

Kirkbie Kendal School Academy Trust
(Company Limited by Guarantee)

Financial Statements for the Year Ended

31 August 2012

Company Registration Number 07543834

TUESDAY



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

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

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INTRODUCTION AND OFFICERS AND PROFESSIONAL ADVISERS

Introduction

The trustees who are also directors for the purpose of company law, have pleasure in presenting their report and financial statements of the charity for the year ended 31st August 2012

Constitution

The academy trust 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 academy trust.

The governors act as the trustees for the charitable activities of Kirkbie Kendal School Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Kirkbie Kendal School.

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.

Details of the governors who served throughout the year except as noted are included below.

Reference and Administrative details

Registered charity name	Kirkbie Kendal School Academy Trust
Company registration number	07543834
Principle and registered office	Kirkbie Kendal school Lound Road, Kendal, Cumbria, LA9 7EQ
Auditors	Saint & Co Chartered Accountants Old Police Station, Church Street, Ambleside, Cumbria LA22 0BT
Bankers	Barclays Bank PLC Highgate, Kendal, Cumbria
Solicitors	Hayton Winkley 25 Crescent Road, Windermere, Cumbria, LA23 1BJ
Insurances	Royal and Sun Alliance PLC Marsh Ltd Education Practice, Capital House, 1-5 Perrymount Road, Hayworth Heath, West Sussex, RH16 3SY
Architects	Mellor Architects 125 Highgate, Kendal, Cumbria, LA9 4EN
Surveyors	Bushell Raven Ltd Chartered Quantity Surveyors Ground Floor, River Mill, River Mill Yard, Staveley Mill Yard, Cumbria, LA8 9LR

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INTRODUCTION AND OFFICERS AND PROFESSIONAL ADVISERS *(continued)*

The Trustees

The trustees, Directors and Governors who served the company during the period were as follows

Governors / Directors / Trustees

Mrs N Cnene (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 A Carlton (retired 31st August 2012)
Mr D Durnford
Mr J S Gee
Mr P Hyman
Mr M Leadbeater
Mr A Monk
Mr T Swane
Mrs W Thompson

Secretary and clerk to the Governors

Mrs L Smyth

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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 / principal, 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 trust

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

Governors Indemnities

The governors / directors of the academy trust are covered by indemnity insurance paid for by the trust

Principal Activities

The academy trust commenced its activities on 1st April 2011

The principle activity of the academy trust is to advance, for 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

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 encourage our students to achieve the best they possibly can and to develop 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

Method of recruitment and appointment or election of governors

No governor left during the year. Should a vacancy arise the governors will carry out the following procedure

- Identify if there was a particular specialist need or skill required (financial, building, curriculum, safeguarding, legal)
- If so suitable candidates would be approached by the clerk to the governors

For parent / staff recruitment

- Inform all parents and /or staff of the vacancy
- Request nominations are put forward
- Establish the candidate's suitability
- Hold a ballot of parents / staff

Policies and procedures adopted for induction and training of governors

New governors are assigned a mentor who is an experienced member of the governors, supplied with an induction pack of relevant information, and encouraged to attend the Local Authority governor training courses. They are then attached to the relevant committee that provides the best use of their individual skills and knowledge, which is identified through a skills audit

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Organisational structure

The management structure consists of three levels, the governors, the school's 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 headteacher is the accounting officer of the academy trust, the day to day management of the school is delegated by the governors to the headteacher and the leadership team, all financial decisions are delegated in line with the scheme of delegation.

The governors are responsible for setting the strategic direction of the school, adopting the school development, general policies and the financial budget. The governors also monitor the school's performance, and appoint senior staff.

The current leadership team comprises

Headteacher / principal	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 / Governor / Director	Mr J 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 as a group. Individual line management meetings between the leadership team and headteacher happen weekly.

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 curriculum departments, pastoral year heads and administrative and support departments, some spending is devolved to them within set budgets. These managers are responsible for the general day to day operation, organising staff, facilities and students.

Risk management

The governors acknowledge the overall responsibility for ensuring that the academy trust has an effective and appropriate system of control, financial and otherwise. A number of systems, especially in the 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. 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 governors have delegated the day-to-day responsibility to the headteacher, as accounting officer and the schools business manager 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 Kirkbie Kendal School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body through the Finance and Property Committee any material weaknesses or breakdowns in internal control.

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The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kirkbie Kendal School Academy Trust for the year ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

The governors review 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 governors are of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governors, revised in accordance with audit and other recommendations.

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures, detailed within the finance management and procedures handbook, including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governors,
- regular reviews by the finance and property committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties,
- identification and management of risks.

The governors are considering the need for further specific internal audit monitoring, and are reviewing the requirements and responsibility of the responsible officer ('RO'), and the procedure by which the monitoring takes place. The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems with assistance from the trusts accounting advisors.

Each term a representative for the RO will carry out monitoring processes of the school's systems and provide a report along with recommendations to the RO. Who will report to the governing body on the operation of the systems of control and on the discharge of the governor's financial responsibilities. Any recommendations will be discussed and implemented as required with a further review at the next terms report.

Review of effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the external auditor,
- The financial management and governance self assessment process,
- Weekly meetings with the school's business manager
- Termly meetings with the school's finance manager
- The financial management manual
- The work of budget holders and members of the senior leadership team

The governors will review any recommendations made by the school's auditors and implement them as required.

The accounting officer and business manager will be advised of any implications resulting from the review of the internal control systems by the finance and property committee and a plan for improvement.

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Governance

The information on governance included here supplements that described elsewhere in this report. The governing body has formally met together 5 times, the p&pm committee 4 times, the curriculum committee 5 times and the f&p committee 5 times.

Attendance during the year at meetings was as follows

	Full board		P&PM		Curriculum		F&P		Total
	possible	attended	possible	attended	possible	attended	possible	attended	
Mrs N Crene (Chair)	5	5	4	4	5	3	5	3	15
Mr W R Abram (chair F&P)	5	4	4	3			5	3	10
Mr S Ratcliffe (chair Curr)	5	2	4	1	5	5			8
Mr M Warwick (chair P&PM)	5	4	4	4					8
Mr D Andrews	5	2							2
Mr P Braithwaite	5	3	4	3					6
Dr N Brown	5	4			5	3			7
Mrs J Buckland	5	5			5	1			6
Mrs A Carlton (retired 31 st August 2012)	5	2			5	4			6
Mr D Durnford	5	5			5	1	5	2	8
Mr J S Gee	5	5	4	4			5	4	13
Mr P Hyman	5	5	4	4	5	5	5	4	17
Mr M Leadbeatter	5	4			5	4			8
Mr A Monk	5	3	4	1	5	1			5
Mr T Swane	5	2					5	3	5
Mrs W Thompson	5	4	4	4	5	3			11
Mrs L Smyth (clerk)	5	5	4	4	5	5	5	5	19

Connected organisations, including related party relationships

Kirkbie Kendal School is a member of South Lakes Federation of schools. The federation is made up of eight secondary schools, one special school, one college of further education and a university. The federation is described as a loose federation, and all members work in collaboration with each other.

