

**Fairfield High School for Girls  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Year ended 31 August 2012**



**Company Registration Number:  
07511610 (England and Wales)**

**Fairfield High School for Girls  
Financial Statements  
Period Ended 31 August 2012**

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**Fairfield High School for Girls  
Reference & Administrative Details  
Year Ended 31 August 2012**

**Members (Trustees)**

Roger Lingard  
Peter Shackleton  
John Hedley

**Governors**

Roger Lingard	Chair
Peter Shackleton	Vice Chair
John Hedley	Headteacher
Barrie Taylor	Parent Governor
Derek Read	
Rosalind Greenwood	Parent Governor
Rebecca Gleave-Leary	Parent Governor
Joel Vacara	Staff Governor
Reg Evers	
Margaret Doherty	Parent Governor
Toni Jackson	Parent Governor
Nichola Newton	
Martin Williams	Staff Governor
Abigail Eyre	Staff Governor
Anthony Sever	Parent Governor and Responsible Officer
Rev Richard Ingham	Resigned 24 <sup>th</sup> January 2012
Barbara Derbyshire	Appointed 20 <sup>th</sup> March 2012

**Company Secretary**

Julie Murphy

**Senior Management Team:**

Headteacher	John Hedley
Deputy Headteacher	Kathryn Quinn
Assistant Headteacher	Annmarie Bates
Assistant Headteacher	Jon Cosgrove
Assistant Headteacher	Jane Mawdsley
Director of Finance and Administration	Colin Cook

**Principal and Registered Office**

Fairfield Avenue  
Droylsden  
Manchester  
M43 6AB

**Company Registration Number**

07511610

**Independent Auditor**

Beever & Struthers  
St George's House  
215-219 Chester Road  
Manchester  
M15 4JE

**Fairfield High School for Girls  
Reference & Administrative Details  
Year Ended 31 August 2012**

**Bankers**

Yorkshire Bank  
68 Market Street  
Hyde  
SK14 1ET

**Solicitors**

Eversheds  
10 Great Bridgewater Street  
Manchester

**Fairfield High School for Girls**  
**Governors Report**  
**Period Ended 31 August 2012**

**Governors Report**

The Governors present their annual report together with the financial statements and auditors' report of the company for the twelve months ended 31 August 2012

**Structure, Governance and Management**

**Constitution**

The Academy Trust is a company limited by guarantee registered at Companies House under number 07511610 and an exempt charity. The Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The registered office of the Academy Trust is Fairfield Avenue, Droylsden Manchester M43 6AB

The 'members' of the Company are -

Roger Lingard	Chair
Peter Shackleton	Vice-Chair
John Hedley	Headteacher
Barrie Taylor	
Derek Read	
Julie Murphy	Company Secretary

The Governing Body ('directors') of the Company comprise -

Roger Lingard	Chair
Peter Shackleton	Vice Chair
John Hedley	Headteacher
Barrie Taylor	Parent Governor
Derek Read	
Rosalind Greenwood	Parent Governor
Rebecca Gleave-Leary	Parent Governor
Joel Vacara	Staff Governor
Reg Evers	
Margaret Doherty	Parent Governor
Toni Jackson	Parent Governor
Nichola Newton	
Martin Williams	Staff Governor
Abigail Eyre	Staff Governor
Anthony Sever	Parent Governor and Responsible Officer
Rev Richard Ingham	Resigned 24 <sup>th</sup> January 2012
Barbara Derbyshire	Appointed 20 <sup>th</sup> March 2012

The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows -

	Meetings attended	Out of a possible
Roger Lingard (Chair)	6	6
Peter Shackleton	6	6
John Hedley	6	6
Barrie Taylor	5	6
Derek Read	5	6
Rosalind Greenwood	3	6
Rebecca Gleave-Leary	5	6
Joel Vacara	5	6
Reg Evers	6	6
Margaret Doherty	4	6
Toni Jackson	5	6

**Fairfield High School for Girls  
Governors Report  
Period Ended 31 August 2012**

Nichola Newton	2	6
Martin Williams	6	6
Abigail Eyre	6	6
Anthony Sever	5	6
Rev Richard Ingham	3	3
Barbara Derbyshire	3	3

The Governing Body has delegated various roles to the following sub-committees -

**Building & Finance Committee**

To assist the decision making of the Company, by enabling more detailed consideration to be given to the best means of fulfilling the Company's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity comprising of at least five directors with a stated quorum of three directors

Peter Shackleton	Chair
Roger Lingard	
John Hedley	Headteacher
Margaret Doherty	
Abigail Eyre	
Toni Jackson	
Anthony Sever	
Colin Cook	School Business Manager (non-voting)
Julie Murphy	Company Secretary (non-voting)

The Building & Finance Committee has formally met 3 times during the year Attendance during the year at meetings of the Building & Finance Committee was as follows -

