

Bishop Wordsworth's Church of England Grammar School for Boys

(A Company Limited by Guarantee)

First Annual Report and Financial Statements

Year ended 31 August 2011

WEDNESDAY



A31 *A11AMWJS* #50
25/01/2012
COMPANIES HOUSE

Company Registration Number 7525856 (England & Wales)

Bishop Wordsworth's Grammar School for Boys

Contents	Page
Reference and Administrative Details	3
Governors' Report	5
Statement on Internal Control	16
Statement of Governors' Responsibilities	18
Independent Auditor's Report	20
Accounts	22
Statement of Financial Activities incorporating Income & Expenditure Account	23
Balance Sheet	24
Cash Flow Statement	25
Notes to the Financial Statements, incorporating	26
Statement of Accounting Policies	26
Other Notes to the Financial Statements	29

REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Bishop of Salisbury The Salisbury Diocesan Board of Education The Chapter of Salisbury Cathedral The Chair of Governors
Governors (Trustees)	Mrs J Ranaboldo (Chair) Mr R W Herklots (V Chair) Mrs A Blevins (appointed 15 May 2011) Mr N A Beer Mr J Brazier Major RCD Clark (resigned 17 July 2011) Dr K J Monserrat Mr T Papé OBE, DL Canon E Probert Mr A Taylor Mr A P Weale (Representing the Bishop) Colonel R Wertheim (resigned 31 July 2011) Mr A Rutter (Parent governor) Mrs C Whittaker (Parent governor) Dr S D Smallwood PhD (Headmaster and Accounting Officer) Mrs K Goodwin (Staff governor) Mrs E Oakley (Staff Governor) Mr D J Twomey (Co-opted ex-parent Governor) Major H Davidson (Co-opted ex LA Governor) Mrs A Brown (Co-opted ex Staff Governor)
Company Secretary	Lieutenant Colonel D J Peerless MSc
Leadership Team	Mr G Lloyd MA (Deputy HM) Mr S Abbott B Mus (Head of Lower School) Mr R Burnside BA (Head of Sixth Form) Mr A Harmsworth BSc (Assistant Head) Mrs M Jenner BSc (Head of Middle School) Mrs J Lasham CSBM (Business Manager) Mrs Claire Makin BA (Assistant Head) Mr J Rogers BSc (Assistant Head)

Registered Office	11 The Close Salisbury SP1 2 ED
Company Registration Number	7525856 (England and Wales)
Independent Auditor	Moore Stephens (South) LLP Chartered Accountants 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury SP1 2TJ
Bankers	Lloyds TSB plc Blue Boar row Salisbury SP1 1DA
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

GOVERNOR'S REPORT

1 The Governors present their Annual Report together with the Financial Statements and Auditors' Report of Bishop Wordsworth's Church of England Grammar School for Boys, the charitable company, for the year ended 31 August 2011

STRUCTURE GOVERNANCE AND MANAGEMENT

2 **Constitution.** The School is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the School and are part of the Funding Agreement between the Company and the Secretary of State for Education. The Governors act as the trustees for the charitable activities of Bishop Wordsworth's Grammar School for Boys and are also the directors of the Charitable Company for the purposes of company law. Details of the governors who served throughout the year except as noted are included in the Reference and Administrative Details on Page 3

3 **Principal Activities.** The School is a 'not for profit organisation' that provides secondary education for boys from 11-18 years of age. The School offers a balanced and broadly based curriculum until the age of 16 and an 'A' Level curriculum from age 16 to 18. The School has specialisms in Science and Languages and prepares boys for external examination and subsequent entry to higher education in a very wide range of academic disciplines. Pupils are mainly drawn from the Salisbury area at age 11 and also from both Salisbury and a wider area across South Wiltshire and West Hampshire at 16+ entry. As well as academic work, the school offers a very wide ranging and highly successful programme of extra-curricular activities for pupils from across the entire age range. The School is a selective school within the meaning of section 6(4) of the Academies Act 2010 and is designated with a religious character as Church of England. The Christian tradition is central to the core values of the School.

4 **Members.** There are four members of the Academy Trust who are specified in the Articles of Association:

- a The Bishop normally represented by a governor
- b The Salisbury Diocese Board of Education (SDBE) a corporate member represented by a SDBE member who is normally also a governor
- c The Chapter of the Salisbury Cathedral a corporate member represented by a Chapter member who is normally also a governor
- d The current elected chair of the Governing Body

5 **Members' Liability.** Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such

amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member

6 **Governors.** The directors/ trustees /governors are referred to as 'governors' and together form the 'Governing Body' There are different classes of governors as described at Paragraph 9 but all have equal votes

7 **Governance.** The Members meet at least once each year to hold an AGM this meeting is normally held after a Governing Body Meeting with all governors present Members may hold other general meetings if necessary The Governing Body meets at least once a term and the Members are invited Any items for Members only are voted on only by them Responsibilities are as follows

a **Members.** Members are primarily responsible for the ethos of the School and therefore powers to make, or apply to the DfE to make, fundamental changes to the School lie with them For example (but not exclusively)

- (1) Changing the Status of the School from an academy
- (2) Changing the status of the school from a Church of England School
- (3) Changing the status of the School as a single sex school
- (4) Closing the School
- (5) Changing the name of the School
- (6) Seeking to change the Funding Agreement including the Articles of Association
- (7) Changing the Standing Orders of the Governing Body.
- (8) Appointing/ dismissing 'Foundation' governors except for the Bishop who is 'ex officio'
- (9) Determine the process by which staff governors are appointed

b **The Governing Body.** The Governing Body is responsible for the general running of the School Its core tasks are to define the strategic vision for the school and then seek to monitor progress and standards It establishes strategy and receives regular reports from the Headmaster, advises, sets targets, monitors progress and monitors standards It also approves the Curriculum for the School Heads of departments, both academic and pastoral, and other focus areas are invited to present to the Governing Body on aspects of their work and most Governors are linked with an individual department or area of responsibility which they will regularly visit One Governor is responsible for reviewing safety arrangements for all outdoor educational activities, another links up with the member of staff responsible for Special Educational Needs Individual Governors attend the many school events throughout the year and several governors formally visit to view the School at work each year and report their findings to the Governing Body

c **Sub-Committees.** Much governors' work is delegated to sub committees which meet to give detailed consideration to issues, take decisions according to their delegated responsibilities and report back to the Governing Body