The Kendal Community Partnership was formed by primary schools of Kendal, which both Kendal secondary schools are members, and works towards improving collaboration at primary level, developing and supporting the transfer of students to the secondary school environment.

Kirkbie Kendal School Association is the school's parent teacher association, and governors work closely with members with their regular activities.

There are no governor related parties to report.

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.

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The main objectives during the year ending 31st August 2012 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
- To promote the school's values of Care, Courtesy and Consideration
- Every student achieves the best that they possibly can
- To ensure every student enjoys the same high quality of 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 continue to develop our students into young men and women who are ready to meet the challenges of the world today with confidence and who are pleasant and well-rounded and friendly individuals

Activities provided include

- Training opportunities for all staff
- Learning opportunities for all students to attain the appropriate academic qualifications
- Tailored academic pathways to suit student requirements
- Extensive programmes of sporting activities for all students
- Lunch time and after school activities and clubs to enrich the school curriculum
- Activities to all students to enhance and improve their support of others
- Community programmes and activities to enrich all students' education

The academy trust aims to establish equal opportunity in all the areas of its activities, to develop and enhance the working environment where everyone's contribution is valued

The academy trust supports the recruitment and retention of both students and staff with disabilities

Public Benefit

The academy trust aims and objectives have been set with due regard to the Charity Commissions guidance on public benefit.

Achievements and performance

2011 - 2012 was the 487th year since the foundation of the School, the 124th year of the Girls' High school and 123rd since the foundation of the Boy's school. It was our 32nd year as Kirkbie Kendal School. There have been a great many successes, throughout the year.

Brilliant GCSE performances provided our best ever examination success for students. Over a quarter of all the grades were A* or A, 68% of students achieved more than five A*-C grades including both English and Maths. 86% of all students achieved 5 or more A*-C and 99% achieved 5A*-G. Pleasing 'A' level results were achieved by our Year 13. Just under half of all grades were awarded A*-B and 75% of all grades were awarded at A*-C.

We are all rightly proud of the examination successes of our students as well as their being well-rounded caring, courteous and considerate young people.

The newly formed Charity Team have led the Summer and Christmas Fayres as well as numerous other events, such as cake sales, and a fun run. They have given assemblies to the whole school to explain and enthuse fellow students about our two School charities, World Vision and The Rainbow Trust, for which they have raised over £3000. Students have also given time to Comic Relief and Genes for Jeans. Time is also given by individuals such as, Becca Chaplow, Katie Andrews and James Quinn who completed the

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coast to coast cycle ride raising money for Chestnut events £900, and £2000 towards a crèche facility in South Africa

We said farewell to Mr Geoff Cater and Mrs Christine Norbury who both joined KKS in 1980. Mr Cater taught Media Studies and Mrs Norbury taught English, each for 32 years here, inspiring many students. They were fantastic teachers and excellent colleagues. It has been a privilege to work with them and to have them teach at KKS. Also retiring is Assistant Site Manager, Mr Maurice Green, after 10 years of keeping the site so well. We wish them all a long and happy retirement.

Our thanks and best wishes also go to Mr Nottridge, Miss Newsham, Mr Pattinson, Mr Carruthers, and Miss Bell for all of their contributions to the School and we wish them well with their futures.

We are fully staffed with high quality teachers and support staff in every area of the school. We extend a very warm welcome to

Ms Charline Baude – who teaches French and Spanish

Mr Michael Hurtley – who teaches Mathematics

Ms Gemma Crowther, Mr Luke Jacobs and Mr David Peacock – who work as Progress Mentors and

Mr Tony Carlos – who is the new Assistant Site Manager

There have been excellent achievements in extra-curricular areas

Musically the school production of *We Will Rock You* was simply breath-taking. The quality of the overall production and the individual performances were amazing. It was wonderful to note how inclusive it was – for example, there were 17 Year 7 performers. Congratulations to director Mark Leadbeater and all the students and staff who made this possible. We also enjoyed an 'Evening of Entertainment' in November, which, combined with other events during the day, raised £4600 for the Rosemere Cancer Foundation. There was a Christmas festive concert and a Spring celebration concert, both with excellent performances and over 100 students participated. We had groups contributing to the Westmorland gala concert and the Children's Society Concert.

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. Please see the separate PE report for further details.

There were many excellent drama events too, including the memorable performances of 'Alice in Wonderland', the Murder Mystery Productions devised by Year 10 that toured local primary schools and Aladdin which was performed by Year 7. The Examination productions of *The Diary of Anne Frank*, *Pride and Prejudice*, *Those Legs* and *Educating Rita* were of a very high professional standard. Leah Coates and Beth Garrock were awarded Princess Diana Awards for their service to drama.

Prizes

In the National Maths Challenge we had 19 certificate winners and Gemma Buckley and James McGurk scored in the top 1% of mathematicians of their age category in the country.

Media Studies - Evie Garner is in the national final of the Hurtwood Prize to produce a film promoting bands in the music industry.

Dance - There was an excellent GCSE performance titled 'Good Morning' at the Brewery Dance Platform.

Science – Ben Clarke won Cumbrian Young Scientist of the Year and Gold Crest Awards were achieved by Seamus Fellows, Craig Barker, Andrew Fletcher and Katie Sandman for their research into paper production efficiency. Andrew and Katie also received Ogden Scholarships.

In Technology two KKS teams were placed in the top three at the Rotary technology competition. Harry Pryke, Nathan Robb, Matt Flynn and Jamie Berry won the advanced level competition. Oliver Mills won 'the

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'Young Chef of the Year' competition Jethro Lehane, Michelle Moore and Chris Morphet won Arkwright Scholarships

30 students completed the Lawyers in School course and received certificates at the Town Hall

In what has been a special year for Sport in Great Britain it was wonderful to host an occasion for the whole town involving all the local primary schools. In July over 400 students took part in sports events and cultural studies using our sports facility at the Leisure Centre and Kendal Judo Club, with thanks to the Club and Mike Liptrot

Art introduced a new event exhibiting the work of our GCSE and A level students accompanied by GCSE musicians

In the Youth Speaks Rotary Club competition our Year 12 team received a commendation and Lauren Munro-Bennett won Best Chairperson

Students have benefited from the many clubs (over 40!), activity days, trips and visits that are organised by staff - too many to list, however I will mention a life-changing World Challenge expedition with Mrs Nicholl. This was a 4 week trip to Borneo working with the local community there and earlier in the year we had a Geography visit to China, an Art trip to Edinburgh, German and History Study to Munich, Year 9 London trip, Business and Enterprise Days for Year 7 and 11, Religious Studies and Geography trips to Manchester, Geography field work in Morecambe for Years 7 and 8, Quarry Bank Mill visit, and fire station visits in Year 9

