

Kirkbie Kendal School Academy Trust
(Company Limited by Guarantee)

Financial Statements for the Period Ended

31 August 2011

Company Registration Number 07543834

THURSDAY



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**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

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KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the period from 25 February 2011 to 31 August 2011

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Kirkbie Kendal School Academy Trust
Company registration number	07543834
Principal and Registered office	Kirkbie Kendal School Lound Road Kendal Cumbria LA9 7EQ

THE TRUSTEES

The trustees who served the company during the period were as follows

Governors / Directors / Trustees	Mrs N Crieie (Chair) Mr W R Abram Mr S Ratcliffe (RO) Mr M Warwick
Governors / Directors	Mr D Andrews Mr P Braithwaite Dr N Brown Mrs J Buckland Mrs Ann Carlton Mr D Durnford Mr J S Gee Mr P Hyman Mr M Leadbeatter Mr A Monk Mr T Swane Mrs Wendy Thompson
Secretary and Clerk to the Governors	Mrs L Smyth
Auditors	Saint & Co Chartered Accountants Old Police Station Ambleside Cumbria LA22 0BT

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

Bankers	Barclay's Bank Plc Highgate Kendal Cumbria
Solicitors	Schofield Sweeney Church Bank House Church Bank Bradford BD1 4DY
Solicitors	Hayton Winkley 25 Crescent Road Windermere Cumbria LA23 1BJ
Surveyors	Bushell Raven Limited Chartered Quantity Surveyors Ground Floor River Mill Staveley Mill Yard Cumbria LA8 9LR

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Academy is a Company Limited by Guarantee with no share Capital, and an exempt Charity. The Academies memorandum and articles of Association are the Governing documents. The Governors / Directors of the Academy are made up of volunteers who meet regularly through three committees, Finance and Property, Curriculum, Pay and Performance. These committees report to the full governing body each term. The management and running of the School is delegated to the Headteacher and the senior leadership team.

Members Liability

Each member of the Academy Trust undertakes to contribute such amount as may be required (not exceeding £10) to contribute to the Academy Trust's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Academy Trust's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

Governors' Indemnities

The Governors / Directors of the Academy are covered by indemnity insurance paid for by the trust.

Principle Activities

The Academy commenced its activities on 1 April 2011.

The principle activity of the Academy is 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.

KIRKIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

The Academies' ethos has traditional values of hard work, care, courtesy and consideration at its heart, coupled with high expectations, a desire to learn and the knowledge that however good we are, we can and we want to improve. With this in mind the Academies' aim is to develop our students into young men and women who are ready to meet the challenges of the 21st century with confidence and who are pleasant and well-rounded and friendly individuals.

Governors

The Academy's Governing body is established in accordance with the Academy's memorandum of association. Governors are elected every 4 years (with the exception of the Headteacher / Principle). Subject to remaining eligible to be a particular type of Governor any Governor may be re-appointed or re-elected.

The following Governors were in office at the 31st August 2011

Mrs N Crierie (Chair)
Mr W R Abram (Chair F&P committee)
Mr S Ratcliffe (RO) (Chair Curriculum committee)
Mr M Warwick (Chair P&P committee)
Mr D Andrews
Mr P Braithwaite
Dr N Brown
Mrs J Buckland
Mrs Ann Carlton
Mr D Durnford
Mr J S Gee
Mr P Hyman
Mr M Leadbeatter
Mr A Monk
Mr T Swane
Mrs Wendy Thompson

No Governors received any remuneration in respect of their duties as Governors, other than Mr P Hyman who is remunerated in his position as Headteacher / Principle, Mr J Gee who is remunerated in his position as Business Manager, Mrs A Carlton and Mr M Leadbeatter who are remunerated as employees of the Academy.

During the period the Governors held six meetings.

Responsibilities of Governors

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Academy Trust.

Following conversion to Academy status the accounting period changed to 1st September to 31st August. This report covers the period from incorporation, 25th February 2011 until 31st August 2011.

In preparing financial statements giving a true and fair view the governors are required to

KIRKBY KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

- Select suitable accounting policies and apply them consistently
- Make informed judgements and estimates that are reasonable and prudent
- State that applicable accounting standards have been followed, subject to any material departures disclosed and explained within the financial statements
- Prepare the financial statements on the going concern basis

The governors are responsible for safeguarding the assets of the Academy Trust and are taking reasonable steps for the prevention of and detection of fraud and other irregularities. They are also responsible for maintaining proper financial and accounting records which disclose with reasonable accuracy the financial position to comply with current legislation.

The Governors confirm that so far as they are aware, there is no relevant information of which the Academy Trust's auditors have not had disclosed.

The activities undertaken by the Academy Trust and discussed in this report are all for the benefit of the public and in accordance with the relevant YPLA general guidance.

Organisational structure

Kirkbie Kendal Foundation School converted to Kirkbie Kendal School Academy Trust by the authority of the Secretary of State for Education on the 1st April 2011. The management structure consists of three levels, the Governors, the School's senior leadership team and middle managers. The aim of the management structure is to develop responsibility and encourage the involvement of decision making at all levels.

The Governors are responsible for setting general policies, adopting a school development plan and budget, monitoring the school's performance, making major policy decisions and appointing senior staff.

