

The Langley Academy

Annual Report and Financial Statements

31 August 2008

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Company Limited by Guarantee
Registration Number
5358533 (England and Wales)

Charity Registration Number
1110449

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Reference and administrative information

Trustees	Dr Bill Alexander Sir Martyn Arbib Sir Michael Bichard Mr Paul Mainds Mrs Annabel S Nicoll (Chair) Mrs Linda R Sanderson
Company Secretary	Mr Jagjeevan Lal Desorh (from 12 June 2008)
Registered office (from 17 October 2008)	The Langley Academy Langley Road Langley Slough Berkshire SL3 7EF Tel: 01753 214440 Fax: 01753 596321
Company registration number	5358533 (England and Wales)
Charity registration number	1110449
Auditors	Buzzacott LLP 12 New Fetter Lane London EC4A 1AG
Bankers	Barclays Bank PLC 4 th Floor Apex Plaza Forbury Road Reading Berks RG1 1AX
Solicitors	Memery Crystal LLP 44 Southampton Buildings London WC2A 1AP

Trustees' report Year to 31 August 2008

The Trustees of The Langley Academy ('the Academy') present their statutory report together with the financial statements of the charitable company for the year ended 31 August 2008.

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

The financial statements have been prepared in accordance with the accounting policies set out on pages 15 and 16 of the attached financial statements and comply with the Academy's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ('SORP 2005').

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee with no share capital (Company Registration No. 5358533) and a registered charity (Charity Registration No. 1110449). The charitable company's memorandum and articles of association are the primary governing documents of the Academy. Members of the charitable company are nominated either by the Secretary of State for Children, Schools and Families or the sponsors of the Academy, The Arbib Foundation. The articles of association require the members of the charitable company to appoint at least three Trustees.

Members' liability

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

Trustees

The Trustees are directors of the charitable company for the purposes of the Companies Act 1985. The following Trustees were in office at 31 August 2008 and served throughout the year, except where shown:

Trustee	Appointed/Resigned
Dr Bill Alexander	Appointed 12 June 2008
Sir Martyn Arbib	
Sir Michael Bichard	Appointed 10 February 2008
Mr Paul Mainds	Appointed 10 February 2008
Mrs Annabel S Nicoll (Chair)	
Mrs Linda R Sanderson	
Dr Michael Sanderson	Resigned 12 August 2008

No Trustee received any remuneration in respect of their duties as a Trustee from the Academy during the year (2007 – none).

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Trustees (continued)

Trustees are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire.

The Trustees have received one formal training session with a further session planned. A full Trustee training programme will be put in place during the 2008/9 academic year.

Statement of Trustees' responsibilities

Company law requires the Trustees (who are the directors of the company for the purposes of company law) to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charitable company at the end of the financial period and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing financial statements 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 financial statements; and
- ◆ prepare the financial statements 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 charitable company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the Academy's auditors are unaware; and
- ◆ the Trustee has taken all steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Academy's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The Trustees have been heavily involved in the management of the development of Langley Academy from an initial idea to a fully operational Academy. The Trustees set up a Steering Committee, which met monthly until September 2008, to review progress of the project, including construction of the building. The building construction was overseen in detail by the Construction Project Managers, EC Harris, who were appointed by the Department for Children, Schools and Families ('DCSF'), and the project as a whole by the Overall Project Managers, Faber Maunsell.

During the year a Principal and an Academy Directorate were appointed, reporting to the Trustees, to put into place the detail of the set up of The Langley Academy and to ensure that it was ready to open for a full complement of staff on 1 September 2008 and for almost 1,000 students on 15 September 2008. The Principal and Academy Directorate will continue in this role.

Connected organisations

The Arbib Foundation pledged £2 million on 24 November 2005 and a further £33,000 on 7 November 2006 to assist the Academy in achieving its objectives. The full amount of £2,033,000 had been paid to The Langley Academy by 31 August 2008.

Risk management

The Trustees and the Steering Committee have reviewed the major risks to which the Academy is exposed, both those relating to the capital project and its finances and to the Academy's operations. The Trustees are satisfied that appropriate measures are in place to limit and manage those risks.