Many congratulations to our 70 Year 10 students who achieved the Bronze Duke of Edinburgh Award

There were also visits to theatres to see Macbeth, An Inspector Calls and Dr Faustus, Crown Court Trial visits, competitions and events in writing and poetry, our annual ski trip to Austria and the French study visit

We also had many guests including two royal visits – the Countess of Wessex and the Duke of Gloucester – as well as the author Alan Gibbons

The Kirkbie Kendal School Association has been active providing social events and raising additional funds for items to benefit students via car boot sales (weather permitting), quizzes, and other events. They have provided additional facilities for Arts, Sports, music, philosophy club, DofE, Media/English and learning support. Thank you to the KKSA team, chaired by Mrs Diane Letheren and all the volunteers

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

Specialist Achievements

We were thrilled to have been recognised by the Geographical Association as a 'Centre of Excellence' for Geography teaching – one of only 11 schools awarded this coveted status - to add to our national awards including the Excellence in Enterprise Education. We are the first school in Cumbria to achieve the award and one of only 35 schools nationally and internationally

In another very exciting, ground-breaking development the School is working in partnership with the University of Cumbria to deliver the teacher-training for all the Secondary Physical Education postgraduates. Following last year's Ofsted visit to the PE department which confirmed our excellent work with an 'outstanding', we welcomed the first 14 trainees to the school who started their course this September

IMMEDIATE DESTINATIONS OF FORMER STUDENTS 11-12

There were 188 students aged 17 or over at the start of the school year. Details of progression are

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94 students in Year 13 at the start of the school year progress as follows

Higher Education	77%
Higher Education Deferred Entry	12%
Employment and training	11%

80 Students continued into Year 13 from Year 12

There were 187 students in Year 11 at the start of the school year

Details of progression are

6 th Form	65%
College	17%
Employment and training	18%

EXAMINATION STATISTICS 11-12

GCSE TARGETS FOR 2012 (for top 25% of high achieving Schools)

% 5+ A*- C grades = 89%

% 5+ A*-C (Including English & Maths) = 72%

Average Capped (top 8) Total Points Score = 362

GCSE ACTUAL (2012)

% 5+ A*- C grades = 86% for students attending in Year 11

% 5+ A*-C grades (including English & Maths) = 68%

Achieving 1+ A* - G = 99%

Average Total Points Score = 361

GCSE (target for 2013 – 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 11-12

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 5%
Unauthorised absence	0 35%
Total	7 85% (National Average 6 4%)

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

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SCHOOL RESULTS

These tables show the percentage of students at the end of Key Stage 3 achieving each level in 2011
Figures may not total 100 per cent because of rounding

Teacher Assessment									
Percentage at each level									
	1	2	3	4	5	6	7	8	Pupils absent
English	0	0	1	7	28	54	11	1	0
Maths	0	0	1	8	15	31	30	16	0
Science	0	0	0	7	17	40	37	0	0
Modern Foreign Languages	0	0	1	14	33	42	10	1	0
Design and Technology	0	0	1	11	51	37	1	0	0
Geography	0	0	0	8	27	28	31	6	0
History	0	0	1	7	21	43	28	1	0
ICT+	0	0	0	3	13	45	40	0	0
Art & Design	0	0	2	10	27	34	27	0	0
Music	0	0	0	2	47	49	2	0	0
Physical Education	0	0	0	14	32	38	15	1	0
Religious Education	0	0	2	11	27	40	20	0	0

GCSE RESULTS 2012

Subject	No. entries	A*-C %	A*-G %	National 2011 A*-C
Aida	168	73	98	Not available
Art & Design	20	73	100	77
Biology	54	94	100	93
Business and Finance	75	93	100	Not available
Business Studies	42	81	100	67
Cida (Multi Media)	62	100	100	Not available
Chemistry	54	93	100	93
Dance	7	57	100	Not available
Design & Technology	109	79	100	63
Dida (Enterprise)	11	100	100	Not available
Dida (Graphics)	11	100	100	Not available
Drama	11	100	100	74
English	186	84	100	64
English Literature	185	84	99	76
French	38	63	100	72
Geography	86	91	100	70
German	18	67	100	76
Health & Social Care	14	100	100	54
History	49	73	100	70
Mathematics	186	69	99	58
Music	6	100	100	78
Sport (National Diploma)	10	100	100	76
PE	22	100	100	71
Personal Social Development	130	100	100	Not available
Physics	54	93	100	93

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Religious Studies - Full GCSE	36	83	100	74
Science & Additional Science	59	92	100	61
Science (BTec)	35	100	100	84
Spanish	5	100	100	74
Summary of GCSE Results				
Number of students aged 15 on roll = 187				
Students (percentage)	Achieving 5+ GCSEs A*-C	Achieving 5+ A* - G	Entered 1+ GCSEs	Achieving 1+ A*-G
Boys	85	99	100	100
Girls	88	98	100	100
All Students	86	98	100	100

RESULTS – Summer 2012 GCE 'A' Level Summary updated

The number of students in the cohort was 94

The % of grades at A* – C was 74%

The % of the year group achieving A* to E grades was 99%

The School was in the top 400 State Schools

Subject	Entries	A*/A	B	C	D	E	U
Art	8	3	2	3	-	-	-
Biology	27	-	6	7	10	4	-
Business Studies	13	2	3	3	3	2	-
Chemistry	15	-	4	5	3	2	1
Computing	4	1	-	1	1	1	-
COPE	17	100% Pass		-	-	-	-
Drama	3	-	1	2	-	-	-
English Language	10	1	2	4	-	3	-
Eng Literature	14	1	4	6	3	-	-
French	4	-	2	2	-	-	-
Further Maths	1	1	-	-	-	-	-
General Studies	22	3	9	8	2	-	-
Geography	13	4	6	3	-	-	-
German	2	-	-	2	-	-	-
Graphics	7	1	2	2	1	1	-
History	9	1	2	2	4	-	-
ICT	9	4	3	2	-	-	-
Law	9	1	1	4	2	1	-
Mathematics	17	7	2	3	4	1	-
Media Studies	27	2	9	11	5	-	-
Music	4	-	2	1	1	-	-

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

GOVERNORS' ANNUAL REPORT AND GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2012

PE	5	-	-	1	1	3	-
Physics	10	3	1	2	2	1	1
Product Design	9	4	1	1	2	1	-
Psychology	9	-	3	2	4	-	-
RE/Philosophy	5	-	1	2	2	-	-
Sociology	11	3	4	4	-	-	-
Spanish	2	-	2	-	-	-	-
National Diploma in Sport	8	4	2	-	2	-	-
National Diploma in Health	6	6	-	-	-	-	-

