

REGISTRAR OF COMPANIES

**Mossbourne
Community
Academy
Limited**

Report and Accounts

31 August 2004



Company Limited by Guarantee
Registration Number
4468267 (England and Wales)

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Legal and administrative information

Trustees	Sir Clive J Bourne (Principal Sponsor) Lady Joy H Bourne Cyril Dennis (resigned 11 February 2004) David M Morein (resigned 31 March 2004) Sylvie Pierce Robert Feld (appointed 1 April 2004)
Secretary	Donald Hayes
Registered office	Mossbourne Community Academy Downs Park Road London E5 8NP
Company registration number	4468267 (England and Wales)
Charity registration number	1093425
Governing Body	Sir Clive Bourne (Chair) Lady Joy Bourne Lucy Furman Daphne Gibson Robert Feld Sylvie Pierce Don Hayes Jean Nicholls Stephen Grant Alan Wood, CEO, The Learning Trust Sir Michael Wilshaw (Principal) Veronica Carroll (Teacher Governor) Linda Williams (Teacher Governor) Maggie Kalnins (Parent Governor) Atul Patel (Parent Governor)
Auditors	Buzzacott 12 New Fetter Lane London EC4A 1AG

Legal and administrative information

Bankers Brown Shipley
Founders Court
Lothbury
London
EC2R 7HE

Solicitors Berwin Leighton Paisner
Adelaide House
London Bridge
London
EC4R 9HA

Trustees' report Year to 31 August 2004

The trustees of Mossbourne Community Academy Limited (the Academy), who are also directors of the Academy for the purposes of the Companies Act, present their statutory report and the audited accounts for the year ended 31 August 2004.

The report has been prepared in accordance with Part VI of the Charities Act 1993.

The accounts have been prepared in accordance with the accounting policies set out on pages 15 and 16 of the attached accounts and comply with the Academy's memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in October 2000.

Constitution and principal activities

The Academy is a company limited by guarantee and a registered charity which was established on 24 June 2002 to take the place of Hackney Downs School. The company's memorandum and articles of association are the primary governing documents of the Academy. Members of the company are nominated either by the Secretary of State for Education and Skills or the main sponsors of the Academy. The articles of association require the members of the company to appoint at least three trustees to be responsible for the affairs of the company and the management of the Academy.

The principal activity of the Academy is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, operating and developing a secondary school offering a broad curriculum with a strong emphasis on, but not limited to, technology.

In accordance with the articles of association, the company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to 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 technology and its principal applications.

Timetable for the development of the Academy

The Academy is being constructed on the site of the old Hackney Downs School and opened in September 2004. Over the next five years there will be places for up to 900 boys and girls aged between 11 and 16.

At an estimated final cost of £28 million, the necessary capital works for the construction of the Academy are being funded by the Department for Education and Skills and the Principal Sponsor, Sir Clive Bourne.

The capital project will be ongoing until 2005. The Richard Rogers Partnership has designed the Academy to meet the needs of students, teachers and staff as well as those of the local community.

Trustees' report Year to 31 August 2004

Timetable for the development of the Academy (continued)

The school will build up its pupil numbers year by year. On opening in September 2004 the Academy has admitted 220 students to Year 7, with a further 180 - 200 students being admitted each September thereafter. The Academy will have its full complement of students by September 2008.

Organisation and objectives

The sole activity of the company is the operation of Mossbourne Community Academy to provide education for pupils of different abilities between the ages of 11 and 16 with an emphasis on technology. The main objectives of the Academy are summarised below:

- ◆ to raise the standard of educational achievement of all pupils;
- ◆ to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- ◆ to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- ◆ to provide value for money for the funds expended;
- ◆ to comply with all appropriate statutory and curriculum requirements;
- ◆ to conduct our business in accordance with the highest standards of integrity, probity and openness.