Statement on the system of internal financial controls

The Trustees acknowledge they have overall responsibility for ensuring that the Academy has an effective and appropriate system of controls, financial and otherwise. The Trustees recognise their responsibilities set out in the statement on page 3 and additionally for taking steps to provide reasonable assurance that:

- ◆ the Academy is operating efficiently and effectively;
- ◆ its assets are safeguarded against unauthorised use or disposition;
- ◆ proper records are maintained and financial information used within the Academy or for publication is reliable;
- ◆ the Academy complies with relevant laws and regulations.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Statement on the system of internal financial controls (continued)

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 capital build risk.

During the year to 31 August 2008, the Academy employed an average of four employees.

In the coming year, the Trustees will consider the guidance for directors of public listed companies contained within the Turnbull Report. Accordingly they will:

- ◆ 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;
- ◆ clarify the responsibility of the Management Team to implement the Trustees' policies and to identify and evaluate risks for the Trustees' consideration;
- ◆ explain to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- ◆ embed the control system in the Academy's operations so that it becomes part of the culture of the Academy;
- ◆ develop systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment; and
- ◆ include procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

OBJECTIVES AND ACTIVITIES

Objects, aims and objectives

The objects of the charitable company are to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad curriculum with a strong emphasis on, but in no way limited to, science and museums.

The Trustees are carrying out these objects by establishing The Langley Academy, funded by the DCSF and a sponsor, The Arbib Foundation, to provide education for pupils of all abilities between the ages of 11 and 18. The Langley Academy will teach the full national curriculum but extra emphasis will be placed on science education, contacts with museums and sport.

The Langley Academy Aim

The Langley Academy aims for the highest achievement for all and to provide a welcoming, imaginative and creative environment which enriches the lives of all involved. We aim to instil traditional values and promote respect for other beliefs.

The Academy will strive to be at the forefront of science education. We will develop links with national and regional museums to add an external dimension to learning.

Strategies and activities

During the year work continued on the main Academy building which was completed at the end of July 2008 and the Trustees are delighted with the finished product, designed by Foster and Partners. The old school is currently being demolished and the grounds laid out and when this work is completed, in about May 2009, the site development will be completed. The Principal was in place from 1 October 2007 and was joined by six other members of the Academy Directorate during the year. These staff members were involved in planning the educational strategies and staff structures and making the Academy ready for the opening to students in September 2008.

Further governors have been appointed by the Sponsor and the Academy is holding elections for teaching, non teaching and parent governors in order that there will be a full complement for the AGM in November 2008.

Equal opportunities

The Trustees recognise 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.

OBJECTIVES AND ACTIVITIES (CONTINUED)

Disabled persons

The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy will do this by adapting the physical environment, by making support resources available and through training and career development. The capital project to construct the new school building includes the installation of lifts, ramps and disabled toilets and door widths that are adequate to enable wheelchair access to all the main areas of the Academy.

ACHIEVEMENTS AND PERFORMANCE

The construction of the main Academy building was completed in July 2008 and, after a hectic summer of equipping the building, in early September 2008 the full complement of staff started work and the doors were opened to almost 1,000 students. The Academy has now achieved the first part of its objectives by establishing a school offering a broad curriculum with a strong emphasis on, but in no way limited to, science and museums. In future periods the Trust will maintain and develop The Langley Academy.

FINANCIAL REVIEW

Financial report for the period

The Academy's total incoming resources for the year ended 31 August 2008 amounted to £15,890,332 of which £15,022,890 relates to the capital grant funding from the DCSF and the sponsor to meet the costs of the capital project. In addition, the Academy has received DCSF implementation grant funding of £845,324 to cover the Academy development costs.

The Academy held fund balances at 31 August 2008 of £29,090,310, of which £29,041,177 are restricted in nature and £49,133 are unrestricted.

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 them with commitments and the nature of reserves. The Trustees will keep the level of reserves under review.