	Meetings attended	Out of a possible
Peter Shackleton (Chair)	3	3
Roger Lingard	3	3
John Hedley	3	3
Margaret Doherty	0	3
Abigail Eyre	3	3
Toni Jackson	0	3
Anthony Sever	3	3
Colin Cook	3	3
Julie Murphy	2	3

**Curriculum & Standards Committee**

Quorum three directors

Reg Evers	Chair
John Hedley	Headteacher
Margaret Doherty	
Rebecca Gleave-Leary	
Rosalind Greenwood	
Toni Jackson	
Nichola Newton	
Derek Read	
Joel Vacara	
Martin Williams	
Kathryn Quinn	Deputy Headteacher
Jon Cosgrove	Assistant Headteacher
Annmarie Bates	Assistant Headteacher
Julie Murphy	Company Secretary
	Advisor (non-voting)
	Advisor (non-voting)
	Advisor (non-voting)

The Curriculum & Standards Committee has formally met 2 times during the year Attendance during the year at meetings of the Curriculum & Standards Committee was as follows -

**Fairfield High School for Girls  
Governors Report  
Period Ended 31 August 2012**

	Meetings attended	Out of a possible
Reg Evers	2	2
John Hedley	2	2
Margaret Doherty	0	2
Rebecca Gleave-Leary	0	2
Rosalind Greenwood	0	2
Toni Jackson	1	2
Nichola Newton	2	2
Derek Read	1	2
Joel Vacara	1	2
Martin Williams	2	2
Kathryn Quinn	2	2
Jon Cosgrove	2	2
Annmarie Bates	2	2
Julie Murphy	2	2

Directors of the Academy, other than Committee members can attend this Committee

Roger Lingard	2	2
Abbe Eyre	1	2
Peter Shackleton	1	2

Pupil Issues Committee (incorporating Admissions, Pupil Disciplinary, Attendance)

Quorum three directors

Roger Lingard	Chair
John Hedley	Headteacher
Peter Shackleton	
Anthony Sever	
Margaret Doherty	
Reg Evers	
Abigail Eyre	
Rev Richard Ingham	
Derek Read	
Joel Vacara	
Martin Williams	
Julie Murphy	Company Secretary

The Pupil Issues Committee has formally met once during the year Attendance at this meeting was as follows -

	Meeting attended
Roger Lingard	Yes
John Hedley	Yes
Peter Shackleton	Yes
Anthony Sever	Yes
Margaret Doherty	No
Reg Evers	No
Abigail Eyre	No
Rev Richard Ingham	No
Derek Read	No
Joel Vacara	No
Martin Williams	No
Julie Murphy	Yes

**Fairfield High School for Girls  
Governors Report  
Period Ended 31 August 2012**

Personnel Committee (incorporating Staff Appointments, Pay, Staff Dismissal, Staff Dismissal Appeal)

Staff appointments and pay	Quorum three directors
Staff dismissal	Quorum three directors
Staff dismissal appeal	Quorum six directors
Roger Lingard	Chair
Margaret Doherty	
Reg Evers	
Rosalind Greenwood	
Rev Richard Ingham	
Toni Jackson	
Derek Read	
Peter Shackleton	
John Hedley	Headteacher    Advisor (non-voting)
Julie Murphy	Company Secretary

The Personnel Committee has formally met once during the year Attendance at the meeting was as follows -  
Meeting attended

Roger Lingard	Yes
Margaret Doherty	No
Reg Evers	Yes
Rosalind Greenwood	No
Rev Richard Ingham	Yes
Toni Jackson	Yes
Derek Read	Yes
Peter Shackleton	Yes
John Hedley	Yes
Julie Murphy	Yes

'Members Liability'

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

Directors Indemnities

Under The Companies Act 2006 s 236 the directors confirm there are no third party indemnity provisions in operation

Organisational Structure

The Governing Body of the Academy have delegated the day-to-day running of the Academy to the Headteacher and the Academy's Senior Leadership Team

John Hedley	Headteacher
Kathryn Quinn	Deputy Headteacher
Jon Cosgrove	Assistant Headteacher
Jane Mawdsley	Assistant Headteacher
Annmarie Bates	Assistant Headteacher
Colin Cook	School Business Manager (for financial matters)

Financial considerations over £5,000 are referred to the Building & Finance Committee and, where considered necessary, comprise at least three quotes

Risk Management

The members of the Building & Finance Committee have approved a 'Risk Management Strategy' and 'Risk Register' and the contents therein have been reviewed and systems and procedures have been established to manage those risks



**Fairfield High School for Girls  
Governors Report  
Period Ended 31 August 2012**

**Statement on 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 the 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.

As directors, we acknowledge that we have overall responsibility for ensuring that Fairfield High School for Girls has an effective and appropriate system of control, financial and otherwise. The Governing Body have delegated the day-to-day responsibility to the Headteacher, 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 them in the Funding Agreement between Fairfield High School for Girls Limited and the Secretary of State for Education.