(1) **Evaluation Committee.** The Evaluation Committee meets annually to evaluate the performance of the Governing Body and to propose improvements if appropriate

(2) **Finance & Audit Committee.** The Finance & Audit Committee is concerned with the School's financial management, budget strategy and external audit

(3) **Property Health & Safety Committee.** The Property, Health and Safety Committee considers all matters related to the premises and grounds, the Sports Centre and the safety of all those who work at or attend the School

(4) **Pay and Staffing Committee.** The Pay & Staffing Committee look after all matters of staffing, pay and conditions of service All job applicants for posts which entail membership of the Leadership Group are interviewed by Governors

(5) **Admissions Committee.** The Admissions Committee is responsible, within government requirements, for the policy governing all admissions to the School

(6) **Discipline Committee.** All non-staff governors are members of the Discipline Committee except the Chair of Governors It only sits if required to consider general matters of pupil and staff discipline and also supplies governors to chair and sit on discipline and appeals panels for both pupils and staff These panels are all aided by a professional representative

d **Curriculum Panel.** Governors are represented on the Curriculum Panel which sets the curriculum and the School's academic assessment and monitoring procedures

e **Audit.** The public funds of the school are audited annually To assist in the financial management of the school, the Governors have appointed an accountant as the Responsible Officer to undertake regular reviews of all financial processes and procedures The Governors are also the Trustees of the private funds which are inspected by the accountants as an 'Independent Examination' as they are below the threshold for audit

8 **Minutes.** Meetings are minuted by the Company Secretary and circulated to all Governors Minutes of the Governing Body are posted on the School Website under 'Governors' after approval All minutes, including those of sub-committees are available for inspection in the Company Secretary's Office The Headmaster (who is a governor and the Accounting Officer) and Deputy Headmaster are fully involved in the work of all these committees and act in partnership with the Governors

9 Method of Recruitment and Appointment or Election of Governors.

a Appointment/ Election.

- (1) The Members appoint up to 12 governors, one of whom is the Diocesan Bishop who is ex-officio and who normally appoints a representative in his place
- (2) The Members may appoint 2 staff governors as follows (but have directed that, if possible, they be elected) a teacher, elected by the teaching staff and a member of the support staff elected by the support staff
- (3) Two parent governors are elected by parents/guardians of pupils
- (4) The Headmaster is an ex-officio governor
- (5) The governors, with the consent of the Diocesan Board of Education, may appoint up to three people as co-opted governors

b Approach to Recruiting. Members and governors recruit people with religious beliefs and with a range experience that will benefit the School particularly in education, law, business, finance and accounting

10 Induction and Training of Members and Governors. New members and governors are given an extensive briefing on the governance of the school by the Company Secretary This includes meeting the Headmaster and the Chair of Governors, a tour of the School, the layout of the School Website including in particular the location of the governors' section, which sections of the governors' information pack to study initially and what training is available and appropriate Thereafter, the Company Secretary advises governors when relevant training courses are scheduled

11 Organisational Structure- School Staff.

a Leadership Team. The staff is led by the Headmaster, Deputy Headmaster and other senior staff who are the members of the Leadership Team Their main roles are as follows

- (1) Headmaster - overall responsibility with delegated powers for the day to day running of the school eg staff appointments other than those for the Leadership Team, financial contracts up to £75,000, subject options, exclusions up to 45 days per pupil per year and teaching standards He is also the Accounting Officer
- (2) Deputy Headmaster – Curricular Director
- (3) Assistant Head - Language College Director
- (4) Assistant Head - Continuous Professional Development
- (5) Assistant Head - Director of Sixth Form

- (6) Assistant Head - Director of Assessment & ICT
- (7) Business Manager
- (8) Head of Lower School
- (9) Head of Middle School

In addition, Heads of Department may be co-opted onto the Leadership Team if they wish to join it, and other staff attend when issues relevant to their roles are under discussion

b Line Management. The members of the Leadership Team are line managers for the Heads of Academic Departments

c School Organisation. The organisational divisions of the School reflect its academic and pastoral concerns

(1) **Academic Organisation.** The School is divided into academic departments. Heads of Departments manage their departments, they are budget holders and are responsible, amongst other things, for establishing departmental aims and objectives consistent with overall School development plans, setting targets, monitoring standards, apportioning resources, acting as line managers to undertake performance management reviews & appraisals and contributing to the professional development of colleagues

(a) Heads of Departments as a body meet formally with the Headmaster on six occasions during the academic year and individually for reviews in September and June

(b) The Deputy Headmaster meets each Head of Department formally once a year in the Spring Term

(c) The Curriculum Committee, chaired by the Curriculum Director, meets regularly to consider developments affecting the School's curricular provision and academic monitoring

(d) In addition the Director of Sport has overall responsibility for the leadership, management and organisation of both curricular and extra-curricular sport, together with the operation of the Sports Hall

(2) **Pastoral Organisation.** The School is divided into three sections. The Lower School comprises Years 7-9 (Key Stage 3), the Middle School is Years 10-11 (Key Stage 4) and the Upper School is Years 12-13 (the Sixth Form)

(a) The Heads of School work with a tutor team, with whom they meet regularly. The role of the tutor is crucial because high academic standards and pupil welfare are seen as interlinked, hence nearly all full-time members act as tutors in which role they combine

the roles of pastoral carer and academic manager of the pupils in their care Sixth Form boys each have an academic tutor
Supplementary pastoral support is provided by the Senior Tutor and the Learning Support Co-ordinator