Going Concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future

Retention of students to the 6th form is excellent, and student choice for the new intake for year 7 in September 2013 means that the school will be over subscribed

For this reason it continues to adopt the going concern basis in preparing the financial statements

Financial review

The academy trust is funded by the general academy grant which is paid directly by the Education Funding Agency. Grants are also received from Cumbria County Council relating to students special educational needs,

Income is also raised from community associations and local business for the hire of the school premises and sports facilities

Total funds received at 31st August 2012 £5,495,673

Total funds expended at 31st August 2012 £5,691,766

Details of incoming resources and resources expended are shown in the notes to the accounts

The value of the tangible fixed assets was £12,161,546, these assets were used exclusively for providing education and the associated support services to the students

At 31st August 2012 the academy trust held fund balances of

Restricted funds	£279,428
Unrestricted funds	£133,157
Restricted fixed assets	£12,185,973
Pension deficit	(£846,000)
Cash balances held at the end of the year amounted to	£692,633

The level of funding agreed by the education funding agency for next year will result in a small shortfall which will be met from the academy trust reserves

Reserves policy

The governors will continue to review and agree the levels of reserves the academy trust holds in line with government guidelines

The local government pension liability will have an impact on the level of these reserves

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

GOVERNORS' ANNUAL REPORT AND GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2012

Investment policy

The available funds for the academy trust dictate the investment policy. Cash balances are held within main stream banks and building societies with a strong ethical and environmental profile

Future plans

The academy trust will continue to improve the levels of performance of all its students so that they can achieve the best they possibly can

The academy trust will continue to market the school to maintain its share of the available student intake, by developing and collaborating within the South Lakes Federation and the Kendal Community Partnership

Work to encourage our more able students to follow the elite pathways programme and therefore maintain its recruitment to the sixth form

The schools development and action plans set out targets for student achievement, teaching standards and the utilisation of resources

Kirkbie Kendal School Academy Trust makes contributions to the teachers' pension, and Cumbria local government pension schemes both of which continue to undergo considerable changes

The academy will monitor all these changes and the changes to government legislation and follow the schemes administrator's advice on contributions

Auditor

Saint and Co have been appointed as auditors and they are willing to continue in office and a resolution to appoint them will be proposed at the next meeting

Insofar 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

Approved by order of the members of the governing body on 21ST Sept 2012 and signed on its behalf by



Mrs Nicola Cnere
Chair of Governors and Academy Trustee



Phil Hyman
Headteacher & accounting officer

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

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2012

As accounting officer of Kirkbie Kendal School Academy Trust I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust governing body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



Mr P Hyman
Head Teacher / Accounting Officer

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

STATEMENT OF GOVERNORS' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2012

The governors (who act as trustees for charitable activities of Kirkby Stephen Grammar 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 Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 18 December 2012 and signed on its behalf by



Mrs Nicola Cnere
Chair of Governors and Academy Trustee

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

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

YEAR ENDED 31 AUGUST 2012

We have audited the financial statements of Kirkbie Kendal School Academy Trust for the year ended 31 August 2012 on pages 20 to 40 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 company'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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees Annual Report, the trustees (who are also the directors of the charitable company 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 Ethical Standards for Auditors

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at year ended 31 August 2012 and of its incoming resources and application of resources for the year 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 Trustees Annual Report for the financial year for the which the financial statements are prepared is consistent with the financial statements

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

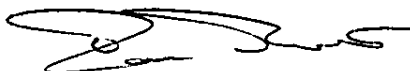
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIRKBIE
KENDAL SCHOOL ACADEMY TRUST *(continued)***

YEAR ENDED 31 AUGUST 2012

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 trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



IAN THOMPSON (Senior Statutory
Auditor)
For and on behalf of
SAINT & CO
Chartered Accountants
& Statutory Auditor

The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

21/2/12 2012

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

**INDEPENDENT AUDITOR'S REPORT ON REGULARITY TO THE GOVERNING
BODY OF KIRKBIE KENDAL SCHOOL ACADEMY TRUST AND THE
EDUCATION FUNDING AGENCY**

YEAR ENDED 31 AUGUST 2012

In accordance with the terms of our engagement letter dated 10 December 2012 and further to the requirements of the Education Funding Agency (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust during the period 1 September 2011 to 31 August 2012 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to the governing body and the EFA. Our review work has been undertaken so that we might state to the governing body and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the governing body and the EFA, for our review work, for this report, or for the opinion we have formed.

Respective responsibilities of the governing body and Auditors

The governing body is responsible, under the requirements of the Academies Act 2010, subsequent legislation and related regulations, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this review are established in the United Kingdom by our profession's ethical guidance and the audit guidance set out in the EFA's Financial Handbook and Accounts Direction. We report to you whether, in our opinion, anything has come to our attention in carrying out our review which suggests that in all material respects, expenditure disbursed and income received during the period 1 September to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis of opinion

We conducted our review in accordance with the Academies Handbook and the Accounts Direction issued by the EFA.

Opinion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2011 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



IAN THOMPSON (Senior Statutory
Auditor)
For and on behalf of
SAINT & CO
Chartered Accountants
& Statutory Auditor

The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

21/12/12 2012

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

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

YEAR ENDED 31 AUGUST 2012

						Total Funds Period from 25 Feb 11 to 31 Aug 11 £
	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds Year to 31 Aug 12 £	
INCOMING RESOURCES						
Incoming resources from generating funds						
Voluntary income	3	–	22,727	–	22,727	6,332
Net assets transferred on conversion to Academy Trust	3	–	–	–	–	12,057,842
Activities for generating funds	4	31,982	–	–	31,982	2,995
Investment income	5	1,069	–	–	1,069	663
Incoming resources from charitable activities - Funding for the Academy's educational operations						
	6	6,009	5,388,262	46,722	5,440,993	2,348,544
Other incoming resources	7	–	–	(1,098)	(1,098)	–
TOTAL INCOMING RESOURCES		39,060	5,410,989	45,624	5,495,673	14,416,376
RESOURCES EXPENDED						
Charitable activities - Academy's educational operations						
	8	(16,388)	(5,116,974)	(506,301)	(5,639,663)	(2,341,731)
Governance costs	9	–	(51,407)	(695)	(52,102)	(28,994)
TOTAL RESOURCES EXPENDED		(16,388)	(5,168,381)	(506,996)	(5,691,765)	(2,370,725)
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS						
	10	22,672	242,608	(461,372)	(196,092)	12,045,651
Transfer between funds	11	(3,850)	(107,836)	111,686	–	–
NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR						
		18,822	134,772	(349,686)	(196,092)	12,045,651
Actuarial gains/(losses) on defined benefit pension scheme						
		–	(109,000)	–	(109,000)	12,000
Carried forward		18,822	25,772	(349,686)	(305,092)	12,057,651

The notes on pages 24 to 40 form part of these financial statements.