The current leadership Team comprises

Headteacher / Principle	Mr P Hyman
Deputy Headteacher	Mr M Harris
Deputy Headteacher	Mrs G McMullen
Assistant Headteacher	Mr G Barton
Assistant Headteacher	Mr M Bousfield
Business Manager / Director	Mr J S Gee

These manage the school at an executive level, implementing the policies laid down by the Governors and reporting back to them.

Management of the school is delegated to the Headteacher. The Headteacher and Leadership team meet twice a week. Daily staff briefings are held throughout the week. The Headteacher will also meet with the representatives of the professional associations and trade union representatives when necessary.

The Headteacher and Leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. The middle management team includes Heads of Department for each curriculum area and Heads of year, some spending control is devolved to them within set budgets. These managers are responsible for the day to day operation, organising teaching staff, facilities and students.

KIRKIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

The Governors are in the process of re-assessing the major risks affecting the operational areas of the Academy. A number of systems especially in areas relating to teaching, health and safety, school trips and financial control have been implemented. Vetting of new staff is carried out along with systems to identify and supervise visitors to the school.

The internal financial systems are based on a framework of regular management information, segregation of duties and a system of delegation and accountability. These are documented within the financial management handbook.

Mr S Ratcliffe has volunteered his services as responsible officer.

OBJECTIVES AND ACTIVITIES

The principle objective and activity of the Academy Trust is the education of students from a wide range of abilities between the ages of 11 to 19.

In accordance with the company's articles of association the Academy Trust has adopted a Funding agreement approved by the Secretary of State for education. The funding agreement specifies, amongst other things, the basis for admitting students, the catchment area, and that the curriculum should comply with the substance of the national curriculum.

The main objectives during the year ending 31st August 2011 were

- that all the school's business was conducted to the highest possible standards, integrity, probity and openness
- to comply with all statutory legislation and curriculum requirements.
- every student achieves the best that they possibly can
- to ensure every student enjoys the same high quality education
- raise the standards of achievement for all students
- to continue to improve the school's effectiveness by continued self-assessment
- provide value for money
- maintain and build on the close links with local business

Strategies

The Academies' ethos is to develop our students into young men and women who are ready to meet the challenges of the 21st century with confidence and who are pleasant and well-rounded and friendly individuals. With this end activities provided include

- training opportunities for all staff
- learning opportunities for all students to attain the appropriate academic qualifications
- extensive programme of sporting activities for all students
- lunch time and after school clubs to provide enrichment activities
- activities available to all students to enhance and improve their support of others

Equal opportunities

The Academy Trust aims to establish equal opportunity in all the areas of its activities, to develop a working environment where everyone's contribution is valued.

Disabled persons

Means of access have been installed where reasonably possible, the academy trust supports the recruitment and retention of students and employees with disabilities, and this may be done by training and career development, adapting the physical environment or making support resources available.

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

ACHIEVEMENTS AND PERFORMANCE

2010-2011 was the 486th year since the foundation of the school, the 123rd year of the girls' school and 122nd since the foundation of the boys' school. It is the 31st year of the school as Kirkbie Kendal School and was our first year as an Academy. There were many successes throughout the year.

As we have been a consistently 'High-Performing' School we were able to apply to become an Academy. We were successful and were awarded the status in April. We are pleased to be an Academy because the autonomy enables us to continue with our development plans and will support our partnership work as an integral part of the South Lakes Federation of Schools, the Kendal Community Partnership (i.e. with primary schools), and the overarching Cumbrian family of schools.

We had an 'Outstanding' Ofsted visit in May to the PE department which confirmed our excellent work. Every aspect was outstanding including the Elite Academy. Well done to colleagues and thank you to Mike Liptrot and Kendal Dojo for our partnership in the Kendal Elite Sports Academy that provides conditioning and support for our students.

I am proud of our students becoming pleasant well-rounded young adults, our academic success, the outstanding learning and teaching occurring; students giving time to help others, the excellent relationships between students and staff and the good behaviour in school. Students have given time to senior citizens events, charity days including Children in Need, Comic Relief, a sponsored swim of Windermere and running the Great North Run, Rosemere Cancer Foundation cake-stalls, and supporting the primary school summer reading scheme at Kendal library. In total students raised over £8000 for cancer research charities through the school sponsored walk and other events. The School Council has been pivotal in organising many of the community activities and I am very grateful to them.

Excellent GCE 'A' level results were achieved by our Year 13. Well over half of all grades were awarded A*-B and 84% of all grades were awarded at A*-C. Our results were in the newspapers top 300 state schools lists. At GCSE pleasing examination success for students saw the 5A* rate -G pass rise to 99% and the 5+ A*-C figure at 75%. Twenty eight students were honoured at the Kendal College Ceremony for their successful completion of vocational courses and seven were awarded special prizes.

There have been excellent achievements in extra-curricular areas too. Both team and individual sporting achievements have maintained our outstanding tradition of success with students winning National, County and Regional selection in a wide range of sports.

Musically the school production of Grease was tremendous, both in terms of the high quality of the overall production and individual performances, and also for its inclusiveness. The 'Trial' was an excellent and challenging main school drama production and brilliantly performed. Please see the separate sections in this report for more details.