(b) The Deputy Headmaster, Senior Tutor, Heads of School and their Assistants meet together as the Pastoral Care Committee, these meetings are chaired by the Senior Tutor

d **Other Responsibilities.** Certain additional cross-curricular themes and whole school responsibilities fall to various members of both teaching and support staff as follows Performance Management and Appraisal, Staff Development, Child Protection, Special Educational Needs (SEN), Information and Communication Technology, Personal, Social and Health Education (PSHE), Careers and Work Experience

e **Professional Support Staff.** The professional support staff comprise staff in the Headmaster's Office, staff in the Finance Office (Business Manager and finance officers), clerical officers, language college support assistant, assistants to the Heads of School, exams office staff, school receptionists, site management team, departmental technicians for chemistry, biology, physics, art & design and design technology, ICT network manager and team, school catering team, cover supervisors and the Company Secretary

12 **Risk Management.** The risks identified by governors mainly were financial and these are considered by the Finance & Audit Committee at least twice a year and the results reported to the Governing Body Other risks associated with a change in Government policy such as loss of academy or selective status were considered outside of governors' control and therefore could not be managed In the opinion of the Governors, the School has established systems that, under normal circumstances, would allow the risks identified by them to be mitigated to an acceptable level in day-to-day operations Areas considered and management mitigation are at Paragraph 27

13 **Connected Organisations, including Related Party Relationships.** The School is not connected in a corporate sense with any other bodies but does co-operate in 6th Form teaching with South Wilts Grammar School for Girls This co-operation takes the form of some 6th Form subjects being taught only in one school but open to pupils from both and some subjects having shared teaching between the schools This strategy allows a wider curriculum to be offered The cost of teaching provision is assessed by both schools annually and financial transfers made as appropriate

OBJECTIVES AND ACTIVITIES

14 **Objects and Aims.** The Objects and Aims of the School are the on-going provision of the principle activities described in Paragraph 3 Additionally, subsidiary aims are as follows

- a To advise and assist pupils with university entry
- b To provide the broadest possible range of extra-curricular activities and to encourage participation by boys
- c To provide benefit for the local population where this does not hinder the prime aim

15 Objectives, Strategies and Activities. The prime objective for this the first year of conversion to an academy was the continuity of provision of outstanding education to pupils during the conversion from voluntary aided to academy status. In particular to ensure that the costs and extra workload of conversion could be sustained within budget and cash flow. The strategy for achieving this included setting up an academy working group, risk assessment and a detailed risk analysis with subsequent management of the higher scoring risks, creating a detailed roadmap to transition, engaging suitably experienced solicitors to advise on the legal aspects and engaging appropriate accountancy support.

16 Public Benefit. In setting objectives and planning activities the governors have given consideration to the Charity Commission's general guidance on public benefit. The public benefit is in providing education in accordance with the Principle Activities at Paragraph 3 and, additionally, in providing language classes and sports hall facilities to local residents and clubs.

ACHIEVEMENTS AND PERFORMANCE.

17 Conversion to Academy Status. The conversion of the School to an academy was mainly seamless to the stakeholders, the pupils, parents and staff and has provided financial benefit to the school with regard to the three-year financial forecast.

18 Educational Performance. Both GCSE and 'A' Level results were at or above expectations.

a **GCSE.** There were 116 boys in Year 11 and 72% of the grades were at either A* or A while 35 boys passed all of their papers at A*/A. All of the boys bar one gained at least 8 good GCSEs and 83% of the year group gained at least 5 A*/A grades.

b **'A' Level.** Nearly 80% of the grades were 'B' or better and 18% of all papers were graded at 'A*'. 32 boys in the year group gained at least 3 'A' levels at 'A*/A' including one boy who scored 5 'A*' grades.

c **University Entry.** Nearly all boys will secure their first choice of university and the university entry breakdown is as follows:

Oxbridge	6
Other Russell Group	35
1994 Group	26
Other Universities	32

d **Gap Year.** In addition (as is usual) a number of boys chose to take a gap year in 2011-2012 and many will apply for university entry for September 2012

e **Extra-curricular.** The School offers a wide variety of sports and competes against other schools. Additionally, training towards Duke of Edinburgh scheme Bronze, Silver and Gold awards is offered with, this year, 88, 48 and 16 pupils respectively working towards the awards

19 **Provision of Local Facilities.** During the year the following facilities have been provided on repayment to the local population,

a **Sports Hall.** Access by clubs and individuals to the Sports Hall including the Fitness Suite

b **Language Classes.** Provision of evening classes in Italian, French, Spanish, German, Russian and Mandarin

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

21 **Key Financial Performance Indicators.** The key indicators are the year-end cash balance compared with the agreed budget and the projected balances for the following two years

FINANCIAL REVIEW

22 The Statement of Accounts and Auditors' Report is on pages 20 to 44. It complies with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005)

23 The Accounts show that the main incoming resources were from educational funding totalling £2,608,292. Additionally, income from activities for generating funds, was £131,503 and income from donations and private sources was £139,592. The main expenditure was on staff salaries totalling £1,973,479. Other significant expenditure was £210,811 on educational supplies, £75,219 on examination fees and £55,665 on ICT costs. The income exceeded the resources expended on expenditure and management in the Period by £220,236 excluding the support staff defined benefit pensions' deficit inherited from Wiltshire Council. This deficit was assessed by an actuarial review as at 1 March 2011 to be £297,000, which the Actuary, on current assumptions, forecast would be reduced to zero in 20 years. A further review as at 31 August 2011 forecast the deficit to be £284,000

24 The fixed assets of the School consist of buildings under construction, computer equipment and motor vehicles which are shown on the Balance Sheet at £71,146. Buildings leased on conversion to an academy are not shown on the Balance Sheet due to restrictive covenants on the leases

25 The excess of income in the Period together with the surplus transferred when the School became an academy plus the fixed assets and less the pension liability constitutes the negative value of the fund at £55,764

26 **Financial and Risk Management Objectives and Policies.** The School has no investments other than bank balances and no trade creditors other than the Government. Therefore, apart from the areas listed at Paragraph 27 below, the only material risk is the deficit on the staff defined pension scheme. Actuarial reviews were carried out by Wiltshire County Council as at 1 February 2011 and 31 August 2011 (as noted at Paragraph 23) and it was recommended that no increase to contributions was necessary. Further actuarial reviews will be undertaken at appropriate intervals.