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

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

YEAR ENDED 31 AUGUST 2012

	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds Year to 31 Aug 12 £	Total Funds Period from 25 Feb 11 to 31 Aug 11 £
Brought forward		18,822	25,772	(349,686)	(305,092)	12,057,651
NET MOVEMENT IN FUNDS/NET INCOME (EXPENDITURE) FOR THE YEAR		18,822	25,772	(349,686)	(305,092)	12,057,651
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>114,335</u>	<u>(592,343)</u>	<u>12,535,659</u>	<u>12,057,651</u>	<u>-</u>
TOTAL FUNDS CARRIED FORWARD		<u>133,157</u>	<u>(566,571)</u>	<u>12,185,973</u>	<u>11,752,559</u>	<u>12,057,651</u>

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 24 to 40 form part of these financial statements.

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

31 AUGUST 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	13	12,161,546	12,513,974
CURRENT ASSETS			
Stocks	14	1,370	—
Debtors	15	277,354	316,567
Cash at bank and in hand		692,633	403,980
		<u>971,357</u>	<u>720,547</u>
CREDITORS Amounts falling due within one year	16	<u>(534,345)</u>	<u>(457,870)</u>
NET CURRENT ASSETS		437,012	262,677
TOTAL ASSETS LESS CURRENT LIABILITIES		12,598,558	12,776,651
PROVISIONS FOR LIABILITIES			
Defined Benefit Pension Scheme	17	<u>(846,000)</u>	<u>(719,000)</u>
NET ASSETS		<u>11,752,558</u>	<u>12,057,651</u>
FUNDS			
RESTRICTED FIXED ASSET FUNDS	19	12,185,973	12,535,659
RESTRICTED INCOME FUNDS:			
General funds	20	279,428	126,657
Pension reserve	20	<u>(846,000)</u>	<u>(719,000)</u>
TOTAL RESTRICTED INCOME FUNDS		11,619,401	11,943,316
Unrestricted income funds	21	<u>133,157</u>	<u>114,335</u>
TOTAL FUNDS		<u>11,752,558</u>	<u>12,057,651</u>

These financial statements were approved by the Governors on ^{21ST} Sept 20/2 and signed on their behalf by,

N Crene



Mrs N Crene
Chair

Mr J Gee
Governor

Company Registration Number 07543834

The notes on pages 24 to 40 form part of these financial statements.

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2012

	Year to 31 Aug 12 £	£	Period from 25 Feb 11 to 31 Aug 11 £
RECONCILIATION OF NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Net (outgoing)/incoming resources before transfers	(196,093)		12,045,651
Tangible fixed assets transferred on conversion to Academy	-		(12,658,128)
Interest receivable	(1,069)		(663)
Actuarial gains/(loss) on defined benefit pension scheme	(109,000)		12,000
Loss on disposal of fixed assets	1,098		-
Depreciation	463,015		191,435
Increase in stocks	(1,370)		-
Decrease/(Increase) in debtors	39,213		(316,567)
Increase in creditors	76,475		457,870
Increase in provisions	127,000		719,000
Net cash inflow from operating activities	399,269		450,598
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received	1,069		663
Net cash inflow from returns on investments and servicing of finance		1,069	663
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets	(111,685)		(47,281)
Net cash outflow from capital expenditure		(111,685)	(47,281)
INCREASE IN CASH		288,653	403,980
RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN NET FUNDS			
		2012 £	2011 £
Increase in cash in the period		288,653	403,980
Change in net funds		288,653	403,980
Net funds at 1 September 2011		403,980	-
Net funds at 31 August 2012		692,633	403,980
ANALYSIS OF CHANGES IN NET FUNDS			
	1 Sep 11 £	Cash flows £	31 Aug 12 £
Cash in hand and at bank	403,980	288,653	692,633

The notes on pages 24 to 40 form part of these financial statements.

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for the revaluation of certain fixed assets, 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), the Academies Accounts Direction issued by the EFA and the Companies Act 2006

Going Concern

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

Incoming resources

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 education funding 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

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

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES *(continued)*

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.

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 allow the charitable company to provide education. Governance costs include those costs attributable to compliance with statutory requirements.

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
- Long leasehold property - straight line over the estimated economic life (10 to 50 years)

The depreciation charge for additions in the year is time apportioned based on the month of purchase.

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

The total depreciation charge is allocated to teaching costs and administration and support costs pro-rata to the number of employees.

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

1. ACCOUNTING POLICIES *(continued)*

Stocks

Unsold catering stocks are valued at the lower of cost or net realisable value

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

Pension costs

Retirement benefits to employees of the Charitable Company 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 Charitable Company

Teachers' pension scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charitable Company 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 17, the TPS is a multi employer scheme and the Charitable Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Local Government Pension Scheme

The LGPS is a funded scheme and the assets are held separately from those of the Charitable Company 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 the staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits are 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 amount of other finance costs or credits. Actuarial gains and losses are recognised immediately in other gains and losses.

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 taxation 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.

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

2. GENERAL ANNUAL GRANT (GAG)

a. Results and Carry Forward for the Year

GAG brought forward from previous year	122,702	–
GAG allocation for current year	4,933,001	2,029,415
Total GAG available to spend	5,055,703	2,029,415
Recurrent expenditure from GAG	(4,673,924)	(1,859,432)
Fixed assets purchased from GAG	(107,836)	(47,281)
GAG carried forward to next year	273,943	122,702
Maximum permitted GAG carried forward at end of current year (12% of allocation for current year)	(591,960)	(243,530)
GAG to surrender to DfE (12% rule breached if result is positive)	(318,017)	(120,828)
	No breach	No breach

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	4,673,924	1,859,432
GAG allocation for current year	(4,933,001)	(2,029,415)
GAG allocation for previous year x 2%	(40,588)	–
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(299,665)	(169,983)
(2% rule breached if result is positive)	No breach	No breach

3. VOLUNTARY INCOME

	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Net assets transferred on conversion to Academy Trust	–	–	12,057,842
Donations			
Miscellaneous donations	22,727	22,727	6,332
	<u>22,727</u>	<u>22,727</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

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

4 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Hire of facilities	6,944	6,944	1,724
Hire of pitches	23,944	23,944	1,049
School uniforms commission	1,094	1,094	222
	<u>31,982</u>	<u>31,982</u>	<u>2,995</u>

5 INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2012 £	Total Funds 2011 £
Bank and Building Society interest receivable	<u>1,069</u>	<u>1,069</u>	<u>663</u>