As well as Grease - we also enjoyed a Beatles concert in November, raising £1500 towards a minibus for a village Creche in South Africa, and a festive concert. Both concerts had high standards of performance and over 100 students participating.

Students have benefited from the many clubs (over forty), activity days, trips and visits that are organised by staff, too many to list them all here, but I will mention some.

KIRKBY KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

Duke of Edinburgh Award (Congratulations to our 35 Year 10 students who achieved Bronze) Art and Languages trip to Paris, German Study Visit, London trip, Business and Enterprise Days, Religious Studies and Geography trips to Manchester and Morecambe, Quarry Bank Mill visit, maths fire station visits, Environment Agency, and philosophy trip Visits to theatres to see 'Hamlet' and 'Dracula The Musical', Mock Trial visit, competitions and events in writing and poetry, our annual Ski trip to Austria and French study visit Well done to Sarah Finn who organised a very special expedition to Peru with the British School Expedition Service Ten students with Mrs Nicholl are currently planning a 4 week trip to Borneo working with the local community - a great adventure that I look forward to reporting on next year Future visits to China and Barcelona are planned Thank you to parents for your support and thank you to colleagues for their organisation

The Kirkby Kendal School Association has been active providing social events and raising additional funds for items to benefit students via car boots, quizzes, and a wine tasting event with Mr Frank Stanton They have provided additional facilities for Arts, Sports, and Extra-curricular clubs including Chess and Duke of Edinburgh equipment Thank you to the KKSA team and all supporters

Thank you to the School's trustees for all their hard work, which has enabled them to provide support that, last year, included extra drama and sports facilities for students

We completed our 8th year with specialist status for Business and Enterprise Year 12's 'Prestige' team produced and marketed innovative vinyl clocks, fruit bowls and coasters depicting local scenes and they won the overall South Cumbria Award, Most Impressive Trade Stand and Best Overall Company This was the second year in a row KKS students have won this award

As a school we were thrilled to achieve a national award, the "Excellence in Enterprise Education Award" - the first school in Cumbria to achieve the award and one of only a handful of schools nationally In the national Maths Challenge we had over 50 winners in all the different age categories and our team performed well at the Lancaster University Maths Challenge Our Year 10 were excellent on their Work Experience

The School continues to thrive As you have seen from the wide range of academic and social activities in which our students are excelling, we are successfully developing children to reach their full potential We encourage high standards of care, courtesy, and consideration, which help to make our students into well-rounded young people of whom we can all be proud In 2011-12 we will be putting particular emphasis on

- further increasing our examination results, through concentrating on Teaching and Learning
- tracking students learning - enabling us to keep parents and students well-informed so that they are on target to reach their maximum potential and are supported appropriately to achieve their targets

My thanks go to the team of committed Governors, teaching and support staff, without whom this would not be possible Thank you for your support of the school I wish you all a very successful year

Mr P Hyman
Headteacher

KIRKIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

EXAMINATION STATISTICS 10-11

GCSE TARGETS FOR 2011 (for top 25% of high achieving Schools)

% 5+ A* - C grades = 73%

% 5A* A-C (Including English & Maths) = 60%

Average Capped (top 8) Total Points Score = 335

GCSE ACTUAL (2011)

% 5+ A* - C grades = 73% for students attending in Year 11

% 5+ A*-C grades (including English & Maths) = 58%

Achieving 1+ A* - G = 100%

Average Total Points Score = 488 (national Average 338)

GCSE (target for 2012 - to place School in top 25% of high achieving schools)% 5 A*-C grades = 89%

% 5+ A* - C grades (including English & Maths) = 74%

ATTENDANCE STATISTICS 10-11

The School sessions are 8 45 - 13 10 and 14 05 - 15 25 Monday to Friday in the term time for this academic year

The school week contains lesson time (excluding Registration, Assemblies, Breaks) of 25 hours

Percentage of half days missed through

Authorised absence 4 64%

Unauthorised absence 0 45%]

The school Attendance Policy is available on the website and outlines how the school achieves maximum possible attendance through appropriate actions, such as first day contact when an unexpected absence occurs

FINANCIAL REVIEW

The majority of the academy trust's income comes from the YPLA General Academy Grant in the form of grants, the use of which is restricted to particular purposes. The grants received during the period from the YPLA and the associated expenditure are shown as restricted funds in the statement of financial activities

The academy trust also received grants from Cumbria County Council relating to the support of students in receipt of financial SEN statements, and towards the cost of the teachers upper pay scales

In accordance with the Charities Statement of Recommended Practice (SORP), these grants are shown as restricted income. School activities for generating income included letting the ATP facilities, letting of the school buildings and commission from the sale of uniforms and photographs

KIRKIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

Total incoming resources for the period amounted to £14,416,376 After deducting the exceptional income in respect of the conversion to an Academy Trust of £12,057,842 the incoming resources would be £2,358,534 After deducting total expenditure during the period of £2,370,725, the net deficit for the period excluding the exceptional item of £12,057,842 would be £12,191 Details of incoming resources and resources expended are shown in the notes to the accounts

The value of the tangible fixed assets amounts to £12,513,794, these assets were used exclusively for providing education and the associated support services to the students

Reserves Policy

The Governors will review and agree the levels of reserves the Academy holds in line with the YPLA guidelines during 2011 - 2012 The LGPS liability will have an impact on what level these reserves should be held at.

