

**Dixons City Academy Charitable Trust  
(A company limited by guarantee)**

**Annual Report  
Year ended 31 August 2013**

**Company Number: 2303464**



# **Dixons City Academy Charitable Trust**

## **Financial Statements**

**Year ended 31 August 2013**

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# **Dixons City Academy Charitable Trust**

## **Legal and Administrative Information**

**Year ended 31 August 2013**

### **Governors**

Professor Grace Alderson  
Carol Bowes MBE\*  
Bryan Collins\* (Resigned 27 August 2013)  
John Davies \*  
Dawn Gibbon (Appointed 5 June 2013)  
Tim Gilpin\* (Appointed 6 June 2013)  
Jacqueline Abbott (Staff Governor)  
Susan May (Staff Governor)

Sir James Hill  
David Holmes \* (Resigned 27 August 2013)  
John Singleton (Resigned September 2012)  
Jo Williams \* (Chair of Governors)  
Imran Khan (Appointed 10 May 2013)  
Lynn Barrett  
Dr Sameena Ashraf  
Kirstin Sawyer  
A Zia

\* = Members of the finance committee

### **Secretary**

Terence Archer

### **Senior Managers**

Executive Principal  
Principal  
Director of Finance & Administration

Nick Weller  
Shirley Watson  
Terence Archer

### **Principal Address**

Ripley Street  
Bradford  
BD5 7RR

### **Registered Office**

Ripley Street  
Bradford  
BD5 7RR

### **Company Registration Number**

2303464

### **Bankers**

Lloyds TSB  
45 Hustlergate  
Bradford  
BD1 1NT

### **Solicitors**

Gordons LLP  
14 Piccadilly  
Bradford  
BD1 3LX

### **Auditors**

Baker Tilly Audit Limited  
Registered Auditors  
2 Wellington Place  
Leeds  
LS1 4AP

# **Dixons City Academy Charitable Trust**

## **Governors' Report**

### **Year ended 31 August 2013**

The governors present their annual report, together with the financial statements and auditor's report, of the charitable company for the year ended 31 August 2013

#### **Structure, Governance and Management**

##### ***Constitution***

The academy trust is a company limited by guarantee and an exempt charity which was established on 6 October 1988. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust.

In accordance with the articles of association, the company has adopted a "Scheme of Government" approved by the Secretary of State for Department of Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn and that the curriculum should comply with the substance of the national curriculum with emphasis on design technology and performing arts and their practical application.

The governors act as the trustees for the charitable activities of Dixons City Academy Charitable Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Dixons City Academy.

Details of the governors who served throughout the year except as noted are included in the Legal and Administrative Information on page 1.

##### ***Members' Liability***

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before they ceased to be a member.

##### ***Trustees Indemnities***

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £650 (2012 - £650). The cost of this insurance is included in the total insurance cost.

##### ***Principal Activities***

The principal activity and objective of the Academy is the advancement, for public benefit, of education in Bradford by establishing and maintaining a high performing secondary school, nationally recognised for offering a broad curriculum with a strong emphasis on design technology and performing arts and their principal applications.

The Academy will meet the educational needs of its community by providing a high quality, flexible learning environment in which technology plays a key role.

The main objectives of the Academy during the year ended 31 August 2013 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care,
- to raise the standard of educational achievement of all pupils,

# **Dixons City Academy Charitable Trust**

## **Governors' Report (continued)**

**Year ended 31 August 2013**

- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review,
- to provide value for money for the funds expended,
- to comply with all appropriate statutory and curriculum requirements,
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness,
- to establish partnerships in order to extend its role in the wider community,
- to develop its outreach activity with other local schools and so contribute to the reduction of exclusions and increased access to training and employment in the area,
- to establish effective partnerships with higher education institutes and other schools to enhance the professional development opportunities available to staff, and
- to ensure its subject specialisms contribute well to the academy curriculum and beyond

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

Members of the company are nominated either by the Secretary of State for Department for Education or by DSG International plc, the main sponsors of the Academy. The articles of association require the members of the company to appoint at least four Governors to be responsible for the affairs of the company and the management of the Academy.

The following process is used for selection/recruitment of new Governors

- Advertise vacancy in the Academy's newsletter approaching any parents who might express an interest in becoming a Governor
- Ask any outgoing Governor for recommended nominations in order to retain the high quality of skills and expertise required to be a member of the Governing body at Dixons City Academy
- Contact School Governors' One Stop Shop\*. They hold a database of skilled volunteers wishing to become school Governors. In addition they are able to use their network of business connections to market vacancies should their database search be unsuccessful (\*Governors' One Stop Shop is a national charity funded by the Department for Education and other partners in 2000. Their service is provided free of charge)
- Advertise in local newspapers (although historically this has not proved a successful medium)

Once an individual has been identified they will be invited to the Academy to meet with the Chair of Governors and the Principal to discuss their suitability for the role of Governor.

Successful candidates will be

- Invited to the Academy to meet staff and students following the induction schedule (see attached)
- Provided with an induction pack

Governors are appointed for a fixed term of four years after which they must seek re-election

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

All new Trustees participate in an induction programme and are given an induction pack giving a wide range of information and guidance relating to the governance of the academy. The Chair of Governors is responsible for arranging a programme of governor training. Typically this is provided for internally by academy staff but complementary outside resources are used where this is considered appropriate.

# **Dixons City Academy Charitable Trust**

## **Governors' Report (continued)**

**Year ended 31 August 2013**

### ***Organisational Structure***

The organisational structure of the multi-academy trust is based on the principles that

- a) The Members of the Company define the Object, Purpose and Ethos of the Company
- b) The Directors, who form the Governing Council, have overall responsibility and ultimate decision making authority for all the work of the Company, including the establishing and running of schools and in particular each Academy as a school. This is largely exercised through strategic planning and the setting of policy. It is managed through the business planning, monitoring of budgets, performance appraisal, the setting and monitoring of standards and the implementation of quality assurance processes. The Directors have the power to direct change where required to ensure that the Object, Purpose and Ethos of the Company are met
- c) The Directors delegate their responsibilities for the day-to-day operation of each Academy and the whole of the funding granted by the Department of Education for the benefit of that Academy directly to a Local Governing Body (LGB) through a Scheme of Delegation (the Scheme). A single Local Governing Body may manage more than one Academy but the funding granted for each Academy must be applied only to that Academy subject to the requirements of the Scheme. The Principal of each Academy is an ex officio member of the LGB
- d) The Senior Managers, who are the Executive Principal, the Academy Principals and the Director of Finance and Administration, control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them regularly. As a group, the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff through appointment boards. Some spending control is devolved to members of the Management Team with financial limits above which a Senior Manager must countersign