The funding received and to be received for the development of the school and all associated capital works are intended to fully cover the costs and therefore the level of reserves was not a significant issue in the year ended 31 August 2008. The Trustees have reviewed the appropriate level of reserves to be retained from income received during the year ending 31 August 2009 to allow the Academy to continue operations as a school in future periods.

Trustees' report Year to 31 August 2008

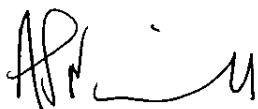
PLANS FOR FUTURE PERIODS

The assimilation of the new students into the Langley Academy, their all round education and the associated development of the staff are planned for the year ending 31 August 2009 and for future periods. The demolition of the old school building and the subsequent laying out of the grounds is starting now and should be completed during the next period.

Auditors

In accordance with section 385 of the Companies Act 1985, Buzzacott LLP will be proposed for re-appointment as auditors of the Academy.

Approved by the Trustees and signed on their behalf by:



Trustee

Approved by the Trustees on: 3rd Nov '08

Report of the independent auditors to the members of The Langley Academy

We have audited the financial statements on pages 11 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 3 the Trustees, who are also the directors of The Langley Academy for the purposes of company law, are responsible for the preparation of the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements 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 financial statements, 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 financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

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

Independent auditors' report 31 August 2008

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 financial statements 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 financial statements.

Opinion

In our opinion:

- (a) the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Academy as at 31 August 2008 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 financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Children, Schools and Families 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 Children, Schools and Families have been applied for the purposes intended;
- (e) the information given in the Trustees' report is consistent with the financial statements.

Buzzacott LLP

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

3 November 2008

Statement of financial activities Year to 31 August 2008

	Notes	General fund £	Restricted funds			Year to 31 August 2008 Total funds £	Period to 31 August 2007 Total funds £
			DCSF £	Fixed assets £	Other £		
Incoming resources							
Incoming resources from generated funds							
. Voluntary income	1	4,165	—	1,033,000	—	1,037,165	1,073,800
. Interest receivable		17,953	—	—	—	17,953	37,816
Incoming resources from charitable activities							
. Funding for the Academy's development	2	—	845,324	13,989,890	—	14,835,214	10,527,508
Total incoming resources		<u>22,118</u>	<u>845,324</u>	<u>15,022,890</u>	<u>—</u>	<u>15,890,332</u>	<u>11,639,124</u>
Resources expended							
Charitable activities							
. Academy's development costs	4	10,801	838,184	—	—	848,985	288,283
Governance costs	5	—	7,140	—	—	7,140	7,343
Total resources expended	3	<u>10,801</u>	<u>845,324</u>	<u>—</u>	<u>—</u>	<u>856,125</u>	<u>295,626</u>
Net incoming resources before transfers		11,317	—	15,022,890	—	15,034,207	11,343,498
Gross transfers between funds	12	<u>—</u>	<u>—</u>	<u>3,927</u>	<u>(3,927)</u>	<u>—</u>	<u>—</u>
Net movement in funds		11,317	—	15,026,817	(3,927)	15,034,207	11,343,498
Fund balances brought forward at 1 September 2007		<u>37,816</u>	<u>—</u>	<u>13,944,658</u>	<u>73,629</u>	<u>14,056,103</u>	<u>2,712,605</u>
Fund balances carried forward at 31 August 2008		49,133	—	28,971,475	69,702	29,090,310	14,056,103

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

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

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

Income and expenditure account Year to 31 August 2008

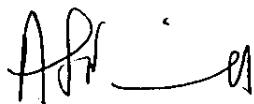
	Notes	Year to 31 August 2008 £	Period to 31 August 2007 £
Income			
DCSF capital grants	2	13,989,890	10,231,882
Other DCSF grants	2	845,324	295,626
Private sponsorship and donations	1	1,037,165	1,073,800
Interest receivable		17,953	37,816
Total income		15,890,332	11,639,124
Expenditure			
DCSF grant expenditure		845,324	295,626
Other expenditure		10,801	—
Total expenditure	3	856,125	295,626
Excess of income over expenditure		15,034,207	11,343,498
Net movement to funds			
Restricted funds		15,022,890	11,305,682
Unrestricted general funds		11,317	37,816
		15,034,207	11,343,498

The income and expenditure account is derived from the statement of financial activities on page 11 which, together with the notes to the financial statements on pages 17 to 21 provides full information on the movements during the year on all the funds of the Academy.