Financial position

The academy trust held fund balances at 31st August 2011 of £12,057,651, comprising unrestricted funds of £114,335, restricted general funds of £126,657, restricted fixed asset funds of £12,535,659 and a pension deficit of £719,000 Cash balances held at the end of the period amounted to £403,980

The Academy Trust believes that the YPLA grants confirmed for the next academic year will cover all the expected running costs

PLANS FOR FUTURE YEARS

The Academy Trust will continue to work towards improving the levels of performance of all its students to ensure they achieve the very best they can. The Academy will continue to maintain its share of the available student intake, and continue to recruit suitable applicants to the 6th form

The school development plan sets out clear targets for student achievement, standards of teaching and utilisation of resources

Kirkbie Kendal Academy Trust makes contributions to the Teachers' Pension scheme, and Cumbria Local Government Pension Scheme, both of which are undergoing considerable changes The Academy will continue to monitor these changes and the scheme performances and follow the scheme administrator's advice on contribution levels

AUDITORS

Saint & Co were appointed as auditors, they are willing to continue in office and a resolution to appoint them will be proposed at the meeting

The governors' report was approved by the governors' on 6th December 2011 The subsequent events between the date of the governors meeting and the signing date have been considered The report was signed on their behalf by the Chair of Governors

Mrs Nicola Crierie

N Crierie Date 19.12.11^{NCC}

**KIRKBY KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIRKBY
KENDAL SCHOOL ACADEMY TRUST**

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

We have audited the financial statements of Kirkby Kendal School Academy Trust for the period from 25 February 2011 to 31 August 2011 on pages 12 to 30, which have been prepared on the basis of the accounting policies set out on pages 15 to 16

This report is made solely to the charitable company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The responsibilities of the trustees (who also act as directors of Kirkby Kendal School Academy Trust for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Responsibilities of the Trustees on pages 3 and 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

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

**KIRKIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIRKIE
KENDAL SCHOOL ACADEMY TRUST *(continued)***

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

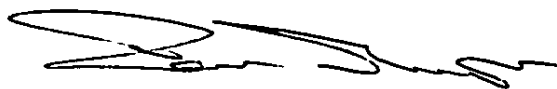
BASIS OF AUDIT OPINION *(Continued)*

We planned and performed our audit so as to obtain all the 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.

OPINION

In our opinion,

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 August 2011 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006,
- the information given in the Trustees Annual Report is consistent with the financial statements,
- the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Skills in respect of the financial period,
- proper accounting records have been kept by the Academy throughout the financial year, and
- grants made by the Department for Education and Skills have been applied for the purposes intended



Ian Thompson (Senior Statutory Auditor)

For and on behalf of

Saint & Co
Chartered Accountants & Statutory Auditors
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

21/12/11 . . . Date

**KIRKIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

			Restricted	Restricted	Total Funds
	Note	Unrestricted	General	Fixed Asset	Period from
		Funds	Funds	Funds	25 Feb 11 to
		£	£	£	31 Aug 11
					£
INCOMING RESOURCES					
Incoming resources from generating funds					
Voluntary income	3	–	6,332	–	6,332
Net assets transferred on conversion to Academy Trust	3	115,952	(716,238)	12,658,128	12,057,842
Activities for generating funds	4	2,995	–	–	2,995
Investment income	5	663	–	–	663
Incoming resources from charitable activities - Funding for the Academy's educational operations	6	1,304	2,325,555	21,685	2,348,544
TOTAL INCOMING RESOURCES		120,914	1,615,649	12,679,813	14,416,376
RESOURCES EXPENDED					
Charitable activities - Academy's educational operations	7	(2,035)	(2,164,261)	(191,435)	(2,357,731)
Governance costs	8	–	(12,994)	–	(12,994)
TOTAL RESOURCES EXPENDED		(2,035)	(2,177,255)	(191,435)	(2,370,725)
NET INCOMING RESOURCES BEFORE TRANSFERS	10	118,879	(561,606)	12,488,378	12,045,651
Transfer between funds	11	(4,544)	(42,737)	47,281	–
NET INCOME/(EXPENDITURE) FOR THE PERIOD		114,335	(604,343)	12,535,659	12,045,651
OTHER RECOGNISED GAINS AND LOSSES					
Actuarial gains in respect of defined benefit pension schemes		–	12,000	–	12,000
NET MOVEMENT IN FUNDS		114,335	(592,343)	12,535,659	12,057,651
RECONCILIATION OF FUNDS					
Total funds brought forward		–	–	–	–
TOTAL FUNDS CARRIED FORWARD		114,335	(592,343)	12,535,659	12,057,651

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 15 to 30 form part of these financial statements

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 AUGUST 2011

	Note	£	31 Aug 11 £
FIXED ASSETS			
Tangible assets	13		12,513,974
CURRENT ASSETS			
Debtors	14	316,567	
Cash at bank and in hand		403,980	
		<u>720,547</u>	
CREDITORS: Amounts falling due within one year	15	<u>(457,870)</u>	
NET CURRENT ASSETS			262,677
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,776,651</u>
PROVISIONS FOR LIABILITIES			
Defined benefit pension scheme	20		<u>(719,000)</u>
NET ASSETS			<u>12,057,651</u>
 RESTRICTED FIXED ASSET FUNDS	17		12,535,659
RESTRICTED GENERAL FUNDS:			
Restricted general funds	18	126,657	
Pension deficit	18	<u>(719,000)</u>	
TOTAL RESTRICTED GENERAL FUNDS			(592,343)
UNRESTRICTED FUNDS	19		<u>114,335</u>
TOTAL FUNDS			<u>12,057,651</u>

These financial statements were approved by the Governors on behalf by, . . . and signed on their

N. Crierie

MRS N CRIERIE (Chair)

W R Abram

MR W R ABRAM

Company Registration Number 07543834

The notes on pages 15 to 30 form part of these financial statements.