27 **Principal Risks and Uncertainties.** The objective and policy of risk management is to identify risks, score them in likelihood and severity and therefore grade them and to take management action to mitigate risk particularly for any with high grades. The risks considered were

a Company runs into deficit (excluding pension' liability). Mitigation: produce medium term financial forecast to 3 years ahead and longer term to 5 years ahead.

b Pensions' liability becomes unsustainable. Mitigation: review annually and increase contribution rate if appropriate.

c Increased in-year liabilities due to staffing issues: maternity, long term illness, tribunals and redundancy. Mitigation: build annual contingency into budget and accumulate unused contingency in-year to a reserve.

d Increased in-year costs for services: SEN, Ed Psych, EWO, and Hospital Education. Mitigation: as Sub paragraph c above.

e VAT may only be reclaimed in arrears of payments. Mitigation: build into cash flow.

f Financial controls and/or financial staff training may not be robust enough to identify possible problems. Mitigation: a firm of chartered accountants has been appointed to provide a 'Responsible Officer' to conduct a running monthly review of systems and account entries. Additionally, the same firm has been retained to advise on financial procedures while the financial staff are working up the new accounting system and practices.

g Inability to recruit new governors with suitable experience. Mitigation: replacements are identified early noting that the number of governors is more than required so gaps can be tolerated.

28 **Reserves Policy.** The School has a rolling programme of improvements both to its physical and technological infrastructure. The School manages the flow and efficiency of these capital projects through careful financial planning and considers that there is a need to maintain a level of reserves sufficient to meet these

commitments and to provide for unplanned expenditure. Therefore, in the medium term, reserves will be increased when possible by the introduction of additional funding streams

29 **Investment Policy.** The investment policy is that all surplus funds are held as cash in bank

PLANS FOR FUTURE PERIODS

30 The main aims for the next three years are as follows.

- a To use Academy Status as a platform for developing excellence and working with other primary and secondary schools to enhance educational quality in the region
- b Further development of primary and secondary outreach work, including Continuous Professional Development (CPD)
- c Further development of links with Higher Education, local community and business, including adult evening class programme and activities to utilise better the school's facilities during out-of-hours periods
- d To expand extra-curricular activities on a manageable, sustainable & affordable basis, encourage staff involvement and establish a regional reputation for the School in extra-curricular provision
- e To complete refurbishment of the older parts of the School site
- f To provide a new build classroom for cookery tuition
- g To improve the quality of support and challenge for 6th Form pupils through mentoring and target setting in order to improve standards and results and so improve access to the most competitive institutions of higher education

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

31 The School has several private charitable funds for which the governors are the Trustees. All private funds are accounted for separately and subject to an annual independent review by the School's Auditors. Assets are all held as 'cash in bank'. The Funds are

- a **The School Fund.** Income includes pupil subscriptions, donations and contributions which are used to support activities such as sport, travel for school functions, hospitality, homework diaries and speech day prizes. The School Fund also acts as a banker for various clubs and other funds within the School including drama, charity, music and chapel
- b **The Foundation Fund.** The Foundation Fund holds interest bearing accounts for prize funds, bequests and the following memorial funds: Robert Gillo, Wort, Pam Errington, and Roger Pennels. In addition, there is a general reserve accumulated over the years from donations and interest. Resources are used to fund prizes, education and sports grants, school functions and

guest speaker expenses. The Foundation Fund also receives dividends from the Humby Bequest investment which are then used at governors' discretion in support of the School.

c **The Travel Fund.** The Travel Fund holds income received from pupils for school trips. Each trip is accounted for separately and any surplus money is refunded to the pupil after a small administrative charge. A school trip in deficit will be covered from reserves built up from interest earned. Subject to agreement by governors, these reserves may also be used to subsidise travel for a pupil whose parents are experiencing financial difficulties or a member of staff where the cost is high but attendance is essential.

d **The Income Appeal.** Used to collect Gift Aid donations and apply them at governor's discretion for the educational benefit of the School.

AUDITOR

32 In so far as the Governors are aware, there is no relevant audit information of which the Charitable Company's Auditor is unaware and the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

33 It is expected that the Auditors will be reappointed by the Members for the year to 31 August 2012.

APPROVAL

34 Approved by order of the Governing Body on 30 November 2011 and signed on its behalf by



[Signed]

Mrs J Ranaboldo

Chair of Governing Body

STATEMENT OF INTERNAL CONTROL

35 Scope of Responsibility. As governors, we acknowledge we have overall responsibility for ensuring that Bishop Wordsworth's School has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. The Governing Body has delegated the day-to-day responsibility to the Headmaster, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bishop Wordsworth's School and the Secretary of State for Education. He is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

36 The Purpose of the System of Internal Control. The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of School policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bishop Wordsworth's School for the year ended 31 August 2011 and up to the date of approval of the Annual Report and Financial Statements.

37 Capacity to Handle Risk. The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the School's significant risks that has been in place for the period ending 31 August 2011 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Governing Body.