Developments and activities during the year

The focus during the year under review was to complete the construction of the Academy in order that it was able to open its doors to its first year intake in September 2004. During this time the Principal, Sir Michael Wilshaw, developed his Management team which at the current time is as follows:

Vice Principal - Pastoral	- Veronica Carroll
Vice Principal - ICT	- Graham Cox
Vice Principal -Curriculum and Assessment	- David Maxfield

Trustees' report Year to 31 August 2004

Developments and activities during the year (continued)

The Academy has a separate Board of Governors consisting of Trustees, Teachers Parent and others as follows:

Chair: Sir Clive Bourne (Sponsor and Trustee)
Lady Joy Bourne (Trustee)
Lucy Furman
Daphne Gibson
Robert Feld (Trustee)
Sylvie Pierce (Trustee)
Don Hayes
Jean Nicholls
Stephen Grant
Alan Wood (CEO The Learning Trust)
Sir Michael Wilshaw (Principal)
Veronica Carroll (Teacher Governor)
Linda Williams (Teacher Governor)
Maggie Kalnins (Parent Governor)
Atul Patel (Parent Governor)

The Board of Governors meet at least once per term in order to monitor the Academy's success in meeting its objectives and to give overall strategic guidance. The Board has two main committee; Curriculum, Standards and Student Welfare and Finance and Human Resources. The day to day management of the school is delegated to the Management Team.

Operating and financial review

The financial statements have been prepared in accordance with the current statutory requirements and the Academy's governing documents.

In this accounting period, the majority of the Academy's income has been obtained from the DfES in the form of grants, the use of which is restricted to particular purposes, and from the Principal Sponsor.

The largest restricted grant received from the DfES in the period was towards the capital development of land and buildings. In accordance with the charity SORP, this grant is shown in the statement of Financial Activities as restricted fixed asset fund. The balance sheet restricted fixed asset fund will be reduced in future years by transfers of amounts equivalent to any depreciation charges over the expected life of the assets concerned.

At 31 August 2005 the net book value of the fixed assets was £25,443,521 and movements are shown in note 10 to the financial statements. The assets will be used exclusively for providing education and associated support services to the pupils of the Academy.

Trustees' report Year to 31 August 2004

Reserves policy

The trustees have reviewed the reserves of the charity. This review encompassed the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The funding received for the development of the Academy and the capital works will fully cover the costs, and therefore the level of reserves is not currently a significant issue.

The trustees have therefore determined that the appropriate level of reserves, which are not invested in tangible assets, should be reviewed shortly after the Academy commenced to operate as a school in September 2004.

The Academy has a number of restricted funds. The purpose of these funds is set out in note 13 to the accounts.

Trustees

Each trustee has taken responsibility for monitoring the Academy's activities in specific operational areas and constant regard is had to the skills mix of the trustees to ensure that the board of trustees has all the necessary skills required to contribute fully to the Academy's development.

The following trustees were in office at 31 August 2004 and were appointed as follows:

Trustee

Sir Clive J Bourne (Principal Sponsor)
Lady Joy H Bourne
Cyril Dennis (resigned 11 February 2004)
David M Morein (resigned 31 March 2004)
Sylvie Pierce
Robert Feld (appointed 1 April 2004)

No trustee received any remuneration or reimbursement of expenses from the Academy during the year. Two of the trustees received £213 (2003 – one person £59) in reimbursed out of pocket expenses during the year.

Governance of the Academy

During the year under review, the trustees held 8 meetings.

The trustees are required by the Charities Act 1993 to prepare accounts for each financial period that give a true and fair view of the state of affairs of the Academy as at the end of the financial period and of the resources received and expended by the Academy for that year.

The trustees confirm that suitable accounting policies have been used and applied consistently and that reasonable and prudent judgements and estimates have been made in the preparation of the accounts for the year ended 31 August 2004. The trustees also confirm that applicable accounting standards have been followed and that the accounts have been prepared on the going concern basis.

Governance of the Academy (continued)

The trustees are responsible for keeping proper accounting records, for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Equal opportunities

The trustees recognised that equal opportunities should be an integral part of good practice within the workplace. The Academy 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.

Statement of trustees' responsibilities

Company law requires the trustees (who are the directors of the company for the purpose of the Companies Act) to prepare accounts which give a true and fair view of the state of affairs of the Academy at the end of the financial period and of its surplus or deficit for that period. In preparing accounts giving a true and fair view, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Academy will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Academy and which enables them to ensure that the accounts comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on the system of internal financial controls

As governors, the trustees acknowledge they have overall responsibility for ensuring that the Academy has an effective and appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Academy and enable them to ensure the financial statements comply with the Companies Act. The trustees also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- ◆ the Academy is operating efficiently and effectively;
- ◆ its assets are safeguarded against unauthorised use or disposition;

Trustees' report Year to 31 August 2004

Statement on the system of internal financial controls (continued)

- ◆ proper records are maintained and financial information used within the Academy or for its publication is reliable;
- ◆ the Academy complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement. They are 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:

- ◆ budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the trustees;
- ◆ reviews by the trustees 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 guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ identification and management of risks.