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

CASH FLOW STATEMENT

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

	Note	Period from 25 Feb 11 to 31 Aug 11 £	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	23		450,598
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		<u>663</u>	
Net cash inflow from returns on investments and servicing of finance			663
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets			(47,281)
INCREASE IN CASH	24		<u>403,980</u>

The notes on pages 15 to 30 form part of these financial statements.

**KIRKIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006

Fund accounting

Unrestricted funds reflect those resources which may be used towards meeting any of the objects of the Academy at the discretion of the governors

Restricted fixed asset funds reflect the fixed assets and capital grants for the purchase of fixed assets to be used for charitable purposes.

Restricted general funds comprise grants, including the General Annual Grant (GAG), and other funding for educational purposes and any voluntary income to be used for specific purposes

The Local Government Pension Scheme deficit is recognised against restricted general funds in order to match it against the GAG, in accordance with YPLA guidance

Details of restricted and unrestricted funds are shown in the notes to the financial statements

Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable except in so far as they are not capable of financial measurement

Fixed assets grants are recognised on a receivable basis. The General Annual Grant (GAG) from the Young People's Learning Agency is credited directly to the accounts on a receivable basis. Other government grants are also recognised on a receivable basis. For all grants the balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

Deferred income

Grants and other funding received for the Academy's educational activities for a period spanning the year end are deferred pro-rata to the relevant periods in order to match the funding to the period in which the costs of charitable activities are incurred.

Resources expended

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

KIRKIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

1. ACCOUNTING POLICIES *(continued)*

Resources expended (continued)

Costs have been allocated in accordance with the Charities SORP 2005. Expenditure has been analysed between the Academy's educational operations, governance costs and activities for generating funds. Items of expenditure which involve more than one cost category have been apportioned on a reasonable and justifiable basis for the cost category concerned. Direct costs are those incurred in the provision of education in accordance with the objects. Support costs are those related to the organisational infrastructure that allows the charitable company to provide education. Governance costs include those costs attributable to compliance with statutory requirements.

Pension costs

Academy staff are members of either the Teachers Pension Scheme or the Local Government Pension Scheme both of which are defined benefit schemes. Details of the schemes are given in Note 20 to the financial statements.

Fixed assets

Tangible fixed assets transferred on conversion to Academy status have been included in the accounts at valuation.

Land and buildings are classed as long leasehold if there is over 50 years unexpired lease term at the balance sheet date.

Tangible fixed assets since the Academy was established are included in the accounts at cost.

Single assets costing less than £1,000 or similar groups of assets purchased or ordered together of less than £1,000 are written off in the year of purchase.

All single assets or groups of assets ordered or purchased at the same time above £1,000 are to be capitalised.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and machinery	- straight line over 15 years
Furniture, equipment and computers	- straight line over 5 years
Leasehold property	- straight line over the estimated economic life (10 to 50 years)

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

KIRKIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

2. GENERAL ANNUAL GRANT (GAG)

a. Results and Carry Forward for the Year

GAG allocation for current year	2,029,415
Total GAG available to spend	2,029,415
Recurrent expenditure from GAG	(1,859,432)
Fixed assets purchased from GAG	(47,281)
GAG carried forward to next year	122,702
Maximum permitted GAG carried forward at end of current year (12% of allocation for current year)	(243,530)
GAG to surrender to DfE (12% rule breached if result is positive)	(120,828)

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

(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	1,859,432
GAG allocation for current year	(2,029,415)
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year (2% rule breached if result is positive)	(169,983)

3. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2011 £
Net assets transferred on conversion to Academy Trust	115,952	(716,238)	12,658,128	12,057,842
Donations				
Miscellaneous donations	-	6,332	-	6,332
	<u>115,952</u>	<u>(709,906)</u>	<u>12,658,128</u>	<u>12,064,174</u>

When the Academy Trust commenced its charitable activities on 1 April 2011 it acquired net assets in the sum of £12,057,842 comprising leasehold buildings £10,110,890, leasehold land £1, plant and machinery £2,525,097, furniture equipment and computers £22,140, various net assets representing restricted funds amounting to £5,762, various net assets representing designated funds amounting to £115,952, less the Local Government Pension Scheme defined benefit scheme deficit £722,000

**KIRKIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

4. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds	Total Funds 2011
	£	£
Hire of facilities	1,724	1,724
Hire of pitches	1,049	1,049
School uniforms commission	222	222
	<u>2,995</u>	<u>2,995</u>

5. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2011
	£	£
Bank interest receivable	140	140
Building society interest receivable	523	523
	<u>663</u>	<u>663</u>

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2011 £
Young People's Learning Agency grants				
General Annual Grant (GAG)	-	2,029,415	-	2,029,415
Capital grants	-	-	21,685	21,685
Pupil Premium	-	8,600	-	8,600
Start-up grant	-	13,362	-	13,362
Other YPLA grants	-	26,931	-	26,931
Other Government grants				
CCC Section 215	-	154,386	-	154,386
Diploma funding	-	21,948	-	21,948
Alternative Curriculum	-	2,456	-	2,456
Trips and productions				
Parental contributions	-	47,382	-	47,382
Sale of tickets	-	3,709	-	3,709
Other income	-	3,260	-	3,260
Other educational operations				
Other educational income	1,304	14,106	-	15,410
	<u>1,304</u>	<u>2,325,555</u>	<u>21,685</u>	<u>2,348,544</u>

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

7. COSTS OF CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2011 £
Direct costs	2,035	1,689,504	155,283	1,846,822
Allocated support costs	—	415,861	36,152	452,013
Trips and productions	—	58,896	—	58,896
	<u>2,035</u>	<u>2,164,261</u>	<u>191,435</u>	<u>2,357,731</u>

For details of costs of charitable activities see Note 26

8. GOVERNANCE COSTS

	Restricted General Funds £	Total Funds 2011 £
Audit fees	4,000	4,000
Legal and professional fees	8,994	8,994
	<u>12,994</u>	<u>12,994</u>

9. 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

The governors did not receive any expenses in the period ended 31 August 2011

10. NET INCOMING RESOURCES FOR THE PERIOD

This is stated after charging:

	Period from 25 Feb 11 to 31 Aug 11 £
Depreciation	191,435
Auditors' remuneration	
- audit of the financial statements	4,000
- accountancy	<u>2,000</u>

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

11. FUND TRANSFERS

A transfer of £4,544 has been made from designated School Fund to the restricted Trips and productions fund to reflect the contribution made towards a school trip

A transfer of £47,281 has been made from the restricted General Annual Grant (GAG) fund to the restricted fixed assets fund in respect of purchases of computers during the period

12. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	Period from 25 Feb 11 to 31 Aug 11 £
Wages and salaries	1,414,881
Social security costs	101,918
Other pension costs	206,471
	<u>1,723,270</u>

Other pension costs above represents the total operating charge included in resources expended in the statement of financial activities and does not include amounts included in other recognised gains and losses (see Note 20)

Particulars of employees:

The average number of employees during the period, calculated on the basis of full-time equivalents, was as follows

	Period from 25 Feb 11 to 31 Aug 11 No
Teaching	82
Administration and support	16
Management	1
Generating funds	1
	<u>100</u>

The number of employees whose remuneration for the period fell within the following bands, were

	Period from 25 Feb 11 to 31 Aug 11 No
£80,000 to £89,999 (annual equivalent)	1
	<u>1</u>

The above employee participated in the Teachers Pension Scheme During the period ended 31 August 2011, the employer's pension contributions in respect of this employee amounted to £5,079

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Furniture, equipment and computers £	Long Leasehold Property £	Total £
COST				
Additions	2,525,097	69,421	10,110,891	12,705,409
At 31 August 2011	<u>2,525,097</u>	<u>69,421</u>	<u>10,110,891</u>	<u>12,705,409</u>
DEPRECIATION				
Charge for the period	70,141	5,785	115,509	191,435
At 31 August 2011	<u>70,141</u>	<u>5,785</u>	<u>115,509</u>	<u>191,435</u>
NET BOOK VALUE				
At 31 August 2011	<u>2,454,956</u>	<u>63,636</u>	<u>9,995,382</u>	<u>12,513,974</u>

The leasehold buildings and the plant and machinery integral to the buildings were valued as at 1 April 2011 by Gary A Bushell, FRICS, AMAE of Bushell Raven Limited, who is independent of the charitable company. The valuation is based on the estimated rebuild costs.

In accordance with Gary A Bushell's instructions the land has been valued at £1. This valuation reflects the fact that the land is tied specifically to educational use. No account has been taken of any potential development value.

14. DEBTORS

	31 Aug 11 £
Trade debtors	133,641
Other debtors	139,211
Prepayments	43,715
	<u>316,567</u>

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

15. CREDITORS: Amounts falling due within one year

	31 Aug 11 £
Trade creditors	101,649
Taxation and social security	79,884
Deferred income	135,384
Other creditors	57,040
Accruals	83,913
	<u>457,870</u>

Deferred income

Deferred income comprises the following resources deferred in the period

£87,955 CCC Section 215 grant for the period September 2011 to March 2012
£37,159 deposits in advance for Trips in the academic year 2011-12
£8,550 Bursary Fund 16-18 grant for the academic year 2011-12
£1,720 Pupil Premium grant for September 2011

16. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2011 the company had annual commitments under non-cancellable operating leases as set out below

	Assets other than land and buildings £
Operating leases which expire:	
Within 1 year	323
Within 2 to 5 years	19,884
	<u>20,207</u>