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

- a Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body

- b Regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- c Settings targets to measure financial and other performance
- d Clearly defined purchasing (asset purchase or capital investment) guidelines
- e Delegation of authority and segregation of duties; identification and management of risks

39 Internal Audit. The Governing Body considered the need for a specific internal audit function and contracted Moore Stephens (South) LLP to provide a suitably qualified employee as Responsible Officer ('RO') The RO's role includes giving advice on financial matters and performing a range of checks on the School's financial systems The role and audit plan are in accordance with the recommendations in the DoE issued 'Academies Financial Handbook' The RO reports to the Finance Committee at least termly (ie three times per year) on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities There were no material control or other issues reported by the RO in the period

40 Review of Effectiveness. As Accounting Officer, the Headmaster has responsibility for reviewing the effectiveness of the system of internal control During the year in question the review has been informed by

- a The work of the Responsible Officer
- b The end of year audit
- c The financial management and governance self-assessment process
- d The work of the executive managers within the School who have responsibility for the development and maintenance of the internal control framework

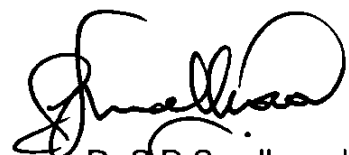
41 Post System Review Action. The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place

APPROVAL

42 Approved by order of the Governing Body on 30 November 2011 and signed on its behalf by


[Signed]
Chair of Governing Body

Mrs J Ranaboldo


Dr S D Smallwood
Accounting Officer

STATEMENT OF GOVERNORS' RESPONSIBILITIES

43 The Governors (who act as trustees for charitable activities of Bishop Wordsworth's School 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 Young People's Learning Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

44 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

- a Select suitable accounting policies and then apply them consistently
- b Observe the methods and principles in the Charities SORP
- c Make judgments and estimates that are reasonable and prudent
- d State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statement
- e Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business

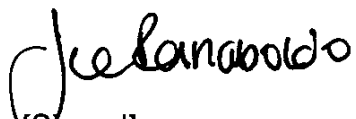
45 The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements 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

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

47 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

APPROVAL

48 Approved by order of the Governing Body on 30 November 2011 and signed on its behalf by



[Signed]

Mrs J Ranaboldo

Chair of Governing Body

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BISHOP WORDSWORTH'S CHURCH OF ENGLAND GRAMMAR SCHOOL FOR BOYS

We have audited the financial statements of Bishop Wordsworth's Church of England Grammar School For Boys for the period ended 31 August 2011 which comprise 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 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 Governors' Responsibilities Statement set out in from Paragraph 44, the Governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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'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 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 2011, 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, and
- have been prepared in accordance with the requirements of the Companies Act 2006

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

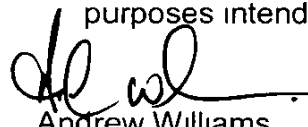
Matters on Which We Are Required to Report By Exception

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

Opinion on Other Matters Prescribed By The Academy's Funding Agreement With The Secretary Of State For Education

- the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Young People's Learning Agency in respect of the relevant financial period,
- proper accounting records have been kept, and
- grants made by the Young People's Learning Agency have been applied for the purposes intended



Andrew Williams

Senior Statutory Auditor

30 November 2011

For and on behalf of Moore Stephens (South) LLP, Statutory Auditor
 33 The Clarendon Centre
 Dairy Meadow Lane
 Salisbury Business Park
 Salisbury
 Wiltshire SP1 2TJ

ACCOUNTS OF
BISHOP WORDSWORTH'S
CHURCH OF ENGLAND GRAMMAR SCHOOL
FOR BOYS

FOR THE PERIOD

1 MARCH 2011 TO 31 AUGUST 2011

Bishop Wordsworth's Church of England Grammar School for Boys
Statement of Financial Activities for the Period to 31 August 2011

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2011 £
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	3	118,270	-	21,322	139,592
Activities for generating funds	4	110,509	20,994	-	131,503
Investment income	5	140	-	-	140
<i>Incoming resources from charitable activities</i>					
Funding for the Academy's educational operations	6	-	2,555,550	52,742	2,608,292
Total Incoming Resources		228,919	2,576,544	74,064	2,879,527
Resources Expended					
<i>Cost of generating funds</i>					
Costs of generating voluntary income	8	2,899	-	-	2,899
<i>Charitable activities</i>					
Academy's educational operations	8	68,537	2,558,535	2,917	2,629,989
Governance costs	9	-	26,403	-	26,403
Total Resources Expended	7,8,9	71,436	2,584,938	2,917	2,659,291
Net Incoming (Outgoing) Resources Before Transfers		157,483	(8,394)	71,147	220,236
Transfers					
Gross transfers between funds	16	(54,674)	54,674	-	-
Net Incoming (Outgoing) Resources Before Other Recognised Gains And Losses		102,809	46,280	71,147	220,236
Other Recognised Gains And Losses					
Brought forward defined benefit pension scheme liability	26	-	(297,000)	-	(297,000)
Actuarial (losses)/ gains on defined benefit pension schemes	16	-	21,000	-	21,000
Net Movement In Funds		102,809	(229,720)	71,147	(55,764)
Total Funds Carried Forward At 31 August 2011		102,809	(229,720)	71,147	(55,764)

All of the Academy's activities derive from continuing operations during the above financial period
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

Bishop Wordsworth's Church of England Grammar School for Boys
Balance sheet as at 31 August 2011

	Notes	2011 £	2011 £
Fixed Assets			
Tangible assets	13		71,146
Current assets			
Debtors	14	159,011	
Cash at bank and in hand		452,290	
Total current assets		<u>611,301</u>	
Liabilities:			
Creditors: Amounts falling due within one period	15	<u>(454,211)</u>	
Net Current Assets			<u>157,090</u>
Total assets less current liabilities			228,236
Net Assets Excluding Pension Liability			228,236
Pension scheme liability	26		<u>(284,000)</u>
Net Assets Including Pension Liability			<u>(55,764)</u>
Funds Of The Academy:			
Restricted Funds			
Fixed asset fund(s)	16	71,147	
Pension reserve	16	(284,000)	
General fund(s)	16	54,280	
Total Restricted Funds			<u>(158,573)</u>
Unrestricted Funds			
General fund(s)	16		102,809
Total Unrestricted Funds			<u>102,809</u>
Total Funds			<u>(55,764)</u>