The Management Team includes the Senior Management, the Assistant Vice Principals and the Operations Manager. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students

### ***Risk Management***

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific provision of teaching, facilities management and other operational areas of the Academy and its finances. The Governors have implemented a number of systems to assess risks that the schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail below

# **Dixons City Academy Charitable Trust**

## **Governors' Report (continued)**

### **Year ended 31 August 2013**

As part of the risk management process the Governors have set policies on internal controls which cover the following

- the type of risks the Academy faces,
- the level of risks which they regard as acceptable,
- the likelihood of the risks materialising,
- the Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise,
- the costs of operating particular controls relative to the benefits obtained,
- clarified the responsibility of the Management Team to implement the Governors' policies and to identify and evaluate risks for the Governors' consideration,
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives,
- embedded the control system in the Academy's operations so that it becomes part of the culture of the Academy,
- developed systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment, and
- included procedures for reporting failures immediately to appropriate levels of management and the Governors together with details of corrective action being undertaken

### ***Connected Organisations, including Related Party Relationships***

#### ***Multi-Academy Trust***

On 1 September 2012 Dixons City Academy Charitable Trust opened two new free schools under the "Dixons" banner, i.e. Dixons Trinity Academy and Dixons Music Primary, bringing the number of academies under its direction to three that is, the above two plus Dixons City Academy

#### ***Dixons Allerton Academy***

Dixons City Academy Charitable Trust is also the sponsor of Dixons Allerton Academy, a former local maintained school which converted to an academy in September 2009

Evidence of the effectiveness of the sponsorship can be seen in the year on year improvement in student achievement

Dixons Allerton Academy became part of the multi academy trust in November 2013 following the execution of a transfer agreement. The operations and net assets of Dixons Allerton Academy were transferred as a going concern at nil consideration

#### ***Free School and Academy Conversion***

The governors are pleased to announce that the EFA have given permission for the opening of a new 11-19 Secondary school. Currently, development is underway and it is anticipated that this new school will open in September 2014

In addition to the above, the company will also be sponsoring the conversion of a locally maintained primary school to an academy on 1 January 2014

#### ***Partnerships***

Existing links with other schools in the South Bradford Confederation are being strengthened and extended through groups of representatives at various levels from each school. The confederation is aimed at school improvement and curriculum co-operation, and in particular assisting those students

# **Dixons City Academy Charitable Trust**

## **Governors' Report (continued)**

### **Year ended 31 August 2013**

who are least well served by a traditional classroom-based curriculum, or who are in danger of exclusion

The Executive Principal also spends one day a week as Chief Executive of the Bradford Partnership, a school-to-school inspection and consultancy service which replaces the Local Authority's contract with Serco covering secondary school improvement across the Metropolitan District of Bradford

#### ***Initial Teacher Training***

The Academy has once again provided placements for over 90 trainees in partnership with, for example, the University of Leeds, Leeds Metropolitan University, Sheffield Hallam University and Trinity, All Saints College, Manchester Metropolitan University, and Huddersfield College. A similar number is planned for the coming year. The Academy undoubtedly benefits both from the presence and influence of the trainees and from having so many trained mentors constantly focusing on all aspects of teaching and learning. The Academy's PGCE Coordinator works regularly with all the local universities in training their mentors across the region. The Academy takes seriously its outreach role in supporting CPD and ITT in other schools across the region.

A partnership has been established with the two other Training Schools and the focus this year will be on the involvement of students in teacher recruitment and development of work with NQTs.

#### ***Going Concern***

After making appropriate enquiries, the governing body 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.

#### ***Public benefit***

The Governors confirm that they have referred to the guidance contained within the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

#### ***Equal opportunities policy***

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

#### ***Disabled persons***

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



# Dixons City Academy Charitable Trust

## Governors' Report (continued)

### Year ended 31 August 2013

#### Year in Focus

##### Year 13 Results

Congratulations to Year 13 on an excellent set of results. The headline figures are 99.6% A-E and 61% A\*-B. This exceeds our target of 55% by 6%. These results are amongst the best the Academy has ever had (3rd in the entire history of Dixons – highest ever in 2010 with 63%). Early analysis (unconfirmed) is that the majority of subjects performed at least 'good' or above on the Alps score, with many doing better.

Notable subject performances (Alps 3 and above) come from, Art Endorsed, Applied ICT, BTEC Business, BTEC ICT, Maths and Further Maths, RE, Spanish, BTEC Sport. The Maths results deserve a particular mention because of the number of students in the classes.

Overall, it is an extremely positive set of results and our congratulations go to staff and students.

	2007	2008	2009	2010	2011	2012	2013
<b>UCAS aps</b> (average points score)	341	329	336	357	371	373	373
<b>% A* to B</b>	62%	48%	53%	63%	55%	52%	61%
<b>% A* to E</b>	99%	99%	100%	99%	99.8%	99.5%	99.6%

##### Year 11 Results

Congratulations to Year 11 on securing truly excellent attainment and more importantly progress.

Progress in English and Maths (3, 4 and 5 levels of progress) is truly outstanding and has exceeded our aspirational targets. This progress is significantly above national average and our 3 levels of progress measure is one of the best that the school has seen. The distance that a child travels from starting point is, of course, increasingly one of the major measures of a school's academic success.

The (older yet more familiar) attainment headline figure of 5 A\*-C with English and Maths is excellent at 75% (we expect to be around 16% above national in this – figure not confirmed at time of writing) and is just 1% below our FFT D target of 76%.

In the current climate of grade boundary volatility (upwards!) and the general on-going national uncertainty surrounding GCSE, we are quite delighted with these results. Our staff deserve great recognition for having done everything they can to secure such excellent results and predicting as close as they have in such turbulent circumstances.

It is wonderful to see our English results back where they have always been and deserve to be. Particular congratulations to the Head of English Department for responding to a national crisis with such a level head.

As well as inflated grade boundaries, some subjects are also teaching a new syllabus and this has led to greater challenge. An example of this is ICT, and this accounts for our A\*/A figure coming in (only!) 2% below target.