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

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2012 £	Total Funds 2011 £
Education Funding					
Agency grants					
General Annual Grant (GAG)	–	4,933,001	–	4,933,001	2,029,415
Capital grants	–	–	46,722	46,722	21,685
Pupil Premium	–	16,300	–	16,300	8,600
Start-up grant	–	–	–	–	13,362
Other EFA grants	–	8,578	–	8,578	26,931
Other Government grants					
Local Authority Funded Statements	–	145,523	–	145,523	154,386
Diploma funding	–	24,013	–	24,013	21,948
Alternative Curriculum	–	8,319	–	8,319	2,456
Trips and productions					
Trip Income	–	217,377	–	217,377	47,382
Sale of tickets	–	–	–	–	3,709
Other income	5,997	14,869	–	20,866	3,260
Other educational operations					
Other educational income	12	20,282	–	20,294	15,410
	<u>6,009</u>	<u>5,388,262</u>	<u>46,722</u>	<u>5,440,993</u>	<u>2,348,544</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

7. OTHER INCOMING RESOURCES

	Restricted Fixed Asset Funds £	Total Funds 2012 £	Total Funds 2011 £
Gains / Losses on disposal of tangible fixed assets for charity's own use	<u>(1,098)</u>	<u>(1,098)</u>	<u>—</u>

8 COSTS OF CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2012 £	Total Funds 2011 £
Direct costs	—	3,900,145	370,412	4,270,557	1,829,178
Trips and productions	—	217,377	—	217,377	58,896
Allocated support costs	16,388	999,452	135,889	1,151,729	453,657
	<u>16,388</u>	<u>5,116,974</u>	<u>506,301</u>	<u>5,639,663</u>	<u>2,341,731</u>

9. GOVERNANCE COSTS

	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2012 £	Total Funds 2011 £
Accountancy fees	2,000	—	2,000	2,000
Audit fees	4,000	—	4,000	4,000
Legal and professional fees	8,407	695	9,102	6,994
Net finance costs in respect of defined benefit pension schemes	37,000	—	37,000	16,000
	<u>51,407</u>	<u>695</u>	<u>52,102</u>	<u>28,994</u>

10. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

This is stated after charging

	Year to 31 Aug 12 £	Period from 25 Feb 11 to 31 Aug 11 £
Depreciation	463,015	191,435
Auditors' remuneration		
- audit of the financial statements	4,000	4,000
- accountancy	<u>2,000</u>	<u>2,000</u>

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

11. FUND TRANSFERS

Transfers of £107,836 and £3,850 have been made from the restricted General Annual Grant (GAG) fund and from the unrestricted fund respectively, totalling £111,686 to the restricted fixed assets fund in respect of purchases of computers and equipment during the year

12. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	Year to 31 Aug 12	Period from 25 Feb 11 to 31 Aug 11
	£	£
Wages and salaries	3,295,113	1,414,881
Social security costs	225,975	101,918
Other pension costs	449,958	206,471
	<u>3,971,046</u>	<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 finance costs (see note 17)

Particulars of employees:

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

	Year to 31 Aug 12	Period from 25 Feb 11 to 31 Aug 11
	No	No
Teaching	84	82
Administration and support	16	16
Management	1	1
Generating funds	1	1
	<u>102</u>	<u>100</u>

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

	Year to 31 Aug 12	Period from 25 Feb 11 to 31 Aug 11
	No	No
£80,000 to £89,999 (annual equivalent)	<u>1</u>	<u>1</u>

The above employee participated in the Teachers Pension Scheme. During the year ended 31 August 2012, the employer's pension contributions in respect of this employee amounted to £12,177 (2011 £5,079)

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Furniture, equipment and computers £	Long Leasehold Property £	Total £
COST				
At 1 September 2011	2,525,097	69,421	10,110,891	12,705,409
Additions	–	55,683	56,003	111,686
Disposals	–	(1,533)	–	(1,533)
At 31 August 2012	<u>2,525,097</u>	<u>123,571</u>	<u>10,166,894</u>	<u>12,815,562</u>
DEPRECIATION				
At 1 September 2011	70,141	5,785	115,509	191,435
Charge for the year	168,339	17,458	277,218	463,015
On disposals	–	(434)	–	(434)
At 31 August 2012	<u>238,480</u>	<u>22,809</u>	<u>392,727</u>	<u>654,016</u>
NET BOOK VALUE				
At 31 August 2012	<u>2,286,617</u>	<u>100,762</u>	<u>9,774,167</u>	<u>12,161,546</u>
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 include valuations of £10,110,891 and £2,525,097 respectively which 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.

Capital commitments

	2012 £	2011 £
Contracted but not provided for in the financial statements	<u>43,151</u>	<u>-</u>

The Academy entered into a contract before the year end in relation to works on the old Hall at a cost of £195,833. During the year ended 31 August 2012 £157,882 has been provided for in the accounts (£56,003 in fixed asset additions, £101,879 in repairs) and the balance of £43,151 remains contracted for but not provided for at the balance sheet date.

14. STOCKS

	2012 £	2011 £
Catering stock	<u>1,370</u>	<u>-</u>

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

15. DEBTORS

	2012	2011
	£	£
Trade debtors	1,063	133,641
Other debtors	239,433	139,211
Prepayments	36,858	43,715
	<u>277,354</u>	<u>316,567</u>

16. CREDITORS: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	89,137	101,649
Taxation and social security	76,284	79,884
Deferred income	139,387	135,384
Other creditors	69,254	57,040
Accruals	160,283	83,913
	<u>534,345</u>	<u>457,870</u>

Deferred income

Deferred income at 1 September 2011	135,384	–
Resources deferred in the period	139,387	135,374
Amounts released from previous years	(135,384)	–
Deferred income at 31 August 2012	<u>139,387</u>	<u>135,374</u>

Deferred income at 31 August 2012 comprises

£96,502 Local authority funded statements grant (section 215) for the period September 2012 to March 2013
 £17,050 Pupil premium for 2012-13
 £7,980 6th Form Bursary for 2012-13
 £17,855 Deposits in advance for Trps in the academic year 2012-13

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

17. PENSIONS

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 Cumbria 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

Contributions amounting to £60,746 (2011 56,983) were payable to the schemes at 31 August and are included within creditors

The total pension costs to the Chantable Company during the year ended 31 August 2012 was £449,958 (2011 £206,471), of which £344,181 (2011 £148,639) relates to the TPS and £105,777 (2011 £57,832) relates to the LGPS

Teachers' Pension Scheme (TPS)

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

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis and employers' contributions are credited to the Exchequer under arrangements governed by the above Act

The Teachers' 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

The Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial reviews 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 the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by 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 1 April 2001 - 31 March 2004 The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 million The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earning The rate of real earning growth is assumed to be 1.5% The assumed gross rate of return is 6.5%

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by regulations within 15 years)

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

17. PENSIONS (*continued*)

This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time in the 2008 valuation - a 14% cap on employer contributions payable.

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

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

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS scheme is a multi-employer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme and the implications for the Academy in terms of the anticipated contribution rates.