The Financial Statements on pages 22 to 43 were approved by the Governors and authorised for issue on 30 November 2011 and signed on their behalf by


 [Signed]
 Mrs J Ranaboldo
 Chair of Governing Body

Bishop Wordsworth's Church of England Grammar School for Boys
Cash Flow Statement for the period ended 31 August 2011

	Notes	2011 £
Net Cash Inflow From Operating Activities	20	452,150
Returns on investments and servicing of finance	21	140
Capital expenditure	22	-
(Decrease) / Increase In Cash In The Period	23	<u>452,290</u>
Reconciliation Of Net Cash Flow To Movement In Net Funds		
Net funds at 1 March 2011		-
Net Funds At 31 August 2011		<u>452,290</u>

Bishop Wordsworth's Church of England Grammar School For Boys

Notes to the Financial Statements for the Period Ended 31 August 2011

1. Statement of 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 Academies Accounts Direction issued by the YPLA 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 period 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 expended 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.

- **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 the period in which they are receivable as incoming resources, where the benefit is both quantifiable and material. 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. For properties donated to the school, the value on transfer is estimated on a depreciated replacement cost basis. An estimated value of the land transferred has not been included in the balance sheet on the basis that a reliable valuation cannot be easily determined.

Bishop Wordsworth's Church of England Grammar School For Boys

Notes to the Financial Statements for the Period Ended 31 August 2011

1. Statement of Accounting Policies (continued)

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.

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful lives, as follows:

Leasehold buildings	2%	straight line basis
Fixtures, fittings and equipment	12.5%	straight line basis
ICT equipment	10- 20%	straight Line basis
Motor Vehicles	25%	reducing balance basis

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.

Bishop Wordsworth's Church of England Grammar School For Boys

Notes to the Financial Statements for the Period Ended 31 August 2011

1. Statement of Accounting Policies (continued)

Leased Assets

Rentals applicable to operating leases where substantially all of the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term

Leasing arrangements which transfer to the school substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright and are capitalised and depreciated over the shorter of the lease term or the useful economic lives of the equivalently owned assets. The school buildings are leased from the Salisbury Diocesan Board of Education and Finance over varying long term periods, the Governing Body have concluded that due to restrictive covenants on the leases they should not be capitalised

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each period

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

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Young People's Learning Agency 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 Young People's Learning Agency

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

2 General Annual Grant (GAG)

a. Results and Carry Forward for the Period

	2011 £
GAG brought forward from previous period	-
GAG allocation for current period	2,286,587
Total GAG available to spend	2,286,587
Recurrent expenditure from GAG	(2,286,981)
Fixed assets purchased from GAG	-
GAG carried forward to next period	(394)
Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)	(274,390)
GAG to surrender to DfE	Nil
(12% rule breached if result is positive)	no breach

b. Use of GAG Brought Forward from Previous Period for Recurrent Purposes

(Of the amount carried forward each period, 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 period	2,286,981
GAG allocation for current period	(2,286,587)
GAG allocation for previous period x 2%	-
GAG b/fwd from previous period in excess of 2%, used on recurrent expenditure in current period	Nil
(2% rule breached if result is positive)	no breach

3 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	2011 Total £
Donations - Capital income from private sources	-	21,322	21,322
Other Donations	118,270	-	118,270
	118,270	21,322	139,592

4 Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	2011 Total £
Other Income	32,147	20,994	53,141
Catering Income	78,362	-	78,362
	110,509	20,994	131,503

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	2011 Total £
Bank interest	140	-	140
	<u>140</u>	<u>-</u>	<u>140</u>

6 Funding For Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2011 £
Dfe/YPLA Capital Grant			
Academy main building grants	-	52,742	52,742
	<u>-</u>	<u>52,742</u>	<u>52,742</u>
Dfe / YPLA Revenue Grants			
General Annual Grant (GAG) (note 2)	-	2,286,587	2,286,587
Other DfE / YPLA grants	-	223,674	223,674
	<u>-</u>	<u>2,510,261</u>	<u>2,510,261</u>
Other Government Grants			
School Standards Funds	-	45,289	45,289
Special educational projects	-	-	-
	<u>-</u>	<u>45,289</u>	<u>45,289</u>
	<u>-</u>	<u>2,608,292</u>	<u>2,608,292</u>

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

7 Resources Expended

	Staff Costs	Non Pay Expenditure Premises	Other Costs	Total 2011
	£	£	£	£
Costs of generating voluntary income	-	-	2,899	2,899
Academy's educational operations				
Direct costs	1,695,361	2,917	400,642	2,098,920
Allocated support costs	278,119	134,400	118,550	531,069
	1,973,480	137,317	522,091	2,632,888
Governance costs including allocated support costs	-	-	26,403	26,403
	1,973,480	137,317	548,494	2,659,291
Net Incoming/Outgoing Resources For The Period Include:				2011
				£
Operating leases				-
Fees payable to auditor - audit				4,750
- other services				1,500
Profit/(loss) on disposal of fixed assets				-