# Dixons City Academy Charitable Trust

## Governors' Report (continued)

Year ended 31 August 2013

	2007	2008	2009	2010	2011	2012	2013
5A*-C	94%	99%	97%	99%	98%	97%	98%
inc E & M	75%	89%	90%	79%	80%	62%	75%
EBacc					23%	27%	35%
APS	587	611	631	681	687	666	
% A*/A	37%	30%	45%	35%	42%	38%	38%
English levels of progress							
3 Levels of progress			80%	78%	80%	66%	83%
4 Levels of Progress			51%	36%	36%	24%	41%
Maths levels of progress							
3 Levels of progress			85%	81%	84%	80%	88%
4 Levels of Progress			59%	42%	48%	33%	43%

## Financial Review

The responsibility for the monitoring and support of open Academies lies with the Education Funding Agency (EFA) which handles the funding for all 11-19 education

Most of the Academy's income is obtained from the EFA and the Local Education Authority in the form of recurrent grants, the use of which is restricted as defined by its Memorandum and Articles of Association. The grants received from the EFA and Education Authority during the year ended 31 August 2013 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 Department for Education and its sponsors, DSG International plc. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Multi Academy Trust generated net incoming resources for the year before transfers (excluding restricted fixed asset funds and before making provision for the actuarial gain for the year of £208k and in year administration costs of £108k relating to the defined benefits pension scheme) of £385k (2012 £251k). The Academies contributed to this surplus as follows:

	2013 £000	2012 £000
Net Incoming resources before transfers		
Dixons City Academy	338	251
Dixons Music Primary	41	-
Dixons Trinity Academy	6	-
	<b>385</b>	<b>251</b>

# Dixons City Academy Charitable Trust

## Governors' Report (continued)

### Year ended 31 August 2013

The trust has received £6,660k from the DfE towards the construction costs for the new free schools buildings. In addition to this Dixons City Academy benefited from the donation of 1,180 tablets for schools with an estimated benefit in kind value of £182k

Dixons City Academy also received £300k from the Academies Capital Maintenance Fund as a contribution towards roof repairs and the upgrading of the fire and intruder alarm systems

The total surplus for the year for the trust was £7,004k (2012 deficit £763k) which has been accounted for as follows

	2013 £000	2012 £000
Transfer to Unrestricted General Funds	238	142
Transfer to Restricted General Funds	379	(459)
Transfer to Restricted Fixed Asset Funds	6,387	(446)
	<u>7,004</u>	<u>(763)</u>

At 31 August 2013 the net book value of fixed assets was £20,210k (2012 £13,621k). Movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and associated support services to the pupils of the Academy.

External (non-EFA) activities contributed most of the other unrestricted income, particularly from sports lettings.

The balance sheet discloses cash and bank balances of £1,513k. These funds are earmarked for the following:

	£000
Student deposits, educational visits etc	158
Net Liabilities	461
Short to medium term specified fixed asset replacement programme	894
	<u>1,513</u>

### Reserves Policy

The Governors 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 Governors have determined that the appropriate level of free reserves should be equivalent to 5% of turnover, excluding restricted fixed asset funding, approximately £432k. 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. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) after allowing for the actuarial gain on pensions is £423k (2012 £185k).

Details of the funds held by the Academy are set out in notes 17 and 18 of the attached financial statements.

# **Dixons City Academy Charitable Trust**

## **Governors' Report (continued)**

**Year ended 31 August 2013**

### **Plans for Future Periods**

#### ***Student Performance***

The Academy will maintain its objective to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in higher education once they leave

The priorities for 2013/14 are

#### ***Learning***

- 1 1 To demonstrate outstanding progress and achievement, "closing the gap" for all groups
- 1 2 To continually promote a positive and disciplined learning culture in all areas
- 1 3 To further develop resilient, confident and independent learners

#### ***Ethos***

- 2 1 To ensure Dixons students value the ethos of hard work, self management and respect
- 2 2 To empower all staff to be leaders of learning
- 2 3 To ensure staff, students and parents voices are a driver for improvement

#### ***Community***

- 3 1 To work effectively and positively within the Dixons Group of Academies to secure improvement and efficiency for all
- 3 2 To promote the high profile and excellent reputation of Dixons in the wider community
- 3 3 To continue to promote Dixons City Academy to a diverse population of parents, students and staff

# Dixons City Academy Charitable Trust

## Governors' Report (continued)

Year ended 31 August 2013

The key performance indicators for 2013/14 are as follows

### KS4 Results & Targets (Priority 1.2)

Performance Indicator	2009	2010	2011	2012	Target 2013	Actual 2013	Target 2014
% of students achieving expected progress in English KS2 to KS4	80%	78%	80%	66%	81%	83%	80%
% of students achieving at least 4 levels of progress in English KS2 to KS4	51%	36%	36%	24%	40%	41%	40%
% of students achieving <b>expected progress</b> in Maths KS2-KS4	85%	81%	84%	71%	80%	87%	82%
% of students achieving <b>at least 4 levels of progress</b> in Maths KS2-KS4	59%	42%	48%	37%	42%	41%	40%
% of Year 11 students gaining 5 or more GCSE's or equivalent at grade A*-C including English & Maths	90%	79%	80%	61%	78%	75%	75%
% of Year 11 students gaining 5 or more GCSE's or equivalent at grade A*-C	97%	99%	98%	98%	98%	98%	96%
% of grades at GCSE or equivalent being <b>A*-A</b>	45%	35%	42%	38%	38%	38%	26%
% achieving English Baccalaureate		22%	23%	27%	32%	35%	35%
% of Year 11 students gaining 5 or more GCSEs or equivalents at grade <b>A*-G</b>	99%	99%	99%	100%	99%	98%	99%
% of Year 11 students obtaining <b>2 or more (A*-C) GCSEs in Science</b>			86%	68%	75%	80%	80%
Percentage of pupils at the end of KS4 who have achieved at least <b>one full</b> GCSE (or equivalent) at grades <b>A*-C</b> in <b>MFL</b>	43%	55%	69%	55%	65%	68%	70%
Percentage of pupils at the end of KS4 who have achieved at least <b>one short</b> course GCSE (or equivalent) at grades <b>A*-G</b> in <b>MFL</b>	60%	90%	95%	87%	85%	89%	85%
<b>Average Total Point Score Capped (best 8) per student in Y11</b>	399	395	403	398	385	398	380

### Post 16 Results & Targets (Priority 1.2)

Performance Indicator	2009	2010	2011	2012	Target 2013	Actual 2013	Target 2014
Average Total UCAS points score for students taking 2 or more A-levels or equivalent	336	8358	372	370	370	373	360
Average UCAS points score per post-16 examination entry	89	99	93	96	96	97	90
% of grades at GCE or equivalent <b>A*/A/B</b>	54%	63%	56%	52%	55%	61%	48%

# Dixons City Academy Charitable Trust

## Governors' Report (continued)

Year ended 31 August 2013

### KS3 Targets (Priority 1.2)

Performance Indicator	2009	2010	2011	2012	Target 2013	Actual 2013	Target 2014
% of students making two levels of progress KS2-KS3 in English (Teacher Assessment)	58%	65%	50%	59%	60%	79%	80%
% of students making two levels of progress KS2-KS3 in Maths (Teacher Assessment)	78%	84%	76%	73%	77%	71%	80%

