

These 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.

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 TANGIBLE FIXED ASSETS

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.6 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Leasehold land	- over length of lease (125 years)
Computer equipment	- 33% straight line
Fixtures, Furniture and Equipment	- 20% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 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.'

1.9 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.

1.10 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

1.11 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.12 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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer 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.

1.13 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 31.

1.14 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 the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.15 TAXATION

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

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

2. 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 trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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 Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust 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.'

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	1,475	41,690	43,165	1,256
Government capital grants	-	1,751,988	1,751,988	338,835
TOTAL 2021	<u>1,475</u>	<u>1,793,678</u>	<u>1,795,153</u>	<u>340,091</u>
TOTAL 2020	<u>1,256</u>	<u>338,835</u>	<u>340,091</u>	

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from charitable activities - Education	<u>696,887</u>	<u>12,682,684</u>	<u>13,379,571</u>	<u>12,369,321</u>
TOTAL 2020	<u>587,344</u>	<u>11,781,977</u>	<u>12,369,321</u>	

Following clarification in the AAD, nursery activities which were previously separately identified as their own charitable activity have now been included with the educational activities reported throughout the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Funding for the Academy's educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	11,109,122	11,109,122	10,468,969
Other DfE/ESFA grants:				
Pupil Premium	-	389,817	389,817	411,974
Teachers Pay Grant	-	156,235	156,235	157,545
Teachers Pension Grant	-	441,480	441,480	438,276
Others	-	9,596	9,596	22,345
	-	12,106,250	12,106,250	11,499,109
OTHER GOVERNMENT GRANTS				
High Needs	-	304,606	304,606	174,922
Growth funding	-	54,800	54,800	-
	-	359,406	359,406	174,922
OTHER INCOME FROM THE ACADEMY'S EDUCATIONAL OPERATIONS	696,887	14,896	711,783	596,944
COVID-19 ADDITIONAL FUNDING (DfE/ESFA)				
Catch-up Premium	-	202,132	202,132	98,346
	-	202,132	202,132	98,346
	696,887	12,682,684	13,379,571	12,369,321
TOTAL 2020	587,344	11,781,977	12,369,321	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "COVID-19 Additional Funding".

The funding received for coronavirus exceptional support relates to £202,132 of catch up premium. These costs are included in notes 8 and 9 below as appropriate.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

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6. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	36,430	36,430	58,641
TOTAL 2020	58,641	58,641	

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	5,368	5,368	20,970
TOTAL 2020	20,970	20,970	

8. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational operations:					
Direct costs	9,180,255	743,390	767,522	10,691,167	9,971,559
Allocated support costs	2,381,028	928,344	633,931	3,943,303	3,783,937
TOTAL 2021	11,561,283	1,671,734	1,401,453	14,634,470	13,755,496
TOTAL 2020	10,776,047	1,705,904	1,273,545	13,755,496	

**EXMOUTH COMMUNITY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	10,691,167	3,943,303	14,634,470	13,904,496
TOTAL 2020	10,120,559	3,783,937	13,904,496	

Analysis of direct costs

	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Pension finance costs	152,000	152,000	149,000
Staff costs	9,180,255	9,180,255	8,504,887
Depreciation	562,706	562,706	538,399
Educational supplies	438,122	438,122	508,328
Examination fees	161,374	161,374	185,889
Staff development	16,968	16,968	14,969
Other costs	147,951	147,951	151,955
Supply teachers	31,791	31,791	67,132
TOTAL 2021	10,691,167	10,691,167	10,120,559
TOTAL 2020	10,120,559	10,120,559	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	2,381,028	2,381,028	2,271,160
Depreciation	157,668	157,668	154,442
Recruitment and support	13,026	13,026	12,333
Maintenance of premises and equipment	103,374	103,374	166,276
Cleaning	336,455	336,455	301,075
Rent and rates	115,542	115,542	120,097
Energy costs	212,181	212,181	171,361
Insurance	41,622	41,622	41,180
Security and transport	64,022	64,022	45,879
Catering	254,580	254,580	211,281
Technology costs	101,540	101,540	107,967
Office overheads	121,559	121,559	99,967
Legal and professional	24,523	24,523	35,564
Bank interest and charges	495	495	831
(Profit) / Loss on disposal of fixed assets	(2,200)	(2,200)	-
Governance	17,888	17,888	44,524
TOTAL 2021	3,943,303	3,943,303	3,783,937
TOTAL 2020	3,783,937	3,783,937	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	67,732	109,184
Depreciation of tangible fixed assets	720,374	692,841
Loss on disposal of fixed assets	2,200	-
Fees paid to auditors for:		
- audit	9,625	8,875
- other services	2,375	3,625

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	8,246,426	7,866,626
Social security costs	784,643	715,261
Pension costs	2,498,423	2,123,774
	<u>11,529,492</u>	<u>10,705,661</u>
Agency staff costs	31,791	67,132
Staff restructuring costs	-	3,254
	<u>11,561,283</u>	<u>10,776,047</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	-	3,254
	<u>-</u>	<u>3,254</u>

b. Non-statutory/non-contractual staff severance payments

Included in severance payments above in 2020 is £3,254 paid to one employee.