The Academy Trust's system of Internal Control is based on a framework of regular management information and administrative procedures including 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 Building & Finance Committee of reports which indicate financial performance against forecasts and other major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risk

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governing Body has appointed Anthony Sever, a director, as 'Responsible Officer'. The Responsible Officer's role includes giving advice and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis the Responsible Officer will report to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The system of Internal Control has been in place at Fairfield High School for Girls for the twelve months ended 31<sup>st</sup> August 2012 and up to the date of approval of the annual report and financial statements.

**Objectives and Activities**

**Principal Activity**

The Academy Trust's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

**Objects and Aims**

In furtherance of the Academy Trust's principal activity, the Academy Trust may exercise the following

- to operate bank accounts in the name of the Academy Trust
- to acquire, alter, improve and to charge or otherwise dispose of property
- to employ such staff as are necessary for proper pursuit of our principal activity and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants
- to co-operate with other Academies, independent and maintained schools, and statutory authorities and to exchange information and advice with them

**Fairfield High School for Girls  
Governors Report  
Period Ended 31 August 2012**

- to establish, maintain, carry on, manage and develop the Academy at Fairfield Avenue, Droylsden Manchester M43 6AB
- to offer prizes and awards to pupils and otherwise to encourage and assist pupils
- to provide educational facilities and services to girls within the age group 11 – 16
- to carry out research into the development and application of new techniques in education in particular in relation to the areas of curricular specialisation of the Academy and to its approach to curriculum development and delivery
- subject to such consents as may be required by law, to borrow and raise money for the furtherance of its principal activity in such manner and on such security as the Academy Trust may think fit
- to deposit or invest any funds of the Academy Trust not immediately required for the furtherance of our principal activity subject to the terms and conditions as detailed in the memorandum and articles of association
- to do all such other lawful things as are necessary for or are incidental to or conducive to the achievement of our principal activity

**Objectives, Strategies and Activities 2012**

- Increase the percentage of good + and outstanding teaching – through high quality lesson planning, differentiated intervention that matches individual needs, high quality marking and feedback, consistently effective behaviour for learning management and effective use of other adults to support learning
- Greater cohesive planning and implementation of reading, writing, communication and mathematics
- Increase the positive experiences and rich opportunities in the curriculum, including through the Learning Gateway
- Closure of any gaps in group achievement
- Closure of any gaps in subject performance

**Achievements and Performance 2012**

- Best ever and best in Tameside LA GCSE results
- 78% 5 or more A\* - C grades, including English and Mathematics
- 99% 5 or more A\* - C grades
- Best ever attendance at 95.3%
- Learning Gateway set up and accessible by all stakeholders
- DfE recognition of being among the 100 top performing schools in the country, based on sustained improvement each year from 2008 to 2011
- Improvement of 9% in top GCSE grades for able, gifted and talented pupils 36% obtaining 5 or more A\* or A grades in 2012
- Cross-curricular links team established with significant collaborative work across the curriculum
- Inspiring IAG Gold Award for work in Careers Education, Information, Advice and Guidance
- Inclusion Quality Mark for supporting equal opportunity for all
- 

**Financial Review**

The Academy Trust currently has a pending policy on reserves or investments for consideration at the next Governors Meeting to be held on 27<sup>th</sup> November 2012

As of September 1<sup>st</sup> 2012, the Academy changed its bankers to Lloyds TSB from Yorkshire Bank plc

During the year investments were made as follows -

£250,000 with RBS Fixed Rate Deposit at 3% gross maturing on 25<sup>th</sup> February 2013

£250,000 with RBS Fixed Rate Deposit at 3.5% gross maturing on 22<sup>nd</sup> August 2013

Additional funding has been available via the Education Funding Agency (EFA) for improvement to school stock but this is being promoted via PFIs. This is not something the Governing Body would wish to entertain

**Fairfield High School for Girls  
Governors Report  
Period Ended 31 August 2012**

The principal source of funding for the Academy Trust has been via the EFA and this has been most beneficial, in that the additional funds received via the LACSEG (Local Authority Central Spend Equivalent Grant) portion has improved the school's cash flow over the period significantly. Given continuity at the level seen, the Governing Body can certainly make plans for the future, not only in respect of additional staff but also classrooms.

**Plans for future periods**

Before the school's application for Academy status, we were part of the Tameside LA 'Building Schools for the Future' (BSF) plans, potentially with the demolition of some single storey sections of the school and replacement with 2-storey buildings adjoining the main school.

The change of Government and the cancellation of BSF meant that any expansion in this area was put on hold. As indicated above, the Academy's 5-year budget would point to an opportunity to fund a building project. With this in mind, the school is considering in 2013 the possibility of demolishing two single storey classrooms, the removal of classes from 2 attic rooms, the removal of one mobile classroom and the erection of a two storey six/seven classroom block attached to the school. This will give us fit for purpose teaching spaces to meet an indicated demand within the future curriculum and timetable.