### Attendance, Punctuality & Exclusions (Priority 2.1)

Performance Indicator	2009	2010	2011	2012	Target 2013	Actual 2013	Target 2014
KS3 and KS4 Attendance	96%	96%	96%	96%	97%	97%	97%
KS3 and KS4 Punctuality	99%	99%	99%	99%	99%	99%	99%
% of half days missed through absence	4.4%	3.2%	4.0%	4.5%	3.0%	4.6%	3.0%
KS4 Persistent absent rate	0.8%	0.9%	0.7%	1.1%	0.5%	1.2%	0.5%
Post 16 attendance	93.0%	96.0%	96.0%	96.3%	97.0%	95.2%	97.0%
Post 16 Punctuality	98%	98%	98%	98%	98%	98%	98%

### Teaching & Learning Targets (priority 1.3 & 2.1)

Performance Indicator	2012	Target 2013	Actual 2013	Target 2014
% lessons graded at least satisfactory	99.5%	100%	100%	100%
% of lessons graded at least good	86%	90%	90%	95%
% of lessons grades outstanding	38%	50%	36%	38%
Days lost due to staff absence	8.9	5.0	5.6	5

### Key Financial Performance Indicators

The Academy held fund balances as at 31 August 2013 of £20,108k (2012 £13,104k), had cash and bank balances of £1,513k (2012 £1,175k) and generated an operating surplus (excluding Pension Provisions and Depreciation) of £385k (2012 £346k)

The key financial targets for 2013/14 are

- To generate an operating surplus for the year (excluding restricted fixed asset funds and before making provision for the actuarial loss and in year administration costs relating to the defined benefits pension scheme) of £101k,
- Cash and Bank Balance as at 31 August 2014 of £1,600k

# Dixons City Academy Charitable Trust

## Governors' Report (continued)

Year ended 31 August 2013

### **Auditors**

Insofar as the governors are aware

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

Approved by order of the members of the Governing Body on 7 November 2013 and signed on its behalf by

Joanne Williams  
Chair



# Dixons City Academy Charitable Trust

## Governance Statement

Year ended 31 August 2013

### Scope of Responsibility

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

The governing body has delegated the day to day responsibility to the Executive 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 Dixons City Academy Charitable Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met four times during the year.

The Finance Committee, which meets three times per year, is a sub-committee of the main Governing Body. Its purpose is:

- to exercise the powers and duties of the Governing Body in respect of the financial administration of the Academy, except for those items specifically reserved for the Governing Body and those delegated to the Principal and other staff
- to report on decisions taken under delegated powers to the next meeting of the Governing Body

Attendance during the year at meetings of the Governing Body and Finance Committee is given below:

Governor	Full Governing Body	Finance Committee
Abbott J (Staff Governor)	3/4	
Alderson G	2/4	
Ashraf S	2/4	
Barrett L	2/4	
Bowes C	3/4	2/3
Collins B	4/4	3/3
Davies J (Chair of Finance Committee)	3/4	2/3
Hill J (Sir)	3/4	1/3
Holmes D	2/4	2/3
May S (Staff Governor)	4/4	
Williams J (Chair of Governors)	4/4	3/3
Zia A	1/4	
Khan I	2/4	
Sawyer K	3/4	



# **Dixons City Academy Charitable Trust**

## **Governance Statement (continued)**

**Year ended 31 August 2013**

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Dixons City Academy Charitable Trust for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Governing Body 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 Governing Body is of the view that there is a formal on-going process for risks that has been in place for the year ending 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

### **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 Governing Body,
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties, and
- identification and management of risks.

The Governing Body has considered the need for a specific Internal Audit function and has decided to appoint Baker Tilly (formerly RSM Tenon) as Internal Auditor. The governors have also appointed G Alderson, a governor, as Responsible Officer ('RO') and it is to this person that the Internal Auditors report. The RO's role includes the development of a rolling three year Internal Audit strategy and ensuring that a range of checks on the Academy Trust's financial systems are undertaken. The RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities at each Governors' meeting.

### **Review of Effectiveness**

As Accounting Officer, the Executive 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 Responsible Officer,
- the work of the Internal Auditor,
- the work of the External Auditor,
- the financial management and governance self assessment process,

# Dixons City Academy Charitable Trust

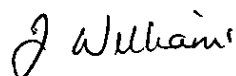
## Governance Statement (continued)

Year ended 31 August 2013

- 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 Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place

Approved by order of the members of the Governing Body on 7 November 2013 and signed on its behalf by



Joanne Williams  
Chair of Governors



N Weller  
Executive Principal  
Accounting Officer

# **Dixons City Academy Charitable Trust**

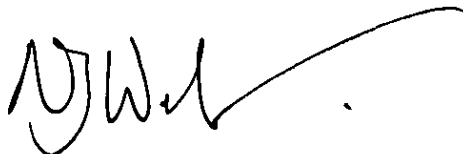
## **Statement on Regularity, Propriety and Compliance**

**Year ended 31 August 2013**

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

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



N Weller  
Executive Principal  
Accounting officer

7 November 2013

# Dixons City Academy Charitable Trust

## Statement of Governors' Responsibilities

Year ended 31 August 2013

The governors (who act as trustees for charitable activities of Dixons City Academy Charitable Trust and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

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

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

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

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

Approved by order of the members of the Governing Body on 7 November 2013 and signed on its behalf by



Joanne Williams  
Chair of Governors

# **Dixons City Academy Charitable Trust**

## **Independent Auditor's Report to the Members of Dixons City Academy Charitable Trust**

**Year ended 31 August 2013**

We have audited the financial statements of Dixons City Academy Charitable Trust for the year ended 31 August 2013, which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of governors\* and auditor**

As explained more fully in the Statement of Governors' Responsibilities set out on page 18, the governors (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 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,
- have been prepared in accordance with the Companies Act 2006, and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency.