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	146	139
Administration and support	148	141
Management	9	8
	<u>303</u>	<u>288</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Teachers	120	120
Administration and support	100	97
Management	9	8
	229	225

d. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	2
In the band £80,001 - £90,000	2	-
In the band £120,000 - £130,000	-	1
In the band £130,000 - £140,000	1	-

e. Key management personnel

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their roles as Trustees) and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £929,019 (2020 £814,593).

Key Management Personnel spend has increased this year due to the appointment a new Assistant Principal to supplement the Senior Leadership Team which had been previously reduced. Also, a significant part of the increase this year is as a result of increased Teachers' Pension employer contribution rates part way through the prior year.

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 12 has not been included in the total benefits received by key management personnel above.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. Trustees' remuneration and expenses

During the year ended 31 August 2021, expenses totalling £16 were reimbursed or paid directly to 1 Trustee (2020 - £16 to 1 Trustee).

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' total remuneration for the year was as follows: A Davis (headteacher): Remuneration £135,000 - £140,000 (2020: £120,000 - £125,000), Employer's pension contribution £30,000 - £35,000 (2020: £25,000 - 30,000); R Mitchell: Remuneration £30,000 - £35,000 (2020: £25,000 - £30,000), Employer's pension contributions £0 - £5,000 (2020: £0 - £5,000); A Gelling (left 19/11/2020): Remuneration £10,000 - £15,000 (2020: £45,000 - £50,000) Employer's pension contribution £0 - £10,000 (2020: £5,000 - £10,000); Amy Philips (appointed 19/11/2020) £25,000 - £30,000 Employer's pension contribution £5,000 - £10,000; G Bowen: Remuneration £40,000 - £45,000 (2020: £20,000 - £25,000),

13. Trustees' and Officers' insurance

The Academy has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2020	30,634,274	3,146,681	233,271	35,247	34,049,473
Additions	561,322	2,981	104,366	-	668,669
Disposals	-	(84,989)	(61,515)	-	(146,504)
At 31 August 2021	31,195,596	3,064,673	276,122	35,247	34,571,638
DEPRECIATION					
At 1 September 2020	5,161,999	3,077,860	181,131	31,627	8,452,617
Charge for the year	612,685	24,989	80,889	1,810	720,373
On disposals	-	(84,989)	(61,515)	-	(146,504)
At 31 August 2021	5,774,684	3,017,860	200,505	33,437	9,026,486
NET BOOK VALUE					
At 31 August 2021	25,420,912	46,813	75,617	1,810	25,545,152
At 31 August 2020	25,472,275	68,821	52,140	3,620	25,596,856

The Academy's transactions relating to long-term leasehold property relate to development and improvements to existing property on the existing Academy site.

15. Stock

	2021 £	2020 £
Catering	7,252	5,356

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16. Debtors

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	20,363	15,832
Other debtors	1,195	1,143
Prepayments and accrued income	1,072,099	608,259
VAT recoverable	102,352	75,875
	<u>1,196,009</u>	<u>701,109</u>

17. Current asset investments

	2021 £	2020 £
Unlisted investments (liquid)	101,104	2,101,094
	<u>101,104</u>	<u>2,101,094</u>

18. Creditors: Amounts falling due within one year

	2021 £	2020 £
CIF loan	8,354	8,354
Trade creditors	12,640	158,625
Other taxation and social security	192,141	179,814
Other creditors	431,008	211,777
Accruals and deferred income	304,407	156,982
	<u>948,550</u>	<u>715,552</u>
	2021 £	2020 £
Deferred income at 31 August 2020	98,196	68,405
Resources deferred during the year	44,813	98,196
Amounts released from previous periods	(98,196)	(68,405)
Deferred income at 31 August 2021	<u>44,813</u>	<u>98,196</u>

At the balance sheet date the Academy was holding funds received in advance for rates, music, clubs and trip income.