Balance sheet 31 August 2008

	Notes	2008 £	2008 £	2007 £	2007 £
Fixed assets					
Tangible assets	9		28,438,922		13,465,977
Current assets					
Debtors	10	1,821,935		1,322,365	
Cash at bank and in hand		553,521		612,415	
		2,375,456		1,934,780	
Creditors: amounts falling due within one year	11	(1,724,068)		(1,344,654)	
Net current assets			651,388		590,126
Total net assets			29,090,310		14,056,103
Represented by:					
Funds and reserves					
Income funds:					
Restricted funds	12				
. Fixed assets			28,971,475		13,944,658
. Other restricted funds			69,702		73,629
			29,041,177		14,018,287
Unrestricted funds					
. General fund			49,133		37,816
			29,090,310		14,056,103

Approved by the Trustees
and signed on their behalf by:



Trustee

Approved on: 3rd Nov. 2008

Cash flow statement Year to 31 August 2008

	Year to 31 August 2008 £	Period to 31 August 2007 £
Operating activities		
<i>Receipts</i>		
DCSF implementation grant	677,900	284,705
Donation received	4,165	73,800
Total receipts	682,065	358,505
<i>Payments</i>		
Staff costs	293,716	—
Other cash payments	394,986	275,045
Total payments	688,702	275,045
Net cash (outflow) inflow from operating activities	(6,637)	83,460
Returns on investment and servicing of finance		
Interest received	17,953	37,816
Capital expenditure and financial investment		
Capital grants received from DCSF	13,657,745	9,884,410
Capital funding received from sponsor	1,033,000	1,000,000
Purchase of tangible fixed assets	(14,760,955)	(10,443,271)
	(70,210)	441,139
(Decrease) increase in cash	(58,894)	562,415

A Analysis of changes in net funds

	At 1 September 2007 £	Cash flows £	At 31 August 2008 £
Cash at bank and in hand	612,415	(58,894)	553,521

Principal accounting policies 31 August 2008

Format of financial statements

The standard format for the financial statements as required by the Companies Act 1985 schedule 4 part I has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 ('Charities SORP 2005') and reflects the activities of the Academy.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1985. Applicable United Kingdom accounting standards and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) have been followed in these financial statements.

Comparatives

The comparative figures for income and expenditure cover the period from 1 March 2006 to 31 August 2007.

Incoming resources

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Resources expended

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.

Governance costs

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

Fund accounting

The unrestricted general fund represents those monies that 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.

Principal accounting policies 31 August 2008

Tangible fixed assets

All professional fees and other associated costs incurred as part of the capital development works have been capitalised, irrespective of value.

Depreciation is not charged at 31 August 2008 as assets have not yet come into use.

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.

Notes to the financial statements 31 August 2008

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
Sponsorship	—	1,033,000	1,033,000	1,000,000
Donations received				
. SSAT	4,165	—	4,165	—
. Thames Water	—	—	—	50,000
. DEFRA	—	—	—	23,800
	<u>4,165</u>	<u>1,033,000</u>	<u>1,037,165</u>	<u>1,073,800</u>

2 Funding for the Academy's development

	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
DCSF implementation grant				
. Revenue funding	—	845,324	845,324	295,626
DCSF capital grant				
. Capital funding	—	13,989,890	13,989,890	10,231,882
	<u>—</u>	<u>14,835,214</u>	<u>14,835,214</u>	<u>10,527,508</u>

3 Resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2008 £	Total 2007 £
Academy's development costs (note 4)					
. Direct costs	310,477	—	538,508	848,985	288,283
Governance costs (note 5)	—	—	7,140	7,140	7,343
	<u>310,477</u>	<u>—</u>	<u>545,648</u>	<u>856,125</u>	<u>295,626</u>

4 Academy's development costs

	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
Project management costs	10,801	838,184	848,985	288,283

Notes to the financial statements 31 August 2008

5 Governance costs

	Unrestricted funds £	Restricted funds £	2008 Total funds £	2007 Total funds £
Audit fees	—	7,140	7,140	7,343

6 Staff costs

The average number of persons (including the senior management team) employed by the Academy during the year ended 31 August 2008, expressed as full time equivalents, was 4 (2007 – none).