### **Opinion on other requirement of the Companies Act 2006**

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

# Dixons City Academy Charitable Trust

## Independent Auditor's Report to the Members of Dixons City Academy Charitable Trust

Year ended 31 August 2013

### Matters on which we are required to report by exception

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

- the charity has not kept adequate accounting records, 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 governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

*Baker Tilly Audit Ltd*

Alan Dunwell (Senior Statutory Auditor)  
For and on behalf of Baker Tilly Audit Limited, Statutory Auditor  
2 Wellington Place  
Leeds  
LS1 4AP

Date 29.11.2013

# Dixons City Academy Charitable Trust

## Statement of Financial Activities

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Year ended 31 August 2013

	Notes	Unrestricted funds £000	Restricted general funds £000	Restricted fixed Asset funds £000	Total 2013 £000	Total 2012 £000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds</i>						
Voluntary income	3	-	-	182	182	-
Activities for generating funds	4	572	65	-	637	634
Investment income	5	13	-	-	13	4
<i>Incoming resources from charitable activities</i>						
Funding for the Academy's educational operations	6	-	7,967	6,975	14,942	6,602
Project management grants	6	-	34	-	34	-
<b>Total incoming resources</b>		<u>585</u>	<u>8,066</u>	<u>7,157</u>	<u>15,808</u>	<u>7,240</u>
<b>Resources expended</b>						
<i>Cost of generating funds</i>						
<i>Costs of generating voluntary income</i>						
<i>Charitable Activities</i>						
Academy's educational operations	8	347	8,008	638	8,993	7,483
<i>Governance</i>	9	-	19	-	19	15
<b>Total resources expended</b>	7	<u>347</u>	<u>8,027</u>	<u>638</u>	<u>9,012</u>	<u>7,498</u>
<b>Net incoming/(outgoing) resources before transfer</b>		238	39	6,519	6,796	(258)
Gross transfers between funds	17	-	169	(169)	-	-
<b>Net incoming/(expenditure) for the year</b>		238	208	6,350	6,796	(258)
Actuarial gains/( losses)	17/25	-	208	-	208	(505)
<b>Net outgoing resources</b>		238	416	6,350	7,004	(763)
Fund balances brought forward at 1 September 2012		185	(941)	13,860	13,104	13,867
<b>Fund balances carried forward at 31 August 2013</b>	17/18	<u>423</u>	<u>(525)</u>	<u>20,210</u>	<u>20,108</u>	<u>13,104</u>

The Statement of Financial Activities analyses all the incoming resources and expenditures of the academy trust during the year and reconciles the movements in funds. The overall financial position at the year end is summarised in the balance sheet on page 22.

All amounts relate to on-going operations.

# Dixons City Academy Charitable Trust


## Balance Sheet

Company Number: 2303464

Year ended 31 August 2013

	Notes	2013 £000	2012 £000
<b>Tangible fixed assets</b>	13	20,210	13,621
<b>Current assets</b>			
Stock	14	15	6
Debtors	15	544	278
Cash at bank and in hand		1,513	1,175
		<u>2,072</u>	<u>1,459</u>
<b>Less Current liabilities</b>			
Amounts falling due within one year	16	(1,177)	(879)
<b>Net current assets</b>		<u>895</u>	<u>580</u>
<b>Total assets less current liabilities</b>		<u>21,105</u>	<u>14,201</u>
<b>Pension Scheme Liability</b>	25	(997)	(1,097)
		<u>20,108</u>	<u>13,104</u>
<b>Financed by</b>			
<b>Funds</b>			
<b>Restricted Funds</b>			
Restricted fixed assets funds	17	20,210	13,860
Restricted general fund	17	472	156
Pension Scheme Liability	17	(997)	(1,097)
<b>Total Restricted Funds</b>		<u>19,685</u>	<u>12,919</u>
<b>Unrestricted Funds</b>			
General Funds	17	423	185
		<u>20,108</u>	<u>13,104</u>

The financial statements on pages 21 to 42 were approved by the Governors, and authorised for issue on 7 November 2013 and signed on their behalf by

  
Joanne Williams  
Chair of Governors



# Dixons City Academy Charitable Trust

## Cash Flow Statement

Year ended 31 August 2013

		2013 £000	2012 £000
Net cash inflow from operating activities	20	405	302
Returns on investments	21	3	4
Capital expenditure	22	(70)	(278)
(Decrease) / increase in cash in the year	23	338	28
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2012		1,175	1,147
Net funds at 31 August 2013		1,513	1,175

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements

Year ended 31 August 2013

### 1 Accounting policies

#### a) Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

#### b) Consolidation

The academy trust has taken advantage of the exemption provided by Section 405 of the Companies Act 2006 not to prepare group accounts on the basis that the consolidation of its subsidiary undertakings is not material for the purposes of giving a true and fair view of the results and financial position of the group.

#### c) Income and expenditure

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

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

#### d) Grants

Revenue grants are recognised in the income and expenditure account in the period in which they are receivable.

#### e) Donated services and gifts in kind

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

#### f) Expenditure

In accordance with the Charities SORP, expenditure has been analysed between direct charitable and other expenditure. The only activity undertaken by the Academy is the operation of the Academy and indirect charitable expenditure reflects the costs of management, administration and fundraising necessary for the operation of the Academy. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. These include -

Cost category	Basis of apportionment
Maintenance of Premises	Capacity of accommodation utilised
Depreciation	Capacity of accommodation utilised

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

Governance costs comprise the costs of the Academy in meeting its constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability

### g) Capital income

Capital income by way of grants from the Government and private donations are recognised in the income and expenditure account in the period in which they are receivable

### h) Tangible fixed assets

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives as follows

Freehold land	Nil
Freehold buildings	1 67%-10% straight line
Plant and machinery	10%-20% straight line
Furniture and equipment	10%-20% straight line
Computer equipment and software	25%-33% straight line

Software purchased independently of computers is written off in year of purchase

Tangible fixed assets additions which cost less than £1,000 are expensed

### i) Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the academy trust

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 25, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

### j) Reserves policy

The Governors have accepted the need for general long term reserves to be maintained at a level approximately equal to 5% of turnover

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

To help fund short and medium term investment, the Governors transfer to restricted funds an annual variable sum up to a maximum of 12% of government funds

### k) Investment policy

The Trustee's investment powers are governed by the memorandum and articles of association and allow the charity's funds to be invested in a wide range of investment vehicles without restriction

### l) 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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes

## 2 General Annual Grant (GAG)

On 31 August 2012 the academy trust entered into a new master funding agreement with the Secretary of State. Under this agreement none of the academies within the multi-academy trust were subject to a limit on the amount of GAG that they could carry forward

## 3 Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
Gifts in Kind	-	182	182	-
	-	182	182	-

## 4 Activities for generating funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
Hire of Facilities	13	-	13	16
Sundry	325	65	390	436
Catering Income	234	-	234	182
	572	65	637	634

## 5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
Gift Aid from wholly owned subsidiary	10	-	10	-
Short Term Deposits	3	-	3	4
	13	-	13	4

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 6 Funding for Academy's educational operations