**EXMOUTH COMMUNITY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNREST'D FUNDS						
Reserves	1,976,348	740,160	(322,702)	-	-	2,393,806
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	477,617	11,706,837	(11,744,547)	(65,657)	-	374,250
SEN	-	304,606	(304,606)	-	-	-
Pupil Premium	-	389,816	(389,816)	-	-	-
COVID-19 Catch Up	-	202,132	(202,132)	-	-	-
Other restricted funds	-	79,293	(79,293)	-	-	-
Pension reserve	(9,386,000)	-	(871,000)	-	(448,000)	(10,705,000)
	<u>(8,908,383)</u>	<u>12,682,684</u>	<u>(13,591,394)</u>	<u>(65,657)</u>	<u>(448,000)</u>	<u>(10,330,750)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	21,321,769	-	(522,903)	-	-	20,798,866
Fixed assets purchased from GAG other restricted funds	104,246	-	(64,239)	65,657	-	105,664
DfE/ ESFA Capital grants	3,604,276	192,603	(93,611)	8,354	-	3,711,622
Donation	-	41,690	(13,757)	-	-	27,933
Local Authority	919,439	1,559,385	(23,614)	-	-	2,455,210
Other capital grants	101,251	-	(2,250)	-	-	99,001
Salix Loan	-	-	-	(8,354)	-	(8,354)
	<u>26,050,981</u>	<u>1,793,678</u>	<u>(720,374)</u>	<u>65,657</u>	<u>-</u>	<u>27,189,942</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
TOTAL RESTRICTED FUNDS	17,142,598	14,476,362	(14,311,768)	-	(448,000)	16,859,192
TOTAL FUNDS	19,118,946	15,216,522	(14,634,470)	-	(448,000)	19,252,998

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

RESTRICTED FUNDS

The General Annual Grant (GAG) - income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Special Needs Funding - funding received by the Local Authority to fund further support for students with additional needs.

Pupil premium represents funding received from the ESFA 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.

COVID-19 Catch Up relates to catch up funding received to assist in mitigating against the impact that the pandemic has had on pupil outcomes.

Other restricted funds includes academy growth funding received by the local authority to meet the costs of increased pupil numbers

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

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion - this represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed assets purchased from GAG - this represents funds transferred from the restricted GAG fund to purchase fixed assets.

DfE/ESFA Capital Grants - these funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts less associated finance

Donated Fixed Assets - This represents the net book value of laptops donated to the Academy to ensure all students had the ability to continue school work from homing during the pandemic together with the net book value of other assets purchased using donated funds.

Local Authority - these funds were received from the local authority to assist the Academy in a major build project undertaken and were restricted to use within this project.

Other capital grants - these funds were received from third parties for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

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19. Statement of funds (continued)

Other information

There has been a transfer between GAG and the restricted fixed asset fund. This relates to the GAG that has been used to fund the acquisition of tangible fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNREST'D FUNDS						
Reserves	1,878,946	668,214	(570,812)	-	-	1,976,348
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	759,373	11,117,892	(11,339,761)	(59,887)	-	477,617
SEN	-	174,922	(174,922)	-	-	-
Rates	-	61,895	(61,895)	-	-	-
Pupil Premium	-	411,974	(411,974)	-	-	-
COVID-19 Catch Up	-	15,291	(15,291)	-	-	-
Pension reserve	(7,477,000)	-	(628,000)	-	(1,281,000)	(9,386,000)
	<u>(6,717,627)</u>	<u>11,781,974</u>	<u>(12,631,843)</u>	<u>(59,887)</u>	<u>(1,281,000)</u>	<u>(8,908,383)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	21,844,672	-	(522,903)	-	-	21,321,769
Fixed assets purchased from GAG other restricted funds	55,941	-	(55,362)	103,667	-	104,246
DfE/ ESFA Capital grants	3,392,289	338,835	(83,068)	(43,780)	-	3,604,276
Donation	6,000	-	(6,000)	-	-	-
Local Authority	942,698	-	(23,259)	-	-	919,439
Other capital grants	103,500	-	(2,249)	-	-	101,251
	<u>26,345,100</u>	<u>338,835</u>	<u>(692,841)</u>	<u>59,887</u>	<u>-</u>	<u>26,050,981</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
TOTAL RESTRICTED FUNDS	19,627,473	12,120,809	(13,324,684)	-	(1,281,000)	17,142,598
TOTAL FUNDS	21,506,419	12,789,023	(13,895,496)	-	(1,281,000)	19,118,946

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	25,545,152	25,545,152
Current assets	2,393,806	1,314,447	1,653,144	5,361,397
Creditors due within one year	-	(940,197)	(8,354)	(948,551)
Defined benefit pension scheme liability	-	(10,705,000)	-	(10,705,000)
TOTAL	2,393,806	(10,330,750)	27,189,942	19,252,998