In the interim, the Academy is looking to accumulate sufficient funds in a separate bank account, to provide a substantial deposit should an additional tranche of funding become available for school bids via Partnerships for Schools in late 2012/early 2013, without recourse to cutting back on our continued investment in teaching and learning in the classroom.

Planning permission has been obtained and Building Regulation Approval is in course. We are looking for a tender document to be produced shortly and have various contractors in mind to submit quotes for the project. Our indicative budget to September 2013 would also point to an additional accumulated reserve of circa £ ¼ million, with possible additional reserves from non-use of contingencies built into our expenditure budgets.

**Auditor**

In so far as the governors are aware

- there is no relevant audit information of which the 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 Governing Body on 17 December 2012, appropriately minuted and signed on its behalf by



Chair of Governors – Mr R Lingard:

**Fairfield High School for Girls**  
**Statement on Regularity, Propriety and Compliance**  
**Period Ended 31 August 2012**

As accounting officer of Fairfield High School for Girls Academy 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.

A handwritten signature in black ink, appearing to be 'J Hedley', written over a horizontal line.

Mr J Hedley – Accounting Officer

17 December 2012

**Fairfield High School for Girls**  
**Statement of Governors' Responsibilities**  
**Period Ended 31 August 2012**

The governors (who act as trustees for charitable activities of Fairfield High School for Girls 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

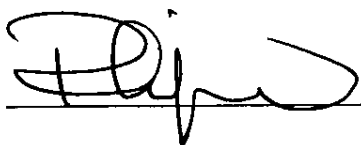
- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles of the Charities SORP
- Make judgments and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 of 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 17 December 2012 and signed on its behalf



R Lingard – Chair of Governors

17 December 2012

**Fairfield High School for Girls**  
**Independent Auditor's Report to the Members of Fairfield High School for Girls**  
**Period Ended 31 August 2012**

We have audited the financial statements of Fairfield High School for Girls for the period ended 31 August 2012 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency and applicable law.

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an 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 academy trust and its 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 16, the governors (who are also the directors of the academy trust 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report<sup>3</sup> to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the academy's affairs as at 31 August 2012, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

**Fairfield High School for Girls**  
**Independent Auditor's Report to the Members of Fairfield High School for Girls**  
**Period Ended 31 August 2012**

**Opinion on other matter prescribed by the Companies Act 2006**

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

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- 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

*Beever and Struthers*

ANDREW MCLAREN (Senior Statutory Auditor)

For and on behalf of  
BEEVER AND STRUTHERS  
Chartered Accountants  
& Statutory Auditor

St George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE

*17 December 2012*

**Fairfield High School for Girls**  
**Independent Auditor's Report to the Members of Fairfield High School for Girls**  
**Period Ended 31 August 2012**

**Independent Reporting Accountant's Assurance Report on Regularity Fairfield High School for Girls and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 29 September 2011 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Fairfield High School for Girls during the period to 31 August 2012 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Fairfield High School for Girls accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Fairfield High School for Girls funding agreement with the Secretary of State for Education dated 23 March 2011 and the Academies Financial Handbook as published by DfES in 2006, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2011/12. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 June 2012 to 31 August 2012 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2011/12 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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 that 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.



**Fairfield High School for Girls**  
**Independent Auditor's Report to the Members of Fairfield High School for Girls**  
**Period Ended 31 August 2012**

*(continued)*

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during year to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

*Beever and Struthers*

ANDREW MCLAREN (Senior Statutory  
Auditor)  
For and on behalf of  
BEEVER AND STRUTHERS  
Chartered Accountants  
& Statutory Auditor

St George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE

*17 December 2012*

**Fairfield High School for Girls**  
**Statement of Financial Activities for the year ended 31 August 2012**  
**(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total	5 mths to 31 August 2011
		£000	£000	£000	£000	£000
<b>Incoming resources</b>						
<i>Incoming resources from generating</i>						
Voluntary income	3	4	-	-	4	17,076
Activities for generating funds	4	69	7	-	75	19
Investment income	5	8	-	-	8	-
<i>Incoming resources from charitable activities</i>						
Funding for the Academy's educational operations	6	-	5,628	163	5,791	2,075
<b>Total incoming resources</b>		<b>81</b>	<b>5,635</b>	<b>163</b>	<b>5,878</b>	<b>19,170</b>
<b>Resources expended</b>						
<i>Costs of generating funds</i>						
Costs of generating voluntary income		3	-	-	3	(18)
Fundraising trading		22	-	-	22	-
<i>Charitable activities</i>						
Academy's educational operations	8	183	4,971	237	5,391	(2,216)
Governance costs	9	-	13	-	13	(20)
<b>Total resources expended</b>	7	<b>208</b>	<b>4,984</b>	<b>237</b>	<b>5,428</b>	<b>(2,254)</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>(127)</b>	<b>651</b>	<b>(74)</b>	<b>450</b>	<b>16,916</b>
Gross transfers between funds		-	-	-	-	-
<b>Net income/(expenditure) for the year</b>		<b>(127)</b>	<b>651</b>	<b>(74)</b>	<b>450</b>	<b>16,916</b>
<b>Other recognised gains and losses</b>						
Actuarial (losses) gains on defined benefit pension schemes		-	(221)	-	(221)	(44)
<b>Net movement in funds</b>		<b>(127)</b>	<b>430</b>	<b>(74)</b>	<b>229</b>	<b>16,872</b>
<b>Reconciliation of funds</b>						
Funds brought forward		1,288	(94)	15,678	16,872	-
<b>Funds carried forward</b>		<b>1,161</b>	<b>336</b>	<b>15,604</b>	<b>17,101</b>	<b>16,872</b>