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	Total 2012 £'000
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG) (note 2)	-	7,133	7,133	6,173
Start Up Grants	-	383	383	-
Capital Grants	-	6,975	6,975	95
Other DfE/EFA grants	-	408	408	290
	-	<b>14,899</b>	<b>14,899</b>	6,558
<b>Other Government grants</b>				
Project management grants	-	34	34	-
Local Authority Grants	-	43	43	44
	-	<b>77</b>	<b>77</b>	44

### 7. Resources Expended

	Staff Costs £000	Non Pay Premises £000	expenditure Other Costs £000	Total 2013 £000	Total 2012 £000
Academy's educational operations					
Direct costs	5,327	480	713	6,520	5,389
Allocated support costs	1,101	750	622	2,473	2,094
	<b>6,428</b>	<b>1,230</b>	<b>1,335</b>	<b>8,993</b>	<b>7,483</b>
Governance costs including allocated support costs	-	-	19	19	15
	<b>6,428</b>	<b>1,230</b>	<b>1,354</b>	<b>9,012</b>	<b>7,498</b>

### Net Incoming/outgoing resources for the year include.

	2013 £000	2012 £000
Fees payable - Financial Statements Audit	10	7
- Internal Audit	7	6
Governors reimbursed expenses	2	2

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 8 Charitable Activities - Academy's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
<b>Direct costs</b>				
Teaching and educational support staff costs	126	5,201	5,327	4,567
Depreciation	-	480	480	405
Technology Costs	-	109	109	-
Educational supplies	-	360	360	170
Examination fees	-	145	145	168
Staff development	11	24	35	16
Other direct costs	-	64	64	63
	<b>137</b>	<b>6,383</b>	<b>6,520</b>	<b>5,389</b>
<b>Allocated support costs</b>				
Support staff costs	-	1,101	1,101	764
Depreciation	-	158	158	136
Recruitment and support	-	23	23	42
Maintenance of premises and equipment	-	141	141	109
Cleaning	-	27	27	178
Rent & rates	-	58	58	47
Energy costs	-	208	208	135
Insurance	-	89	89	57
Security and transport	-	69	69	77
Catering	173	-	173	136
Other support costs	37	281	318	345
FRS17 Pension Adjustment	-	108	108	64
	<b>210</b>	<b>2,263</b>	<b>2,473</b>	<b>2,094</b>
	<b>347</b>	<b>8,646</b>	<b>8,993</b>	<b>7,483</b>

### 9. Governance costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2013 £000	Total 2012 £000
Auditors' remuneration				
Audit of financial statements	-	10	10	7
Responsible officer audit	-	7	7	6
Governors' reimbursed expenses	-	2	2	2
	<b>-</b>	<b>19</b>	<b>19</b>	<b>15</b>

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 10 Staff costs

Staff costs during the period were	Total 2013 £000	Total 2012 £000
Wages and salaries	5,471	4,602
Social security costs	303	311
Other pension costs	630	528
	<hr/> 6,404	<hr/> 5,441
Supply teacher costs	24	52
Compensation payments	-	-
	<hr/> 6,428	<hr/> 5,493

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

	2013 No	2012 No
<b>Charitable Activities</b>		
Teachers	87	76
Administration and support	72	62
Management	5	3
	<hr/> 164	<hr/> 141

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

	2013 No	2012 No
£60,000 - £69,999	3	2
£70,000 - £74,999	1	-
£75,000 - £79,999	1	1
£90,000 - £94,999	-	1
£95,000 - £99,999	1	-
£135,000 - £139,999	-	1
£145,000 - £149,999	1	-

All the employees earning over £60,000 participated in one of the final salary defined benefit pension schemes. Contributions made by the Academy on behalf of these employees during the year ended 31 August 2013 totalled £76,094 (2012 £5,239)

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 11 Governors' remuneration and expenses

The Executive Principal, the Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Executive Principal, Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of the governors' remuneration was as follows

	2013		2012	
	£		£	
Executive Principal	£145,000	- £149,999	£135,000	- £139,999
Principal	£95,000	- £99,999	£90,000	- £94,999
J Abbott - Staff Governor	£40,000	- £45,000	£40,000	- £45,000
S May - Staff Governor	£25,000	- £29,999	£20,000	- £25,000

During the year ended 31 August 2013, travel and subsistence expenses totalling £1,476 (2012 £2,240) were reimbursed to two governors (2012 – two)

### 12 Central services

In order to obtain economies of scale as new Academies and Free Schools are opened, the following functions have been centralised and recharged back to individual schools as detailed below

Executive Principal  
Financial Directorate  
Payroll Services  
Admissions Management  
ICT Network  
Strategic Site Management  
Marketing and Advertising

The charges for these services, which in the main relate to staffing costs, have been charged on a time apportionment basis i.e. a daily rate multiplied by the agreed number of days members of staff worked at each school

	2013
	£000
Dixons City Academy	151
Dixons Trinity Academy	85
Dixons Music Primary	44
	<hr/>
	<b>280</b>
	<hr/>
The following amount was also charged to Dixons Allerton Academy	<b>164</b>
	<hr/>



# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

### Year ended 31 August 2013

#### 12 Central services - continued

A summarised Income & Expenditure Account for the year ended 31 August 2013 in respect of the above is as follows

	<b>2013</b>
	<b>£000</b>
<b>Income</b>	
Recharges to Academies	444
Project management Fees	34
Other Income	51
	<u><b>529</b></u>
<b>Expenditure</b>	
Staff Costs	472
Staff Development - Dixons Masters	11
Appeals	8
Other	22
	<u><b>513</b></u>
<b>Excess of Income Over Expenditure</b>	<u><b>16</b></u>

#### 13. Tangible fixed assets

	Land and buildings	Plant and machinery	Furniture and equipment	Computer equipment and software	Total
	£000	£000	£000	£000	£000
<b>Cost</b>					
At 1 September 2012	16,877	909	3,198	1,615	22,599
Additions	6,606	5	108	508	7,227
<b>At 31 August 2013</b>	<u><b>23,483</b></u>	<u><b>914</b></u>	<u><b>3,306</b></u>	<u><b>2,123</b></u>	<u><b>29,826</b></u>
<b>Accumulated Depreciation</b>					
At 1 September 2012	4,142	783	2,541	1,512	8,978
Charge for year	332	23	145	138	638
<b>At 31 August 2013</b>	<u><b>4,474</b></u>	<u><b>806</b></u>	<u><b>2,686</b></u>	<u><b>1,650</b></u>	<u><b>9,616</b></u>
<b>Net book value</b>					
<b>At 31 August 2013</b>	<u><b>19,009</b></u>	<u><b>108</b></u>	<u><b>620</b></u>	<u><b>473</b></u>	<u><b>20,210</b></u>
 At 31 August 2012	<u> 12,735</u>	<u> 126</u>	<u> 657</u>	<u> 103</u>	<u> 13,621</u>