The governors are in the process of introducing a formal risk management process to assess the risks to the Academy and to implement risk management strategies. This involves identifying the types of risks the Academy faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating these risks.

In addition, the trustees will consider the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although it is not mandatory for the Academy it should, as a publicly funded body, adopt these guidelines as best practice.

Prior to the opening of the Academy in September 2004, the trustees has appointed a Responsible Officer (RO). The RO's role will include the provision of advice on financial matters and performing a range of checks on the Academy's financial systems.

Legal status


The Academy is a company limited by guarantee, without share capital, and a registered charity. Every member of the 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.

Trustees' report Year to 31 August 2004

Auditors

The auditors, Buzzacott, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Approved by the trustees and signed on their behalf by:



R L Feld

Trustee

Approved by the trustees on: 20 June 2005

Report of the independent auditors to the members of Mossbourne Community Academy Limited

We have audited the accounts on pages 12 to 21 which have been prepared in accordance with the accounting policies set out on pages 15 and 16.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 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 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 trustees and auditors

As described on page 7 the trustees, who are also the directors of Mossbourne Community Academy Limited for the purposes of company law are responsible for the preparation of the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' report is not consistent with the accounts, if the Academy has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We review whether we are satisfied that the Academy's systems of internal controls are such as to comply with the obligations placed on the Governing Body by the Secretary of State for Education and Skills.

We read other information contained in the trustees' report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

Independent auditors' report 31 August 2004

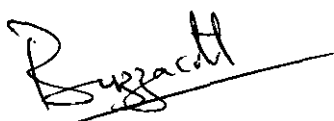
Basis of opinion (continued)

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- (a) the accounts give a true and fair view of the state of affairs of the Academy as at 31 August 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985;
- (b) the accounts have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Skills in respect of the relevant financial period;
- (c) proper accounting records have been kept by the Academy throughout the financial period;
- (d) grants made by the Department for Education and Skills have been applied for the purposes intended.



Buzzacott
Chartered Accountants and Registered Auditors
12 New Fetter Lane
London
EC4A 1AG

20 June 2005

Statement of financial activities Year to 31 August 2004

	Notes	General fund £	Restricted funds DfES £	Fixed assets £	2004 Total funds £	2003 Total funds £
Income and expenditure						
Incoming resources						
Grants receivable	1	—	574,449	18,511,127	19,085,576	5,429,086
Donations	2	243,785	—	336,170	579,955	511,000
Interest receivable	3	24,180	—	—	24,180	5,113
Other income		321	2,584	—	2,905	—
Total incoming resources		268,286	577,033	18,847,297	19,692,616	5,945,199
Resources expended						
Charitable expenditure						
Cost of activities in furtherance of the Academy's objectives:						
. Project costs	4	—	—	—	—	6,454
. Implementation costs	5	—	552,178	—	552,178	—
Management and administration of the Academy	6	—	8,812	—	8,812	5,604
Other costs		4,575	—	—	4,575	—
Total resources expended		4,575	560,990	—	565,565	12,058
Net movement in funds		263,711	16,043	18,847,297	19,127,051	5,933,141
Fund balances brought forward at 1 September 2003		97,852	—	5,835,289	5,933,141	—
Fund balances carried forward at 31 August 2004		361,563	16,043	24,682,586	25,060,192	5,933,141

All of the Academy's activities derived from continuing operations during the above two financial periods.

The Academy has no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses have been presented.

There is no difference between the net movement in funds stated above, and its historical cost equivalent.

Balance sheet 31 August 2004

	Notes	2004 £	2004 £	2003 £	2003 £
Fixed assets					
Tangible assets	10		25,443,521		5,835,289
Current assets					
Debtors	11	1,317,855		820,367	
Cash at bank and in hand		461,719		174,607	
		<u>1,779,574</u>		<u>994,974</u>	
Creditors: amounts falling due within one year	12	(2,162,903)		(897,122)	
Net current (liabilities) assets			(383,329)		97,852
Total net assets			<u>25,060,192</u>		<u>5,933,141</u>
Represented by:					
Funds and reserves					
Income funds:					
Restricted funds	13				
. Fixed assets			24,682,586		5,835,289
. Implementation fund			16,043		--
Unrestricted funds					
. General fund			361,563		97,852
			<u>25,060,192</u>		<u>5,933,141</u>