All of the academy's activities derive from continuing operations during the above two financial periods

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

**Fairfield High School for Girls**  
**Balance Sheet as at 31 August 2012**

Company Number: 07511610

		2012		2011	
		£000	£000	£000	£000
	Note				
<b>Fixed assets</b>					
Tangible assets	13		16,393		16,798
<b>Current assets</b>					
Debtors	14	27		78	
Cash at bank and in hand		1,238		188	
		<u>1,265</u>		<u>266</u>	
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	15	(190)		(55)	
<b>Net current assets</b>			<u>1,076</u>		<u>211</u>
<b>Net Assets Excluding Pension Liability</b>			17,469		17,009
Pension scheme liability	24		(368)		(137)
<b>Net assets including pension liability</b>			<u>17,101</u>		<u>16,872</u>
<b>Funds</b>					
<b>Restricted funds</b>					
Restricted fixed asset fund	16		15,604		15,678
Restricted general fund	16		704		43
Pension reserve	16		(368)		(137)
<b>Total Restricted Funds</b>			<u>15,940</u>		<u>15,584</u>
<b>Unrestricted funds</b>					
General fund	16		1,161		1,288
<b>Total unrestricted funds</b>			<u>1,161</u>		<u>1,288</u>
<b>Total Funds</b>			<u>17,100</u>		<u>16,872</u>

The financial statements on pages 19 to 35 were approved by the governors, and authorised for issue on 18 December 2012 and are signed on their behalf by:

  
**R Lingard**  
Chair

**Fairfield High School for Girls**  
**Cashflow Statement for the year ended 31 August 2012**

	Notes	2012 £000	2011 £000
Net Cash inflow from operating activities	17	900	1,274
Returns on investments and servicing of finance	18	8	
Capital Expenditure	19	142	(1,086)
(Decrease)/Increase in cash in the year	20		
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2011		<u>188</u>	<u>-</u>
Net funds at 31 August 2012		<u>1,239</u>	<u>188</u>

**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Period Ended 31 August 2012**

**1 Accounting Policies**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Annual Academies Accounts Direction 2011/12 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**Going Concern**

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

**Incoming Resources**

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.

- **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 extended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

- **Donations**

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

- **Other income**

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

- **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 as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

On becoming an Academy Trust the land and of property of the predecessor school was transferred to the company. The valuation of the land and buildings was based on the declared insurance valuation.

**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Period Ended 31 August 2012**

**Resources Expended**

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

- **Costs of generating funds**

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

- **Charitable activities**

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

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.

**Fixed Assets**

Where fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

**Depreciation**

Depreciation is provided on all fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful economic life, as follows:

Freehold buildings	50 years
Fixtures, fittings and equipment	10 years
ICT equipment	4 years

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

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

**Leased Assets**

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

**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Period Ended 31 August 2012**

**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.

**Pensions Benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi-employer scheme and the Academy 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 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.

**Fund Accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Young People's Learning Agency/Department for Education/sponsor/other funders] where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Young People's Learning Agency/Department for Education.

**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2012**

**2 GAG**

<b>a. Results and Carry Forward for the year</b>	<b>2012 £000</b>	<b>2011 £000</b>
GAG brought forward from previous year	43	-
GAG allocation for current year	5,236	2,055
<b>Total GAG available to spend</b>	<b>5,279</b>	<b>2,055</b>
Recurrent expenditure from GAG	(4,836)	(1,948)
Fixed assets purchased from GAG		(63)
<b>GAG carried forward to next year</b>	<b>443</b>	<b>43</b>
Maximum permitted GAG carry forward at end of current Year (12% of allocation for current year)	628	247
<b>GAG to surrender to DfE</b> (12% rule breached if result is positive)	<b>(185)</b>	<b>(204)</b>
	<b>No breach</b>	<b>No breach</b>
<b>b. Use of GAG brought forward from previous year for recurrent purposes</b>	<b>£000</b>	
(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes Any Balance, up to a maximum of 12%, can only be used for capital purposes)		
Recurrent expenditure from GAG in current year	4,836	
GAG allocation for current year	(5,236)	
GAG allocation for previous year x 2%	(41)	
<b>GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year</b>	<b>(441)</b>	
(2% rule breached if result is positive)	<b>No breach</b>	