The above cost includes the following which have not been depreciated

- freehold land of £370,590 at Dixons City Academy
- £4.4 million of the cost of the new Dixons Trinity Academy/Dixons Music Primary buildings, the buildings not being occupied until September 2013

Included in the net book value of Land and Buildings is £6,414,000 relating to extensions to the existing buildings at Dixons Trinity Academy and Dixons Music Primary

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 14 Stock

	2013 £000	2012 £000
Books & Materials	10	-
Catering	5	6
	<u>15</u>	<u>6</u>

### 15 Debtors

	2013 £000	2012 £000
Trade debtors	43	38
VAT Recoverable	346	71
Prepayments & Accrued Income	123	150
Amount due from subsidiary undertaking	30	15
Other debtors	2	4
	<u>544</u>	<u>278</u>

### 16 Creditors amounts falling due within one year

	2013 £000	2012 £000
Trade Creditors	206	278
Taxation & Social Security	121	105
Accruals & Deferred Income	262	235
Other creditors	588	261
	<u>1,177</u>	<u>879</u>

#### Deferred income

	2013 £000	2012 £000
Deferred Income at 1 September 2012	37	49
Resources deferred in the year	18	37
Amounts released from previous years	(37)	(49)

Deferred Income at 31 August 2013

	<u>18</u>	<u>37</u>
Post 16 Bursary Fund	-	19
Pupil Premium	-	-
SSCO Funding	-	-
Devolved Formula capital	13	13
TDA	-	-
Music Lessons	5	5

At the balance sheet date the academy trust was holding grants and music tuition fees received in advance

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 17 Funds

	Balance at 1 September 2012 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2013 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	80	7,133	(6,910)	169	472
Start up grant	-	383	(383)	-	-
Other DfE/EFA grants	30	408	(438)	-	-
DfE project management grants	-	34	(34)	-	-
LA & Other government grants	-	43	(43)	-	-
Other restricted	46	65	(111)	-	-
	<u>156</u>	<u>8,066</u>	<u>(7,919)</u>	<u>169</u>	<u>472</u>
Pension reserve	(1,097)	-	(108)	208	(997)
	<u>(941)</u>	<u>8,066</u>	<u>(8,027)</u>	<u>377</u>	<u>(525)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	13,860	7,157	(638)	(169)	20,210
Capital expenditure from GAG	-	-	-	-	-
	<u>13,860</u>	<u>7,157</u>	<u>(638)</u>	<u>(169)</u>	<u>20,210</u>
<b>Total restricted funds</b>	<u>12,919</u>	<u>15,223</u>	<u>(8,665)</u>	<u>208</u>	<u>19,685</u>
<b>Unrestricted funds</b>					
Unrestricted funds	185	585	(347)	-	423
	<u>185</u>	<u>585</u>	<u>(347)</u>	<u>-</u>	<u>423</u>
<b>Total unrestricted funds</b>	<u>185</u>	<u>585</u>	<u>(347)</u>	<u>-</u>	<u>423</u>
<b>Total funds</b>	<u>13,104</u>	<u>15,808</u>	<u>(9,012)</u>	<u>208</u>	<u>20,108</u>

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

Under the master funding agreement with the Secretary of State, none of the academies in the multi-academy trust were subject to a limit of the amount of GAG that they could carry forward at 31 August 2013

Other restricted income represents surpluses which have been generated from the Academy's trading activities which the Governors have earmarked for future capital replacements

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

### Year ended 31 August 2013

Restricted fixed assets have been funded by government grants, sponsors and surpluses from trading activities

#### Analysis of academies by fund balance

Fund balances at 31 August 2013 were allocated as follows

	<b>Total £000</b>
Dixons City Academy	832
Dixons Trinity Academy	6
Dixons Music Primary	41
Central services	16
<b>Total before fixed assets and pension reserve</b>	<b>895</b>
Restricted fixed asset fund	20,210
Pension reserve	(997)
<b>Total</b>	<b>20,108</b>

#### Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows

	<b>Teaching and Educational Support Staff Costs £000</b>	<b>Other Support Staff Costs £000</b>	<b>Educational Supplies £000</b>	<b>Other Costs (excluding depreciation) £000</b>	<b>Balance as at 31 August 2013 £000</b>
Dixons City Academy	4,336	837	408	949	6,530
Dixons Trinity Academy	570	56	97	266	989
Dixons Music Primary	126	31	53	132	342
Central services	295	177	11	30	513
<b>Academy Trust</b>	<b>5,327</b>	<b>1,101</b>	<b>569</b>	<b>1,377</b>	<b>8,374</b>

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 18 Analysis of net assets between funds

Fund balances at 31 August 2013 are represented by

	Unrestricted general fund	Restricted general fund	Restricted fixed asset fund	Total 2013
	£000	£000	£000	£000
Tangible fixed assets	-	-	20,210	20,210
Current assets	423	1,649	-	2,072
Current liabilities	-	(1,177)	-	(1,177)
Pension scheme liability	-	(997)	-	(997)
<b>Total net assets</b>	<b>423</b>	<b>(525)</b>	<b>20,210</b>	<b>20,108</b>

### 19. Capital commitments

	2013 £000	2012 £000
Contracted for, but not provided in the financial statements	<u>793</u>	<u>112</u>

### 20 Reconciliation of consolidated operating (deficit)/surplus to net cash inflow from operating activities

	2013 £000	2012 £000
(Deficit)/surplus on continuing operations after depreciation of assets at valuation	6,796	(258)
Depreciation (note 13)	638	542
Capital grants from DfE and other capital income	(6,975)	(95)
Gifts in kind	(182)	-
Interest receivable (note 5)	(3)	(4)
FRS 17 pension cost less contributions payable (note 25)	122	69
FRS 17 pension finance income (note 25)	(14)	(5)
(Increase)/decrease in stocks	(9)	(6)
(Increase)/decrease in debtors	(266)	34
Increase/(decrease) in creditors	298	25
<b>Net cash inflow from operating activities</b>	<b>405</b>	<b>302</b>

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

<b>21</b>	<b>Returns on investments and servicing of finance</b>	<b>2013</b>	<b>2012</b>
		<b>£000</b>	<b>£000</b>
	Interest received	3	4
	<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>3</b>	<b>4</b>