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

8 Charitable Activities - Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2011 £
Direct Costs			
Teaching and educational support staff costs	-	1,695,361	1,695,361
Depreciation	-	2,917	2,917
Capital build costs	-	-	-
Educational supplies	-	210,811	210,811
Examination fees	-	75,219	75,219
Staff development	-	8,882	8,882
Educational consultancy	-	-	-
ICT costs	-	55,665	55,665
Music fees	25,142	-	25,142
Other direct costs	-	24,923	24,923
	25,142	2,073,778	2,098,920
Allocated Support Costs			
Support staff costs	-	278,118	278,118
Depreciation	-	-	-
Recruitment and support	-	1,713	1,713
Maintenance of premises and equipment	-	31,832	31,832
Cleaning	-	37,449	37,449
Rent & rates	-	24,453	24,453
Light & Heat	-	31,021	31,021
Marketing	2,899	-	2,899
Telephones	-	2,156	2,156
Insurance	-	23,874	23,874
Security and transport	-	16,792	16,792
Catering (excluding staff costs of £54,674)	43,395	-	43,395
Subsistence & Related costs	-	2,129	2,129
Bank interest and charges	-	1,257	1,257
Other support costs	-	36,880	36,880
	46,294	487,674	533,968
	71,436	2,561,452	2,632,888

9 Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2011 £
Legal and professional fees	-	13,055	13,055
Auditors' remuneration			
Audit of financial statements and Responsible officer audit	-	5,023	5,023
Support costs	-	8,000	8,000
Governors' publications expenses		325	325
	-	26,403	26,403

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

10 Staff Costs

Staff costs during the period were

	Total 2011 £
Wages and salaries	1,606,998
Social security costs	118,264
Other pension costs	229,507
	<u>1,954,769</u>
Supply teacher costs	18,710
Compensation payments	-
	<u>1,973,479</u>

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

	2011 Number
Charitable Activities	
Teachers	57
Administration and support	31
Management	8
	<u>96</u>

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

	2011 Number
£60,001 - £70,000	0
£70,001 - £80,000	0
£80,001 - £90,000	1
	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2011, pension contributions for this member of staff amounted to £1,942

11 Governors' Remuneration And Expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of the Principal's remuneration was £82,238 in 2011.

During the period ended 31 August 2011, no travel and subsistence expenses were reimbursed to governors.

Related party transactions involving the Trustees are set out in note 27.

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

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 £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

13 Tangible Fixed Assets

	Assets Under Construction	Computer Equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 March 2011	-	-	-	-
Additions	52,742	7,211	14,110	74,063
Disposals	-	-	-	-
At 31 August 2011	<u>52,742</u>	<u>7,211</u>	<u>14,110</u>	<u>74,063</u>
Depreciation				
At 1 March 2011	-	-	-	-
Charged in period	-	901	2,016	2,917
Disposals	-	-	-	-
At 31 August 2011	<u>-</u>	<u>901</u>	<u>2,016</u>	<u>2,917</u>
Net Book Values				
At 31 August 2011	<u>52,742</u>	<u>6,310</u>	<u>12,094</u>	<u>71,146</u>
At 1 March 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The school buildings are leased from the Salisbury Diocesan Board of Education and Finance over varying long term periods, the Governing Body have concluded that due to restrictive covenants on the leases they should not be capitalised and determining the open market rent of the leases due to the complexity of the site would be impracticable. The insured replacement cost value of the school buildings is £16,060,000.

14 Debtors

	2011 £
Trade debtors	4,277
Prepayments	16,616
Sundry debtors	138,118
	<u>159,011</u>

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

15 Creditors: Amounts Falling Due Within One Period

	2011 £
Trade creditors	-
Taxation and social security	-
Other creditors	145,846
Accruals and deferred income	308,365
	<u>454,211</u>

Deferred Income

	2011 £
Deferred Income at 1 March 2011	-
Resources deferred in the period	305,390
Amounts released from previous periods	-
Deferred Income at 31 August 2011	<u>305,390</u>

Deferred income includes some trip, Bursary income and capital grant for the food technology building

16 Funds

	Balance at 1 March 2011 £	Incoming Resources £	Resources Expended £	Gains, Losses And Transfers £	Balance at 31 August 2011 £
Restricted General Funds					
General Annual Grant (GAG)	-	2,286,587	(2,286,981)	54,674	54,280
Other Income	-	20,994	(20,994)	-	-
Other DfE/YPLA grants	-	268,963	268,963	-	-
	-	2,576,544	(2,576,938)	54,674	54,280
Restricted Other Funds	-	-	-	-	-
Pension reserve	(297,000)	-	(8,000)	21,000	(284,000)
Restricted Fixed Asset Funds					
DfE/YPLA capital grants	-	74,064	(2,917)	-	71,147
Total Restricted Funds	(297,000)	2,650,608	(2,587,855)	75,674	(158,573)
Unrestricted Funds					
Unrestricted funds	-	228,919	(71,436)	(54,674)	102,809
Total Unrestricted Funds	-	228,919	(71,436)	(54,674)	102,809
Total Funds	(297,000)	2,879,527	(2,659,291)	21,000	(55,764)

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

17 Analysis of Net Assets Between Funds

Fund balances at 31 August 2011 are represented by

	Unrestricted General Fund	Restricted General Fund	Restricted Fixed Asset Fund	Total 2011
	£	£	£	£
Tangible fixed assets	-	-	71,147	71,147
Current assets	102,809	508,491	-	611,300
Current liabilities	-	(454,211)	-	(454,211)
Pension scheme liability	-	(284,000)	-	(284,000)
Total net assets	102,809	(178,978)	71,147	(55,764)

18 Capital Commitments

	2011 £
At the period end the academy is contracted to complete a food & technology building	250,000

19 Financial Commitments

Operating leases

At 31 August 2011 the Academy had annual commitments under non-cancellable operating leases as follows

	2011 £
<u>Land and buildings</u>	
Expiring within one years	-
Expiring within two and five years inclusive	-
Expiring in over five years	21,700
	<u>21,700</u>

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

20 Reconciliation of Consolidated Operating (Deficit)/Surplus to Net Cash Inflow from Operating Activities	£
(Deficit)/surplus on continuing operations after depreciation of assets at valuation	220,236
Depreciation (note 13)	2,917
Capital grants from DfE and other capital income	(74,064)
Interest receivable (note 5)	(140)
FRS 17 pension cost less contributions payable (note 27)	3,000
FRS 17 pension finance income (note 27)	5,000
(Increase)/decrease in stocks	-
(Increase)/decrease in debtors	(159,011)
Increase/(decrease) in creditors	454,211
Net Cash Inflow From Operating Activities	452,150