**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2012**

**3 Voluntary Income**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	5 mths to 31 August 2011 £000
Donations – Capital	-	-	-	15,810
LGPS liability	-	-	-	(91)
Other Donations	4	-	4	1,357
	<u>4</u>	<u>-</u>	<u>4</u>	<u>17,076</u>

**4 Activities for Generating Funds**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	5 mths to 31 August 2011 £000
Other Income	37	-	37	-
Hire of Facilities	30	-	30	19
Private Photocopies	0	-	0	-
Sale of Books	-	2	2	-
Exam Fees Income	-	0	0	-
Sale of Equipment	2	-	2	-
Student Placement Income	-	2	2	-
Inc from contributions to visits	-	3	3	-
	<u>69</u>	<u>7</u>	<u>75</u>	<u>19</u>

**5 Investment Income**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	5 mths to 31 August 2011 £000
Interest Received	8	-	8	-
Total	<u>8</u>	<u>-</u>	<u>8</u>	<u>-</u>

**6 Funding for Academy's educational operations**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	5 mths to 31 August 2011 £000
<b>DfE / EFA revenue grants</b>				
General Annual Grant (GAG) note 2	-	5,236	5,236	2,055
Capital Grants	-	163	163	20
Other DfE / EFA grants	-	377	377	-
	<u>-</u>	<u>5,776</u>	<u>5,776</u>	<u>2,075</u>
<b>Other Government grants</b>				
Local Authority Grants	-	15	15	-
Special Education Project	-	-	-	-
	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>
<b>Total</b>	<u>-</u>	<u>5,791</u>	<u>5,791</u>	<u>2,075</u>

**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Year Ended 31 August 2012**

**7 Resources Expended**

	Staff Costs	Non pay expenditure		Total 2012	5 mths to 31 August 2011
		Premises	Other Costs		
Cost of generating voluntary income	-	-	3	3	-
Cost of activities for generating funds	-	-	22	22	18
<b>Academy's education operations</b>					
Direct costs	3,152	425	554	4,131	1,755
Allocated support costs	621	486	153	1,260	461
	<u>3,774</u>	<u>911</u>	<u>731</u>	<u>5,415</u>	<u>2,234</u>
 Governance costs including allocated support costs	-	-	13	13	20
	<u>3,774</u>	<u>911</u>	<u>744</u>	<u>5,428</u>	<u>2,254</u>

**8 Direct costs**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	5 mths to 31 August 2011 £000
Teaching and Educational Support Staff	15	3,137	3,152	1,310
Depreciation	183	242	425	209
Educational Supplies	-	306	306	37
Examination Fees	-	92	92	60
Staff Development	-	33	33	5
Educational Consultancy	-	-	-	-
Bought in Prof Services other	-	84	84	-
Other Direct Costs	-	39	39	134
	<u>198</u>	<u>3,933</u>	<u>4,131</u>	<u>1,755</u>
 <b>Allocated Support Costs</b>				
Support Staff Costs	-	621	621	176
Recruitment and Support	-	6	6	-
Maintenance of Premises and Equipment	-	322	322	133
Cleaning	-	21	21	63
Rent and Rates	-	99	99	10
Insurance	-	38	38	17
Security and Transport	-	10	10	12
Catering	-	53	53	28
Bank Interest & Charges	-	-	-	-
Other Support Costs	-	90	90	41
	<u>-</u>	<u>1,260</u>	<u>1,260</u>	<u>478</u>
	<u>198</u>	<u>5,193</u>	<u>5,391</u>	<u>2,234</u>

**9 Governance Costs**

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	5 mths to 31 August 2011 £000
Audit	-	5	5	5
Accountancy and payroll	-	8	8	-
Personnel Fees	-	1	1	-
Legal Fees	-	-	-	15
	<u>-</u>	<u>13</u>	<u>13</u>	<u>20</u>

**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Period Ended 31 August 2012**

**10. Staff Costs**

	<b>2012 £000</b>	<b>5 mths to 31 August 2011 £000</b>
Staff costs during the period were:		
Wages and salaries	3,091	1,260
Social security costs	262	98
Pension costs	409	161
	<u>3,762</u>	<u>1,519</u>
Supply teacher costs	12	14
Compensation payments	-	-
	<u>3,774</u>	<u>1,533</u>

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

	<b>2012 Number</b>	<b>Period to 31 August 2011 Number</b>
<i>Charitable Activities</i>		
Teachers	60	60
Administration and support	38	38
Management	5	5
	<u>102</u>	<u>102</u>

	<b>2012 Number</b>	<b>Period to 31 August 2011 Number</b>
The number of employees whose emoluments fell within the following bands was		
£60,001-£70,000	1	1
£70,001-£80,000	0	0
£80,001-£90,000	1	1

**11 Governors' Remuneration and Expenses**

The Principal and staff trustee governors only received remuneration in respect of services they provided undertaking the roles of Principal and staff and not in respect of their services as trustee governors. Trustee governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of the Trustees (member's) remuneration was as follows

Principal	J Hedley	£80,001 - £85,000
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During the year ended 31 August 2012, no travel and subsistence expenses were reimbursed to governors. Related party transactions involving the governors are set out in note 23.