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	25,596,856	25,596,856
Current assets	1,976,352	1,193,169	454,125	3,623,646
Creditors due within one year	(4)	(715,552)	-	(715,556)
Defined benefit pension scheme liability	-	(9,386,000)	-	(9,386,000)
TOTAL	1,976,348	(8,908,383)	26,050,981	19,118,946

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of financial activities)	582,052	(1,106,473)
ADJUSTMENTS FOR:		
Depreciation	720,374	652,939
Capital grants from DfE and other capital income	(1,793,678)	(338,835)
Interest receivable	(5,368)	(20,970)
Defined benefit pension scheme cost less contributions payable	719,000	488,000
Defined benefit pension scheme finance cost	152,000	140,000
(Increase)/decrease in stocks	(1,896)	1,564
(Increase)/decrease in debtors	(27,607)	101,023
Increase/(decrease) in creditors	28,973	(9,082)
Profit on disposal of tangible fixed assets	(2,200)	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	371,650	(91,834)

22. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	5,368	20,970
Purchase of tangible fixed assets	(464,645)	(103,676)
Capital grants from DfE Group	1,326,385	35,426
Disposal of tangible fixed assets	2,200	39,902
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	869,308	(7,378)

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	4,057,031	816,083
Notice deposits (less than 3 months)	101,104	2,101,094
TOTAL CASH AND CASH EQUIVALENTS	4,158,135	2,917,177

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24. Analysis of changes in net funds

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	816,087	3,240,944	4,057,031
Debt due within 1 year	(8,354)	-	(8,354)
Liquid investments	2,101,094	(1,999,990)	101,104
	<u>2,908,827</u>	<u>1,240,954</u>	<u>4,149,781</u>

25. Capital commitments

	2021 £	2020 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	<u>376,757</u>	<u>295,055</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

26. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £1,307,608 (2020 - £1,245,721).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £617,000 (2020 - £553,000), of which employer's contributions totalled £474,000 (2020 - £422,000) and employees' contributions totalled £ 143,000 (2020 - £131,000). The agreed contribution rates for future years are 17.6 per cent plus £64,000 per annum for employers and 5.5 - 12.5 per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30

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

	2021	2020
	Years	Years
Retiring today		
Males	22.7	22.9
Females	24.0	24.1
Retiring in 20 years		
Males	24.0	24.3
Females	25.4	25.5

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Pension commitments (continued)

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(460)	(387)
Discount rate -0.1%	472	396
Mortality assumption - 1 year increase	783	609
Mortality assumption - 1 year decrease	(753)	(587)
CPI rate +0.1%	418	351
CPI rate -0.1%	(408)	(343)
	<u> </u>	<u> </u>

Share of scheme assets

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

	2021 £	2020 £
Equities	5,677,000	4,308,000
Gilts	1,161,000	257,000
Corporate bonds	171,000	340,000
Property	724,000	573,000
Cash and other liquid assets	55,000	82,000
Target return portfolio	843,000	908,000
Infrastructure and alternative assets	438,000	749,000
TOTAL MARKET VALUE OF ASSETS	<u><u>9,069,000</u></u>	<u><u>7,217,000</u></u>

The actual return on scheme assets was £1,487,000 (2020 - £29,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(1,193,000)	(910,000)
Interest income	113,000	123,000
Interest cost	(265,000)	(263,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	<u><u>(1,345,000)</u></u>	<u><u>(1,050,000)</u></u>

**EXMOUTH COMMUNITY COLLEGE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

26. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	16,603,000	14,214,000
Current service cost	1,193,000	910,000
Interest cost	265,000	263,000
Employee contributions	143,000	131,000
Actuarial losses	1,817,000	1,241,000
Benefits paid net of transfers in	(247,000)	(156,000)
AT 31 AUGUST	19,774,000	16,603,000

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2021 £	2020 £
At 1 September	7,217,000	6,737,000
Interest income	118,000	128,000
Actuarial gains/(losses)	1,369,000	(40,000)
Employer contributions	474,000	422,000
Employee contributions	143,000	131,000
Benefits paid	(247,000)	(156,000)
Administration expense	(5,000)	(5,000)
AT 31 AUGUST	9,069,000	7,217,000

27. Operating lease commitments

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	51,419	54,594
Later than 1 year and not later than 5 years	16,314	57,433
	67,733	112,027

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

28. 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.

29. General information

Exmouth Community College is a company limited by guarantee, incorporated in England and Wales. The registered office is Gipsy Lane, Exmouth, Devon, EX8 3AF.

30. Related party transactions

Owing to the nature of the Academy 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 the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

'No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 12.

31. Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £31,968 (2020 £43,824) and distributed £32,064 (2020: £37,778) from the fund. An amount of £13,132 (2020: £16,701) is included in other creditors relating to undistributed funds that is repayable to ESFA.