Local Government Pension Scheme (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. The total contribution made for the year ended 31 August 2012 was £165,000 (2011: £65,000), of which employer's contributions totalled £124,000 (2011: 49,000) and employees' contributions totalled £41,000 (2011: £16,000). The best estimate of contributions to be paid by the employer to the scheme for the year beginning after 31 August 2012 is £128,000.

The principal actuarial assumptions used by the actuary were:

	2012	2011
Rate of CPI inflation	2.3%	2.7%
Rate of increase in salaries	4.05%	4.45%
Rate of increase in pensions	2.3%	2.7%
Discount rate	4.5%	5.3%

The mortality assumptions used were as follows:

	2012	2011
Longevity at age 65 for current pensioners		
Male	22.2 Yrs	21.8 Yrs
Female	24.8 Yrs	24.4 Yrs
Longevity at age 65 for future pensioners		
Male	24.0 Yrs	23.2 Yrs
Female	26.8 Yrs	26.0 Yrs

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

17. PENSIONS *(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

	2012 Expected return	2012 Fair value of assets £	2011 Expected return	2011 Fair value of assets £
Equities	7.0%	209,000	7.0%	113,000
Government bonds	2.5%	69,000	3.7%	37,000
Other bonds	3.4%	71,000	4.8%	35,000
Property	6.0%	27,000	6.0%	13,000
Cash	0.5%	7,000	0.5%	2,000
Other	7.0%	37,000	7.0%	20,000
Fair value of scheme assets		<u>420,000</u>		<u>220,000</u>
Present value of scheme liabilities				
Funded		<u>(1,266,000)</u>		<u>(939,000)</u>
Unfunded		-		-
Deficit in the scheme		<u>(846,000)</u>		<u>(719,000)</u>

None of the fair values of the assets shown above include any of the Chantable Company's own financial instruments or any property occupied by, or other assets used by, the Chantable 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 £30,000 (2011 -£4,000)

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

	2011 £	2011 £
Total operating charge/(credit) in resources expended		
Current service cost	105,000	42,000
Total operating charge/(credit)	<u>105,000</u>	<u>42,000</u>
Amounts included in other finance cost		
Expected return on scheme assets	(17,000)	(5,000)
Interest on scheme liabilities	54,000	21,000
Other finance cost	<u>37,000</u>	<u>16,000</u>
Total charge to the statement of financial activities	<u>142,000</u>	<u>58,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The actuarial gains and losses recognised in the statement of financial activities for the year ended 31 August 2012 was a £109,000 loss (2011 £12,000 gain)

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

17. PENSIONS (continued)

Movement in deficit in the year:

	2012 £	2011 £
Deficit in scheme at 1 September 2011	(719,000)	—
Current service cost (net of employee contributions)	(105,000)	(42,000)
Employer contributions	124,000	49,000
Net interest / return of assets	(37,000)	(16,000)
Actuarial gain or (loss)	(109,000)	12,000
Business combinations	—	(722,000)
Deficit at 31 August 2012	<u>(846,000)</u>	<u>(719,000)</u>

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

	2012 £	2011 £
Benefit obligation at 1 September 2011	(939,000)	—
Current service cost	(105,000)	(42,000)
Interest cost	(54,000)	(21,000)
Actuarial gain or (loss)	(123,000)	21,000
Contributions by scheme participants	(41,000)	(16,000)
Benefits / transfers paid	(4,000)	—
Business combinations	—	(881,000)
Benefit obligation at 31 August 2012	<u>(1,266,000)</u>	<u>(939,000)</u>

Change in the fair value of scheme assets are as follows.

	2012 £	2011 £
Opening fair value of scheme assets at 1 September 2011	220,000	—
Expected return on scheme assets	17,000	5,000
Contributions by employer	124,000	49,000
Contributions by scheme participants	41,000	16,000
Actuarial gains or (loss)	14,000	(9,000)
Benefits / transfers paid	4,000	—
Business combinations	—	159,000
Closing fair value of scheme assets at 31 August 2012	<u>420,000</u>	<u>220,000</u>

Amounts for the current and previous period are as follows:

	2012 £	2011 £
Present value of defined benefit obligation	(1,266,000)	(939,000)
Fair value of scheme assets	420,000	220,000
(Deficit)/surplus in the scheme	<u>(846,000)</u>	<u>(719,000)</u>
Experience adjustment on scheme assets		
Percentage of scheme assets	3.3%	4.1%
Experience adjustment on scheme liabilities		
Percentage of scheme liabilities	0%	0%

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

18. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2012 the company had annual commitments under non-cancellable operating leases as set out below

	Assets other than Land and buildings	
	2012 £	2011 £
Operating leases which expire:		
Within 1 year	-	323
Within 2 to 5 years	<u>6,628</u>	<u>6,628</u>
	<u>6,628</u>	<u>6,951</u>

19 RESTRICTED FIXED ASSETS FUNDS

	Balance at 1 Sep 2011 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2012 £
EFA Capital Grant	21,685	46,722	(43,980)	-	24,427
Fixed assets used for charitable purposes	<u>12,513,974</u>	<u>(1,098)</u>	<u>(463,016)</u>	<u>111,686</u>	<u>12,161,546</u>
	<u>12,535,659</u>	<u>45,624</u>	<u>(506,996)</u>	<u>111,686</u>	<u>12,185,973</u>

Details of transfers are shown in Note 11

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

20 RESTRICTED INCOME FUNDS

	Balance at 1 Sep 2011 £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	Balance at 31 Aug 2012 £
EFA grants						
General Annual Grant (GAG)	122,702	4,933,001	(4,673,924)	(107,836)	–	273,943
Pupil premium	–	16,300	(16,300)	–	–	–
Other EFA grants	–	8,578	(8,578)	–	–	–
Other Government Grants						
Local Authority Funded						
Statements	–	145,523	(145,523)	–	–	–
Diploma funding	–	24,013	(24,013)	–	–	–
Alternative Curriculum	–	8,319	(8,319)	–	–	–
Trips and productions	–	217,377	(217,377)	–	–	–
Other restricted general funds	3,955	57,877	(56,347)	–	–	5,485
	<u>126,657</u>	<u>5,410,988</u>	<u>(5,150,381)</u>	<u>(107,836)</u>	<u>–</u>	<u>279,428</u>
Defined benefit pension scheme deficit	(719,000)	–	(18,000)	–	(109,000)	(846,000)
	<u>(592,343)</u>	<u>5,410,988</u>	<u>(5,168,381)</u>	<u>(107,836)</u>	<u>(109,000)</u>	<u>(566,572)</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