**12 Governors' and Officers' Insurance**

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 £10,000,000 on any one claim, the cost of this insurance being included in the total insurance cost.

**Fairfield High School for Girls**  
**Notes to the Financial Statements for the**  
**Year Ended 31 August 2012**

**13. Tangible Fixed Assets**

	<b>Buildings</b>	<b>Other Equipment</b>	<b>Computer equipment</b>	<b>F&amp;F</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost</b>					
At 1 September 2011	15,810	268	453	476	17,007
Additions	-	8	-	12	20
Disposals	-	-	-	-	-
<b>At 31 August 2012</b>	<b>15,810</b>	<b>276</b>	<b>453</b>	<b>488</b>	<b>17,027</b>
<b>Depreciation</b>					
At 1 September 2011	(132)	(11)	(47)	(19)	(209)
Charge for the year	(237)	(27)	(113)	(48)	(425)
Released on disposal	-	-	-	-	-
<b>At 31 August 2012</b>	<b>(369)</b>	<b>(38)</b>	<b>(160)</b>	<b>(67)</b>	<b>(634)</b>
<b>Net book value</b>					
<b>At 31 August 2012</b>	<b>15,441</b>	<b>238</b>	<b>293</b>	<b>421</b>	<b>16,393</b>
At 1 September 2011	15,678	257	406	457	16,798

**Fairfield High School for Girls**  
**Notes to the Financial Statements for the**  
**Year Ended 31 August 2012**

<b>14 Debtors</b>	<b>2012</b>	<b>5 mths to 31</b>
	<b>£000</b>	<b>August</b>
		<b>2011</b>
		<b>£000</b>
Trade Debtors	0	10
Other Debtors	11	68
Prepayments	15	-
	<u>27</u>	<u>78</u>

<b>15 Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>5 mths to 31</b>
	<b>£000</b>	<b>August</b>
		<b>2011</b>
		<b>£000</b>
Trade Creditors	55	24
Other Taxation and Social Security	-	-
Other Creditors	-	-
Accruals and Deferred Income	134	31
	<u>190</u>	<u>55</u>

**Deferred Income**

Deferred income at 1 September 2011	-	-
Resources deferred in the year	-	-
Amounts released from previous years	-	-
Deferred Income at 31 August 2012	<u>-</u>	<u>-</u>

**Fairfield High School for Girls**  
**Notes to the Financial Statements for the**  
**Year Ended 31 August 2012**

**16 Funds**

	Balance at 01 August 2011 £	Incoming Resources £	Resources Expended £	Gains, Losses And Transfers £	Balance at 31 August 2012 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	43	5,236	(4,836)	-	443
Other DFE/EFA Grants	-	377	(117)	-	260
Local Authority Grants	-	15	(15)	-	-
Other Income/Donations	-	7	(7)	-	-
Pension reserve	(137)	-	(10)	(221)	(368)
	(94)	5,635	(4,984)	(221)	335
<b>Restricted fixed asset funds</b>					
Restricted Fixed Asset Fund	15,678	163	(237)	-	15,604
Capital expenditure from GAG	-	-	-	-	-
	15,678	163	(237)	-	15,604
<b>Total restricted funds</b>	<b>15,584</b>	<b>5,797</b>	<b>(5,221)</b>	<b>(221)</b>	<b>15,939</b>
<b>Unrestricted funds</b>					
Unrestricted funds	1,288	81	(208)	-	1,161
<b>Total funds</b>	<b>16,872</b>	<b>5,878</b>	<b>(5,429)</b>	<b>(221)</b>	<b>17,100</b>

**17 Analysis of net assets between funds**

Fund balances at 31 August 2012 are represented by

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
Tangible Fixed Assets	945	8	15,441	16,394
Current Assets	216	886	163	1,265
Current Liabilities	-	(190)	-	(190)
Pension Scheme Liability	-	(368)	-	(368)
<b>Total Net Assets</b>	<b>1,161</b>	<b>336</b>	<b>15,604</b>	<b>17,101</b>

**18 Capital and Financial Commitments**

There are no capital commitments contracted for at the year end

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

	2012 £000	2011 £000
<i>Land and Buildings</i>	Nil	Nil
<i>Other</i>		
Expiring withing one year	17	17
Expiring within 2-5 years	26	26
Expiring in over 5 years		