<b>22.</b>	<b>Capital expenditure and financial investment</b>	<b>2013</b>	<b>2012</b>
		<b>£000</b>	<b>£000</b>
	Purchase of tangible fixed assets (note 13)	(7,227)	(373)
	Capital grants from DfE/EFA	6,975	95
	Gifts in kind	182	-
	<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(70)</b>	<b>(278)</b>

<b>23</b>	<b>Analysis of changes in net funds</b>	<b>At 1 September</b>	<b>Cash Flows</b>	<b>At 31 August</b>
		<b>2012</b>		<b>2013</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>
	Cash in hand and at bank	1,175	338	1,513
		<b>1,175</b>	<b>338</b>	<b>1,513</b>

## **24 Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member

## **25 Pension and similar obligations**

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 West Yorkshire Pension Fund Both are defined-benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010

Contributions amounting to £85,231 (2012 - £70,963) were payable to the schemes at 31 August 2013 and are included within creditors

# **Dixons City Academy Charitable Trust**

## **Notes to the Financial Statements (continued)**

**Year ended 31 August 2013**

### **25 Pension and similar obligations (continued)**

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

#### **The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

#### **Valuation of the Teachers' Pension Scheme**

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

# **Dixons City Academy Charitable Trust**

## **Notes to the Financial Statements (continued)**

**Year ended 31 August 2013**

### **25 Pension and similar obligations (continued)**

#### **Valuation of the Teachers' Pension Scheme (continued)**

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

#### **Teachers' Pension Scheme Changes**

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include a pension based on career average earnings, an accrual rate of 1/57th, and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40/80/100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy has set out above the information available on the scheme.

#### **Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £226,000, of which employer's contributions totalled £158,000 and employees' contributions totalled £68,000. The agreed contribution rates for future years are between 5.5 per cent to 7.5 per cent for employees and for employers and 13.8 per cent for employees.



# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 25 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

##### Principal Actuarial Assumptions

	At 31 August 2013	At 31 August 2012
Rate of increase in salaries	4.70%	4.70%
Rate of increase for pensions in payment / inflation	2.80%	2.20%
Discount rate for scheme liabilities	4.50%	4.10%
Inflation assumption (CPI)	2.80%	2.20%
Commutation of pensions to lump sums pre 1 April 2010	50%	50%
Commutation of pensions to lump sums post 31 March 2010	75%	75%

	At 31 August 2013	At 31 August 2012
<i>Retiring today</i>		
Males	22.1	22.0
Females	23.9	24.1
<i>Retiring in 20 years</i>		
Males	24.3	23.8
Females	26.2	26.1

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

	Expected return at 31 August 2013	Fair value at 31 August 2013	Expected return at 31 August 2012	Fair value at 31 August 2012
	%	£000	%	£000
Equities	7.90%	2,445	7.50%	1,945
Bonds	3.60%	573	2.70%	529
Property	7.40%	100	7.00%	100
Cash & Other	4.00%	231	5.20%	209
<b>Total market value of assets</b>		<b>3,349</b>		<b>2,783</b>
Present value of scheme liabilities				
- Funded		(4,346)		(3,880)
		<b>(997)</b>		<b>(1,097)</b>

Dixons City Academy Charitable Trust employs a building block approach in determining the rate of return of Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected rate of return for each asset class over the actual asset allocation for the fund as at 31 August 2013.

The actual return on the scheme assets was £386,000 (2012: £207,000)

### 25 Pension and similar obligations (continued)

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### Local government pension scheme (continued)

#### Total expenditure recognised in the Statement of Financial Activities

	2013 £000	2012 £000
Current service cost (net of employer contributions)	122	59
Past service cost	-	10
Total operating charge	<u>122</u>	<u>69</u>
<b>Analysis of pension finance income / (costs)</b>		
Expected return on pension scheme assets	(179)	(171)
Interest on pension liabilities	<u>165</u>	<u>166</u>
<b>Pension finance (income) / costs</b>	<u>(14)</u>	<u>(5)</u>

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £656,000 loss (2012 £864,000 loss)

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

	2013 £000	2012 £000
<b>At 1 September</b>	3,880	2,963
Current service cost	280	208
Interest cost	165	166
Employee contributions	68	62
Actuarial (gain)/loss	(1)	541
Benefits paid	(46)	(70)
Past Service cost	-	10
<b>At 31 August</b>	<u>4,346</u>	<u>3,880</u>

#### Movements in the fair value of academy's share of scheme assets

	2013 £000	2012 £000
<b>At 1 September</b>	2,783	2,435
Expected return on assets	179	171
Actuarial gains / (losses)	207	36
Employer contributions	158	149
Employee contributions	68	62
Benefits paid	(46)	(70)
<b>At 31 August</b>	<u>3,349</u>	<u>2,783</u>

The estimated value of employer contributions for the year ended 31 August 2014 is £168,000

# Dixons City Academy Charitable Trust

## Notes to the Financial Statements (continued)

Year ended 31 August 2013

### 25 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

The five-year history of experience adjustments is as follows

	2013 £000	2012 £000	2011 £000	2010 £000	2009 £000
Defined benefit obligation at end of year	(4,346)	(3,880)	(2,963)	(3,123)	(2,762)
Fair value of plan assets at end of year	3,349	2,783	2,435	2,200	1,722
Deficit	(997)	(1,097)	(528)	(923)	(1,040)

#### Experience adjustments on share of scheme assets

##### Experience adjustments on share of scheme assets

Amount £'000*	207	36	(54)	150	(193)
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##### Experience adjustments on scheme liabilities

Amount £'000*	(1)	(3)	(339)	139	186
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### 26 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Dixons City Academy Charitable Trust is the sponsor of Dixons Allerton Academy.  
At the balance sheet date Dixons Allerton Academy owed £199 (2012 None).

J Barrett (a governor) is the Chair of Governors at Dixons Allerton Academy.

# **Dixons City Academy Charitable Trust**

## **Notes to the Financial Statements (continued)**

**Year ended 31 August 2013**

### **27 Investment in subsidiaries**

#### **Dixons Innovation Centre Limited**

The academy trust was previously gifted the whole of the issued share capital of Dixons Innovation Centre Limited comprising 2 shares of £1 each. The principal activity of Dixons Innovation Centre Limited is the development of resources to support and extend Design Technology within schools and colleges.

During the year ended 31 August 2013, Dixons Innovation Centre Limited generated turnover of £16k (2012 £24k) and made a profit of £10k (2012 £3k), which was donated to Dixons City Academy Trust via a gift aid contribution, and had net assets of £1k (2012 £1k).

#### **The Minerva Centre Limited and Interactive Learning Limited**

The academy trust also holds the entire issued share capital of The Minerva Centre Limited and Interactive Learning Limited. Both of these companies were dormant during the period and had net assets of £nil.