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

YEAR ENDED 31 AUGUST 2012

21. UNRESTRICTED INCOME FUNDS

	Balance at 1 Sep 2011 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Aug 2012 £
Cinderovens sports facility	52,596	23,944	(14,239)	(3,850)	58,451
School Fund	5,628	7,091	(2,096)	–	10,623
Building projects	42,000	–	–	–	42,000
Other designated funds	13,449	6,956	(53)	–	20,351
General Funds	662	1,069	–	–	1,731
	<u>114,335</u>	<u>39,060</u>	<u>(16,388)</u>	<u>(3,850)</u>	<u>133,157</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Defined benefit pension asset £	Total £
Restricted Income Funds:				
General Annual Grant (GAG)	–	273,943	–	273,943
Defined benefit pension scheme deficit	–	–	(846,000)	(846,000)
Other restricted general funds	–	5,485	–	5,485
	<u>–</u>	<u>279,428</u>	<u>(846,000)</u>	<u>(566,572)</u>
Restricted Fixed Asset Funds.				
EFA capital grant	–	24,427	–	24,427
Fixed assets used for charitable purposes	12,161,547	–	–	12,161,547
	<u>12,161,547</u>	<u>24,427</u>	<u>–</u>	<u>12,185,974</u>
Unrestricted Income Funds				
Designated Funds	–	131,425	–	131,425
General Funds	–	1,731	–	1,731
	<u>–</u>	<u>133,156</u>	<u>–</u>	<u>133,156</u>
Total Funds	<u>12,161,547</u>	<u>437,011</u>	<u>(846,000)</u>	<u>11,752,558</u>

KIRKBIE KENDAL SCHOOL ACADEMY TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2012

23. 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 inevitable that 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.

Related party transactions with staff governors are detailed in the note below.

24. 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 trustees. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of governors' remuneration for the year was in the following bands:

P Hyman	£85,000 to £89,999
J Gee	£55,000 to £59,999
M Leadbeatter	£30,000 to £34,999
A Carlton	£25,000 to £29,999

During the period no expenses were reimbursed to the governors.

25. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims for negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2012 was £1,602.

The cost of this insurance is included in the total insurance cost.

26. COMPANY LIMITED BY GUARANTEE

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

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

MANAGEMENT INFORMATION

YEAR ENDED 31 AUGUST 2012

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 17 to 19**

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

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2012

	Year to 31 Aug 12 £	Period from 25 Feb 11 to 31 Aug 11 £
INCOMING RESOURCES		
VOLUNTARY INCOME		
Miscellaneous donations	22,727	6,332
Net assets transferred on conversion to Academy Trust	—	12,057,842
	<u>22,727</u>	<u>12,064,174</u>
ACTIVITIES FOR GENERATING FUNDS		
Hire of facilities	6,944	1,724
Hire of pitches	23,944	1,049
School uniforms commission	1,094	222
	<u>31,982</u>	<u>2,995</u>
INVESTMENT INCOME		
Bank and Building Society interest receivable	1,069	663
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS		
General Annual Grant (GAG)	4,933,001	2,029,415
Capital grants	46,722	21,685
Pupil Premium	16,300	8,600
Start-up grant	—	13,362
Other EFA grants	8,578	26,931
Local Authority Funded Statements	145,523	154,386
Diploma funding	24,013	21,948
Alternative Curriculum	8,319	2,456
Trip Income	217,377	47,382
Sale of tickets	—	3,709
Other income	20,865	3,260
Other educational income	20,294	15,410
	<u>5,440,992</u>	<u>2,348,544</u>
OTHER INCOMING RESOURCES		
Gains / Losses on disposal of tangible fixed assets for charity's own use	(1,098)	—
TOTAL INCOMING RESOURCES	<u>5,495,672</u>	<u>14,416,376</u>
RESOURCES EXPENDED		

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

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2012

	Year to 31 Aug 12 £	Period from 25 Feb 11 to 31 Aug 11 £
CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS		
Depreciation	463,015	191,435
Teaching and educational support staff costs	3,517,365	1,493,857
Books, apparatus and stationery	100,643	40,201
Examination fees	132,454	61,066
Staff development	10,708	4,524
Educational consultancy	21,614	2,240
Alternative Curriculum	82,020	27,573
Other direct costs	35,341	44,434
Support staff costs	494,666	209,548
Maintenance of premises and equipment	193,999	57,849
Cleaning	6,076	5,798
Rates and water	43,897	18,530
Heat and light	66,146	24,325
Insurance	27,961	8,198
Security	8,910	5,096
Transport	34,486	10,437
Catering	27,933	10,552
Computer costs	33,221	30,167
Telephone	14,070	4,692
Admin photocopying and stationery	19,043	5,033
Advertising	11,487	7,234
Other support costs	77,231	20,046
Transport costs	78,295	27,387
Accommodation costs	71,860	8,793
Teaching supply costs	5,250	3,975
Admission costs	16,129	7,124
Costumes and props	610	121
Lighting and sound	7,614	1,391
Marketing and advertising	1,096	150
Other costs	36,523	9,955
	<u>5,639,663</u>	<u>2,341,731</u>
GOVERNANCE COSTS		
Accountancy fees	2,000	2,000
Audit fees	4,000	4,000
Legal and professional fees	9,102	6,994
Net finance costs in respect of defined benefit pension schemes	37,000	16,000
	<u>52,102</u>	<u>28,994</u>
TOTAL RESOURCES EXPENDED	<u>5,691,765</u>	<u>2,370,725</u>
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR	<u>(196,093)</u>	<u>12,045,651</u>

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

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 AUGUST 2012

	Year to 31 Aug 12 £	Period from 25 Feb 11 to 31 Aug 11 £
CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS		
Direct costs		
<i>Academy's educational operations</i>		
Depreciation	370,412	155,283
Teaching and educational support staff costs	3,517,365	1,493,857
Books, apparatus and stationery	100,643	40,201
Examination fees	132,454	61,066
Staff development	10,708	4,524
Educational consultancy	21,614	2,240
Alternative Curriculum	82,020	27,573
Other direct costs	35,341	44,434
	<u>4,270,557</u>	<u>1,829,178</u>
Allocated support costs		
Depreciation	92,603	36,152
Support staff costs	494,666	209,548
Maintenance of premises and equipment	193,999	57,849
Cleaning	6,076	5,798
Rates and water	43,897	18,530
Heat and light	66,146	24,325
Insurance	27,961	8,198
Security	8,910	5,096
Transport	34,486	10,437
Catering	27,933	10,552
Computer costs	33,221	30,167
Telephone	14,070	4,692
Admin photocopying and stationery	19,043	5,033
Advertising	11,487	7,234
Other support costs	77,231	20,046
	<u>1,151,729</u>	<u>453,657</u>
	<u>5,422,286</u>	<u>2,282,835</u>
Trips and productions		
<i>Academy's educational operations</i>		
Transport costs	78,295	27,387
Accommodation costs	71,860	8,793
Teaching supply costs	5,250	3,975
Admission costs	16,129	7,124
Costumes and props	610	121
Lighting and sound	7,614	1,391
Marketing and advertising	1,096	150
Other costs	36,523	9,955
	<u>217,377</u>	<u>58,896</u>
	<u>5,639,663</u>	<u>2,341,731</u>