Approved by the trustees
and signed on their behalf by:

Sir Clive Bourne

Trustee

Approved on: 20 June 2005

Cash flow statement 31 August 2004

	2004 £	2003 £
Cash inflow from operating Activities		
<i>Receipts</i>		
DfES Capital grant	18,058,197	4,608,719
DfES Implementation grant	529,890	—
Donations	168,785	11,000
M Bourne Charitable Trust sponsorship	75,000	54,440
Interest received	24,181	5,112
Other receipts	2,905	—
Total receipts	18,858,958	4,679,271
<i>Payments</i>		
Staff costs	299,883	—
Other cash payments	215,273	3,700
Total payments	515,156	3,700
Net cash inflow from operating activities	18,343,802	4,675,571
Capital expenditure and financial investment		
Payments to acquire fixed assets	(18,056,690)	(4,500,964)
Increase in cash	287,112	174,607

A Analysis of changes in net debt

	At 1 September 2003 £	Cash flows £	At 31 August 2004 £
Cash at bank and in hand	174,607	287,112	461,719

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1985. Applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) have been followed in these accounts.

Incoming resources

Grants receivable

Fixed asset grants are included in the statement of financial activities on an accruals basis in line with claims made to the DfES. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown in the restricted income fund on the balance sheet.

Donations

Donations are included in the statement of financial activities on receipt.

Interest receivable

Interest receivable is included within the statement of financial activities on an accruals basis.

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. The costs of activities in furtherance of the Academy's objects comprise expenditure on the primary charitable purposes as described in the trustees' report. Such costs include the development costs incurred in setting up the Academy.
- b. Management and administration costs include expenditure on the administration of the Academy and compliance with constitutional and statutory requirements.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

Where fixed assets have been acquired with the aid of specific grants, they are included in the balance sheet at cost and are depreciated over their expected useful economic life. The related grants are released over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is not charged on capital development works which are ongoing at 31 August 2004.

Principal accounting policies 31 August 2004

Fund accounting

The general fund represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Academy's charitable objects.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Taxation

The Academy is a registered charity and accordingly is exempt from taxation on its charitable activities which fall within the scope of section 505(1) of the Taxes Act 1988 and section 256 of the Taxation of Chargeable Gains Act 1992.

1 Grants receivable

	Unrestricted funds £	Restricted funds £	2004 Total funds £	2003 Total funds £
DfES grants				
· Capital grant	—	18,511,127	18,511,127	5,422,048
· Implementation grant	—	574,449	574,449	7,038
	—	19,085,576	19,085,576	5,429,086

2 Donations

	Unrestricted funds £	Restricted funds £	2004 Total funds £	2003 Total funds £
M Bourne Charitable Trust	75,000	336,170	411,170	500,000
Rag Week	—	—	—	5,000
The Learning Trust	—	—	—	3,000
Fenwick	—	—	—	2,500
Weinstock	—	—	—	500
Clove Club	2,260	—	2,260	—
Jim O'Neil	75,000	—	75,000	—
Grocers' Company	10,000	—	10,000	—
Jack Petchey	80,000	—	80,000	—
Levy Family Trust	1,000	—	1,000	—
Other donations under £200	525	—	525	—
	243,785	336,170	579,955	511,000

3 Interest receivable

	Unrestricted funds £	Restricted funds £	2004 Total funds £	2003 Total funds £
Bank interest	24,180	—	24,180	5,113

4 Project costs

	Unrestricted funds £	Restricted funds £	2004 Total funds £	2003 Total funds £
PR costs	—	—	—	3,000
Advertising	—	—	—	2,338
Photography	—	—	—	404
Miscellaneous expenses	—	—	—	712
	—	—	—	6,454

5 Implementation costs

	Unrestricted funds £	Restricted funds £	2004 Total funds £	2003 Total funds £
Project management	—	99,875	99,875	—
Professional advice	—	41,305	41,305	—
Administration costs	—	30,066	30,066	—
Bank charges	—	261	261	—
Publicity	—	52,702	52,702	—
Staff costs	—	279,168	279,168	—
Recruitment costs	—	48,801	48,801	—
	—	552,178	552,178	—

6 Management and administration of the Academy

	Unrestricted funds £	Restricted funds £	2004 Total funds £	2003 Total funds £
Audit fees	—	5,875	5,875	4,700
Legal fees	—	—	—	904
Advisory fees	—	2,937	2,937	—
	—	8,812	8,812	5,604

7 Staff costs

Staff costs during the year were as follows:

	2004 Total funds £	2003 Total funds £
Wages and salaries	229,525	—
Social security costs	23,309	—
Pension costs	26,334	—
	279,168	—

The number of employees who earned £50,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2004 Number	2003 Number
£80,001 - £90,000	1	—
	1	—

Employer contributions were made to the Teachers' Pension Scheme in respect of the above employee.