17. RESTRICTED FIXED ASSET FUNDS

	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 August 2011 £
YPLA capital grant	21,685	–	–	21,685
Fixed assets used for charitable purposes	12,658,128	(191,435)	47,281	12,513,974
	<u>12,679,813</u>	<u>(191,435)</u>	<u>47,281</u>	<u>12,535,659</u>

Details of transfers are shown in Note 11

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

18. RESTRICTED GENERAL FUNDS

	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	Balance at 31 Aug 2011 £
YPLA grants					
General Annual Grant (GAG)	2,029,415	(1,859,432)	(47,281)	-	122,702
Start-up grant	13,362	(13,362)	-	-	-
Pupil premium	8,600	(8,600)	-	-	-
Other YPLA grants	26,931	(26,931)	-	-	-
Other Government Grants					
CCC Section 215	154,386	(154,386)	-	-	-
Diploma funding	21,948	(21,948)	-	-	-
Alternative Curriculum	2,456	(2,456)	-	-	-
Trips and productions	54,351	(58,895)	4,544	-	-
Other restricted general funds	26,200	(22,245)	-	-	3,955
	<u>2,337,649</u>	<u>(2,168,255)</u>	<u>(42,737)</u>	<u>-</u>	<u>126,657</u>
Defined benefit pension scheme deficit	<u>(722,000)</u>	<u>(9,000)</u>	<u>-</u>	<u>12,000</u>	<u>(719,000)</u>
	<u>1,615,649</u>	<u>(2,177,255)</u>	<u>(42,737)</u>	<u>12,000</u>	<u>(592,343)</u>

Details of transfers are shown in Note 11

Other restricted general funds include voluntary income and educational income to be expended on specific projects, activities and materials for the benefit of the pupils

19. UNRESTRICTED FUNDS

	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2011 £
Cinderovens sports facility	52,556	-	-	52,556
School Fund	12,206	(2,034)	(4,544)	5,628
Building projects	42,000	-	-	42,000
Other designated funds	11,725	-	-	11,725
General Funds	2,426	-	-	2,426
	<u>120,913</u>	<u>(2,034)</u>	<u>(4,544)</u>	<u>114,335</u>

Details of transfers are shown in Note 11

**KIRKIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

20. PENSION AND OTHER POST-RETIREMENT BENEFITS

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 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

There total pension costs to the Charitable Company during the year ended 31 August 2011 was £206,471 (of which £148,639 relates to the TPS and £57,832 relates to the LGPS)

Teachers' Pension Scheme (TPS)

Under the definitions set out in Financial Reporting Standard 17, Retirement Benefits, the TPS scheme is classed as a multi-employer pension scheme. The Academy is unable to identify its share of the underlying (notional) 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 below the latest information available for the scheme

The TPS is a statutory contributory defined benefit scheme The regulations under which the TPS operates are the Teachers' Pension Regulations 2010 These regulations apply to teachers in schools and other educational establishments in England & Wales maintained by local authorities, to teachers in many independent and voluntary-aided schools and to the teachers and lecturers in establishments of further and higher education Membership is automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

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' Pension Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases) From 1 April 2001, the Account has been credited with a real rate of return (in excess of the 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 a real rate of return

Not less than every four years the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the TPS The aim of the review 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 which the contribution rate applies,

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

20. PENSION AND OTHER POST-RETIREMENT BENEFITS (Continued)

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 the standard contributions to be paid in the future 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 01 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 01 January 2007 and as part of the cost sharing agreement between employers' and teachers' representatives, the SCR has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance assets and liabilities as required by regulations within 15 years) a total contribution rate of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced - effective for the first time in the 2008 valuation a 14% cap on employer contributions payable.

Local Government Pension Scheme (LGPS)

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 principal actuarial assumptions used by the actuary were:

	2011
Rate of RPI inflation	3.2%
Rate of CPI inflation	2.7%
Rate of increase in salaries	4.45%
Rate of increase in pensions	2.7%
Discount rate	5.3%

The mortality assumptions used were as follows:

	2011
Longevity at age 65 for current pensioners	
Male	21.8 Yrs
Female	24.4 Yrs
Longevity at age 65 for future pensioners	
Male	23.2 Yrs
Female	26.0 Yrs

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

20. PENSION AND OTHER POST-RETIREMENT BENEFITS (Continued)

The fair value of the major categories of scheme assets and the expected rate of return at the balance sheet date are as follows

	2011 Expected return	2011 Fair value of assets £
Equities	7.0%	113,000
Government bonds	3.7%	37,000
Other bonds	4.8%	35,000
Property	6.0%	13,000
Cash / liquidity	0.5%	2,000
Other	7.0%	<u>20,000</u>
Fair value of scheme assets		<u>220,000</u>
Present value of scheme liabilities		
Funded		(939,000)
Unfunded		-
Deficit in the scheme		<u>(719,000)</u>

None of the fair values of the assets shown above include any of the Charitable Company's own financial instruments or any property occupied by, or other assets used by, the Charitable Company

The expected return on assets is based on the long-term future expected investment return for each asset class 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 default risk) respectively at the relevant date. The return on equities and property is then assumed to be a margin above gilt yields

The actual return on the scheme assets in the year was £5,000

The amounts recognised in the Statement of Financial Activities are as follows

	2011 £
Current service cost	42,000
Expected return on scheme assets	(5,000)
Interest cost	<u>21,000</u>
Total cost recognised in SOFA	<u>58,000</u>

The actuarial 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 £12,000 gain

KIRKIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

20. PENSION AND OTHER POST-RETIREMENT BENEFITS (Continued)

Contributions

The total contributions made by the employer in the year were £49,000. The level of contributions will be reviewed as a result of the triennial valuation of the scheme as at 31 March 2013.