	2008 £	2007 £
Wages and salaries	255,362	—
Social security costs	26,199	—
Other pension costs	28,916	—
	310,477	—

The number of employees during the period who earned over £60,000 in the year (including benefits) was as follows:

	2008 £	2007 £
£100,000 - £110,000	1	—

7 Trustees' remuneration and expenses

None of the Trustees received any remuneration in respect of their services during the year nor were any expenses reimbursed to the Trustees in the year (2007 – none).

8 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.

Notes to the financial statements 31 August 2008

9 Tangible fixed assets

	Academy development costs £	Total £
Cost		
At 1 September 2007	13,465,977	13,465,977
Additions	14,972,945	14,972,945
At 31 August 2008	<u>28,438,922</u>	<u>28,438,922</u>
Depreciation		
At 1 September 2007	—	—
Charge for year	—	—
At 31 August 2008	<u>—</u>	<u>—</u>
Net book values		
At 31 August 2008	<u>28,438,922</u>	<u>28,438,922</u>
At 31 August 2007	<u>13,465,977</u>	<u>13,465,977</u>

Source of funding for assets acquired:

	2008 £	2007 £
DCSF capital grants	26,884,377	12,915,806
Sponsor's capital funding	1,500,447	500,000
Donations	54,098	50,171
Cost of fixed assets at year end	28,438,922	13,465,977
Less: Accumulated depreciation	—	—
Net book value of fixed assets at year end	28,438,922	13,465,977
Add: Capital funding not yet spent	532,553	478,681
Fixed asset fund balance at year end	<u>28,971,475</u>	<u>13,944,658</u>

10 Debtors

	2008 £	2007 £
DCSF capital grant receivable	1,557,934	1,225,789
DCSF implementation grant receivable	264,000	96,576
	<u>1,821,935</u>	<u>1,322,365</u>

Notes to the financial statements 31 August 2008

11 Creditors: amounts falling due within one year

	2008 £	2007 £
Trade creditors	1,662,267	1,238,418
Accruals	38,983	106,236
Social Security and other taxes	16,761	—
Other creditors	6,057	—
	1,724,068	1,344,654

12 Restricted funds

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

	At 1 September 2007 £	Incoming resources £	Resources expended and transfers £	At 31 August 2008 £
Restricted general funds				
· DCSF implementation grant	—	845,324	(845,324)	—
Restricted fixed asset funds				
· DCSF capital grant	12,894,487	13,989,890	—	26,884,377
· Sponsorship	1,000,000	1,033,000	—	2,033,000
· Donations	50,171	—	3,927	54,098
	13,944,658	15,022,890	3,927	28,971,475
Other restricted funds				
· Donations	73,629	—	(3,927)	69,702
Total restricted funds	14,018,287	15,868,214	(845,324)	29,041,177

The transfer of £3,927 from other restricted funds to the fixed asset fund represents the Thames Water and DEFRA donations which have been spent on the capital project.

13 Analysis of net assets between funds

	General fund £	Restricted funds			Total 2008 £
		DCSF £	Fixed assets £	Other £	
Fund balances at 31 August 2008 are represented by:					
Tangible fixed assets	—	—	28,438,922	—	28,438,922
Current assets	49,133	264,000	1,992,621	69,702	2,375,456
Creditors: amounts falling due within one year	—	(264,000)	(1,460,068)	—	(1,724,068)
Total net assets	49,133	—	28,971,475	69,702	29,090,310

14 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.