21 Returns on Investments and Servicing of Finance	
Interest received	140
Net Cash Inflow from Returns on Investment and Servicing of Finance	140

22 Capital Expenditure and Financial Investment	
Purchase of tangible fixed assets	(52,742)
Capital grants from DfE/YPLA	52,742
Receipts from sale of tangible fixed assets	-
Net Cash Outflow From Capital Expenditure And Financial Investment	-

23 Analysis of Changes in Net Funds	At 1 March 2011 £	Cash flows £	At 31 August 2011 £
	-	452,290	452,290
Cash in Hand and at Bank	-	452,290	452,290

24 Contingent Liabilities

The school had no contingent liabilities as at the 31 August 2011

25 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 period 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

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

26 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 Wiltshire County 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 March 2010

TEACHERS' PENSION SCHEME

The TPS is an unfunded defined benefit scheme Contributions on a "pay-as-you-go" basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972 A notional asset value is ascribed to the scheme for the purpose of determining contribution rates

The pensions cost is normally assessed no less than every four periods in accordance with the advice of the Government Actuary The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows

Latest actuarial valuation (under the new provisions)	31 March 2004
Actuarial method	Prospective benefits
Investment returns per annum	6.5 per cent per annum
Salary scale increases per annum	5.0 per cent per annum
Notional value of assets at date of last valuation	£162,650 million

Proportion of members' accrued benefits covered by the notional value of the assets	98.88%
---	--------

Following the implementation of Teacher's Pension (Employers' Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions For the period from 1 September 2010 to 31 August 2011 the employer contribution was 14.1 per cent The employee rate was 6.4% for the same period

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

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

26 Pension and Similar Obligations (continued)

LOCAL GOVERNMENT PENSION SCHEME (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2011 was £132,000, of which employer's contributions totalled £99,000 and employees' contributions totalled £33,000.

Principal Actuarial Assumptions	At 31 August 2011	At 31 March 2011
Rate of increase in salaries	4.70%	4.30%
Rate of increase for pensions in payment / inflation	2.60%	2.50%
Discount rate for scheme liabilities	5.40%	4.80%
Inflation assumption (CPI)	2.60%	2.50%
Commutation of pensions to lump sums	50%	25%

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 2011
<i>Retiring today</i>	
Males	19.8
Females	23.9
<i>Retiring in 20 periods</i>	
Males	21.9
Females	25.8

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

26 Pension and Similar Obligations (continued)

Local Government Pension Scheme (Continued)

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

	Expected Return At 31 August 2011	Fair Value At 31 August 2011	Expected Return At 1 March 2011	Fair Value At 1 March 2011
	%	£	%	£
Equities	6.80%	395,000	6.80%	382,000
Bonds	3.80%	125,000	3.80%	103,000
Property	4.80%	82,000	4.80%	68,000
Cash	3.00%	25,000	3.00%	21,000
Total Market Value Of Assets		627,000		574,000
Present value of scheme liabilities				
- Funded		(911,000)		(871,000)
Surplus/(Deficit) in the Scheme		(284,000)		(297,000)

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period. The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on the scheme assets was £65,000

Total Expenditure Recognised in The Statement of Financial Activities

	2011 £
Current service cost (net of employee contributions)	54,000
Past service cost	-
Total operating charge	54,000

Analysis Of Pension Finance Income / (Costs)

Expected return on pension scheme assets	20,000
Interest on pension liabilities	+(25,000)
Pension Finance Income / (Costs)	(5,000)

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

26 Pension And Similar Obligations (continued)

Local Government Pension Scheme (Continued)

The actual gains and losses for the current period 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 £100,000 gain.

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

	2011 £
At 1 March	871,000
Current service cost	54,000
Interest cost	25,000
Employee contributions	17,000
Actuarial (gain)/loss	(56,000)
Benefits paid	-
Past Service cost	-
Curtailments and settlements	-
At 31 August	<u>911,000</u>

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

	2011 £
At 1 March	574,000
Expected return on assets	20,000
Actuarial gains / (losses)	(35,000)
Employer contributions	51,000
Employee contributions	17,000
Benefits paid	-
At 31 August	<u>627,000</u>

The estimated value of employer contributions for the period ended 31 August 2012 is £93,000.

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011 (continued)

26 Pension And Similar Obligations (continued)

Local Government Pension Scheme (Continued)

The Two-Period History Of Experience Adjustments Is As Follows:

	31 August 2011 £	31 March 2011 £
Defined benefit obligation at end of period	(911,000)	(871,000)
Fair value of plan assets at end of period	627,000	574,000
Deficit	<u>(284,000)</u>	<u>(297,000)</u>

Experience Adjustments On Share Of Scheme Assets

Amount	(35,000)	-
--------	----------	---

Experience Adjustments On Scheme Liabilities:

Amount	-	-
--------	---	---

27 Related Party Transactions

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

Bishop Wordsworth's Church of England Grammar School For Boys
Notes to the Financial Statements for the period ended 31 August 2011
(continued)

28 Income and Expenditure Account for the Period to 31 August 2011

	Notes	2011 £
Income		
DfE/YPLA General Annual Grant (GAG)	6	2,286,587
DfE/YPLA Start Up Grant	6	-
DfE/YPLA capital grants	6	52,742
Other DfE / YPLA grants	6	223,674
Other Government grants	6	45,289
Voluntary income	3	139,592
Investment income	5	140
Activities for generating funds	4	131,503
Total income		2,879,527
Expenditure		
Staff costs	10	1,973,479
Non pay expenditure		
Premises	7	134,401
Other	7	548,494
Depreciation	13	2,917
Total expenditure		2,659,291
Net Income / (Expenditure) for the Period		220,236