The best estimate of contributions to be paid by the employer to the scheme for the year beginning after 31 Aug 2011 is £116,000.

Movement in deficit in the year

	2011 £
Deficit in scheme at 25 February 2011	
Current service cost (net of employee contributions)	(42,000)
Employer contributions	49,000
Net interest / return of assets	(16,000)
Actuarial gain or (loss)	12,000
Business combinations	(722,000)
Deficit at 31 August 2011	<u>(719,000)</u>

Change in the present value of the defined pension obligation scheme are as follows

	2011 £
Benefit obligation at 25 February 2011	
Current service cost	(42,000)
Interest cost	(21,000)
Actuarial gain or (loss)	21,000
Contributions by scheme participants	(16,000)
Business combinations	(881,000)
Benefit obligation at 31 August 2011	<u>(939,000)</u>

Change in the fair value of scheme assets are as follows

	2011 £
Opening fair value of scheme assets at 25 February 2011	
Expected return on scheme assets	5,000
Contributions by employer	49,000
Contributions by scheme participants	16,000
Actuarial gains or (loss)	(9,000)
Business combinations	159,000
Closing fair value of scheme assets at 31 August 2011	<u>220,000</u>

Experience adjustment on scheme assets
Percentage of scheme assets

4.1%

Experience adjustment on scheme liabilities
Percentage of scheme assets

0%

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Defined benefit pension liability £	Total £
Restricted General Funds:				
General Annual Grant (GAG)	-	122,702	-	122,702
Defined benefit pension scheme deficit	-	-	(719,000)	(719,000)
Other restricted general funds	-	3,955	-	3,955
	<u>-</u>	<u>126,657</u>	<u>(719,000)</u>	<u>(592,343)</u>
Restricted Fixed Asset Funds:				
YPLA capital grant	-	21,685	-	21,685
Fixed assets used for charitable purposes	12,513,974	-	-	12,513,974
	<u>12,513,974</u>	<u>21,685</u>	<u>-</u>	<u>12,535,659</u>
Unrestricted Funds:				
Designated Funds	-	111,909	-	111,909
General Funds	-	2,426	-	2,426
	<u>-</u>	<u>114,335</u>	<u>-</u>	<u>114,335</u>
Total Funds	<u>12,513,974</u>	<u>262,677</u>	<u>(719,000)</u>	<u>12,057,651</u>

22. COMPANY LIMITED BY GUARANTEE

Kirkbie Kendal School Academy Trust is a company limited by guarantee, each member's contribution not exceeding £10 on dissolution

23. RECONCILIATION OF NET INCOMING RESOURCES BEFORE TRANSFERS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period from 25 Feb 11 to 31 Aug 11 £
Net incoming resources before transfers	12,045,651
Tangible fixed assets transferred on conversion to Academy status	(12,658,128)
Interest receivable	(663)
Depreciation	191,435
Increase in debtors	(316,567)
Increase in creditors	457,870
Increase in provisions	719,000
Defined benefit scheme actuarial gain included in provision	12,000
Net cash inflow from operating activities	<u>450,598</u>

**KIRKIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

24. RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN NET FUNDS

	31 Aug 2011
	£
Increase in cash in the period	<u>403,980</u>
Change in net funds	<u>403,980</u>
Net funds at 31 Aug 2011	<u>403,980</u>

25. ANALYSIS OF CHANGES IN NET FUNDS

	25 Feb 11	Cash flows	31 Aug 11
	£	£	£
Cash in hand and at bank	<u>—</u>	<u>403,980</u>	<u>403,980</u>

**KIRKBIE KENDAL SCHOOL ACADEMY TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 25 FEBRUARY 2011 TO 31 AUGUST 2011

26. DETAILS OF COSTS OF CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Period from 25 Feb 11 to 31 Aug 11 £
Direct costs	
Depreciation	155,283
Teaching and educational support staff costs	1,508,057
Books, apparatus and stationery	40,201
Examination fees	61,066
Staff development	4,072
Alternative Curriculum	32,146
Other direct costs	45,997
	<u>1,846,822</u>
Allocated support costs	
Depreciation	36,152
Support staff costs	211,348
Staff development	452
Pupil recruitment and support	677
Maintenance of premises and equipment	57,849
Cleaning	5,798
Rates and water	18,530
Heat and light	24,325
Insurance	8,198
Security	5,096
Transport	158
Catering	10,552
Technology costs	30,167
Other support costs	42,711
	<u>452,013</u>
	<u>2,298,835</u>
Trips and productions	
Transport costs	27,387
Accommodation costs	8,793
Teaching supply costs	3,975
Admission costs	7,124
Costumes and props	121
Lighting and sound	1,391
Marketing and advertising	150
Other costs	9,955
	<u>58,896</u>
	<u>2,357,731</u>