**Fairfield High School for Girls**  
**Notes to the Financial Statements for the**  
**Year Ended 31 August 2012**

	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
<b>19 Reconciliation of net income to net cash inflow from operating activities</b>		
Net Income	450	16,916
Depreciation	425	209
Capital Grants from Dfe	(163)	(15,830)
Interest receivable	(8)	-
FRS 17 pension costs less contributions payable	9	5
FRS 17 pension finance income	1	(3)
(Increase)/Decrease in debtors	52	(78)
Increase/(Decrease) in creditors	135	55
	<u>900</u>	<u>1,274</u>

	<b>£000</b>	<b>£000</b>
<b>20 Returns on Investments</b>		
Interest received	<u>8</u>	<u>-</u>

	<b>£000</b>	<b>£000</b>
<b>21 Capital Expenditure</b>		
Assets transferred from former school	-	(16,923)
Purchase of tangible fixed assets	(20)	(84)
Capital grants from DfE	163	20
Capital fundings from sponsors and others	-	15,810
	<u>142</u>	<u>(1,177)</u>

	<b>At 1 September</b>		<b>At 31 August</b>
	<b>2011</b>	<b>Cashflow</b>	<b>2012</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>22 Analysis of change in net funds</b>			
	188	1,050	1,239
	<u>188</u>	<u>1,050</u>	<u>1,239</u>

**23 Related party transactions**

There were no transactions involving governors or their connected parties in the year or the prior period

**Fairfield High School for Girls**  
**Notes to the Financial Statements**  
**Period Ended 31 August 2012**

**24 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 Tameside Metropolitan Borough Council 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 August 2011

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

**Teachers' Pension Scheme**

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS The aim of the reviews is to specify the level of future contributions

The contribution rate paid into the TPS is assessed in two parts First, a standard contribution rate ("SCR") is 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 investigation, 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 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently 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 the valuation date) was £163,240 million The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth is assumed to be 1.5% The assumed gross rate of return is 6.5%

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, 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. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable



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From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

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 and the implications for the academy in terms of the anticipated contribution rates.

**Local Government Pension Scheme**

The academy is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The total contribution made for the period ended 31 August 2012 was £125,000, of which employer's contributions totalled £88,000 and employee's contributions totalled £37,000. The agreed contribution rates for future years are 14.5% for employers and between 5.5% and 7.5% for employees depending upon their scale.

As described in note 1 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

**Principal Actuarial Assumptions**

	At 31 August 2012	At 31 August 2011
Salary increase rate	4.0%	4.4%
Pension increase rate	2.2%	2.6%
Expected return on assets	4.8%	6.0%
Discount rate	4.1%	5.4%

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

	At 31 August 2012
<i>Retiring today</i>	
Males	20.1 yrs
Females	22.9 yrs
 <i>Retiring in 20 years</i>	
Males	22.5 yrs
Females	25.0 yrs

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**24 Pension and similar obligations (continued)**

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

	<b>Expected return at 31 August 2012</b>	<b>Fair value at 31 August 2012 £000</b>	<b>Expected return at 31 August 2011</b>	<b>Fair value at 31 August 2011 £000</b>
Equities	5.5%	839	6.8%	670
Bonds	3.4%	243	4.6%	203
Property	3.7%	61	4.8%	61
Cash	2.8%	73	3.9%	81
<b>Total market value of assets</b>		<u>1,216</u>		<u>1,015</u>
Present value of scheme liabilities - Funded		(1,584)		(1,152)
<b>Surplus/(deficit) in the scheme</b>		<u>(368)</u>		<u>(137)</u>

The rates of return are based on the recommended return assumptions derived from the actuary's asset model

The actual return on scheme assets was £64k

**Amounts recognised in the statement of financial activities**

	<b>2012 £000</b>
Current service cost (net of employee contributions)	11
Past service cost	-
<b>Total operating charge</b>	<u>11</u>
<b>Analysis of pension finance income / (costs)</b>	
Expected return on pension scheme assets	64
Interest on pension liabilities	(65)
<b>Pension finance income / (costs)</b>	<u>(1)</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 £265k loss

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**24 Pension and similar obligations (continued)**

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

	<b>2012</b> <b>£000</b>	<b>2011</b> <b>£000</b>
<b>At 1 September</b>	1,152	1,121
Current service cost	97	37
Past service cost	-	-
Interest cost	65	26
Employee contributions	37	14
Actuarial (gain)/loss	248	(27)
Curtailments and settlements	-	-
Benefits paid	(15)	(19)
	-	-
<b>At 31 August</b>	<u>1,584</u>	<u>1,152</u>

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

	<b>2012</b> <b>£000</b>	<b>2011</b> <b>£000</b>
<b>At 1 September</b>	1,015	1,030
Expected return on assets	64	29
Actuarial gain/(loss)	27	(71)
Employer contributions	88	32
Employee contributions	37	14
Assets distributed on settlements	-	-
Transfer in of new members	-	-
Benefits paid	(15)	(19)
	-	-
<b>At 31 August</b>	<u>1,216</u>	<u>1,015</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £95,000

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