8 Trustees' remuneration

None of the trustees received any remuneration in respect of their services during the year. Two of the trustees received £213 (2003 – one person £59) in reimbursed out of pocket expenses during the year.

9 Taxation

The Academy is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Academy development costs £
Cost			
At 1 September 2003	5,835,289	—	5,835,289
Additions	19,264,655	343,577	19,608,232
At 31 August 2004	<u>25,099,944</u>	<u>343,577</u>	<u>25,443,521</u>
Depreciation			
At 1 September 2003	—	—	—
Charge for year	—	—	—
At 31 August 2004	<u>—</u>	<u>—</u>	<u>—</u>
Net book values			
At 31 August 2004	<u>25,099,944</u>	<u>343,577</u>	<u>25,443,521</u>
At 31 August 2003	<u>5,835,289</u>	<u>—</u>	<u>5,835,289</u>

11 Debtors

	2004 £	2003 £
DfES grants receivable	<u>1,317,855</u>	<u>820,367</u>

12 Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	<u>639,683</u>	<u>83,728</u>
Accruals	<u>1,523,220</u>	<u>813,394</u>
	<u>2,162,903</u>	<u>897,122</u>

13 Restricted funds

The income funds of the Academy include restricted funds comprising the following unexpended balances of grants held for specific purposes:

	At 1 September 2003 £	Incoming resources £	Resources expended £	At 31 August 2004 £
DfES grant fund				
. Capital grant	—	—	—	—
. Implementation grant	—	572,921	(556,878)	16,043
	—	572,921	(556,878)	16,043
Fixed asset fund				
. DfES grant	5,421,144	18,511,127	—	23,932,271
. M Bourne Charitable Trust	414,145	336,170	—	750,315
	5,835,289	18,847,297	—	24,682,586
Total restricted funds	5,835,289	19,420,218	(556,878)	24,698,629

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

DfES Implementation grant fund

These grants relate to the Academy's development and cover project management, consultancy and transitional management/staffing costs.

Fixed asset fund

These grants relate to funding received from the DfES and the M Bourne Charitable Trust to carry out works of a capital nature prior to the Academy's opening.

14 Analysis of net assets between funds

	General fund £	Restricted funds		Total 2004 £
		DfES £	Fixed assets £	
Fund balances at 31 August 2004 are Represented by:				
Tangible fixed assets	760,935	—	24,682,586	25,443,521
Current assets	1,763,531	16,043	—	1,779,574
Creditors: amounts falling due within one year	(2,162,903)	—	—	(2,162,903)
Total net assets	361,563	16,043	24,682,586	25,060,192

15 Pension commitments

Retirement benefits for academic employees of the School are provided by a defined benefit scheme, the Teachers' Pension Scheme (TPS), which is funded by contributions from the employers and employees. Contributions to the schemes are charged to the statement of financial activities so as to spread the cost of the pensions over the employees' working lives.

Under the definitions set out in Financial Reporting Standard 17, Retirement Benefits, the scheme is classed as 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 was a defined contribution scheme. The Academy has set out below the latest information available for the scheme.

The TPS is an unfunded scheme whereby contributions are made to the government exchequer and pension payments are paid from it. Any deficit is met from government resources on a continuing basis, whereas any excess is deemed to be an investment in government securities and the notional interest credited to the scheme.

The pensions cost is assessed every five years in accordance with the advice of the government actuary. The latest actuarial valuation of the scheme was at 31 March 2001 and significant facts concerning the scheme are given below:

Latest actuarial valuation	31 March 2001
Actuarial method	Projected benefits
Investment returns per annum	7.0%
Salary scale increases per annum	5.0%
Market value of assets at date of last valuation	£142,880m
Proportion of members' accrued benefits covered by the actuarial value of the assets	100%

Following the implementation of Teachers' Pensions (Employers' Supplementary Contributions) Regulations 2000 the government actuary carried out a further review on the level of employers' contributions. The employer contribution rate for the year ended 31 August 2004 was 13.5%.