

REGISTRAR OF COMPANIES

Sunbury Manor School

Annual Report and Financial Statements

31 August 2013

Company Limited by Guarantee
Registration Number
7545019 (England and Wales)

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Reference and administrative information

Governors and directors

L Hirst φΔ¥∞ (Chair of Governors)
F Stevens φΔ¥∞ (Vice Chair of Governors)
M Barling φΔ¥
W Beatty ∞
K Brewer ¥
C Burch ∞
A Cottle φ¥ (Staff Governor)
D Cloake (Appointed 8/1/13)
A L Duncan ∞φΔ (Headteacher and Accounting Officer)
C Eastaugh (Appointed 5/6/13)
D Evans φΔ (Appointed 1/6/13)
C Fagan Δ (Staff Governor)
S Flint Δ¥
L Irvine Δ
D Johnson ∞ (Staff Governor)
P Jones Δ¥
J Kim ¥ (Resigned 9/1/13)
M Lamey φ∞
O Lashbrook Δ∞
S Mihailovic (Resigned 12/11/12)
L Nicolaou ¥ (Staff Governor)
V Pipe ∞

Committee Membership

φ Finance, Pay, Staffing and Audit
∞ Self Evaluation and Improvement
Δ Safeguarding and Welfare
¥ Premises Risk Management and Services

Company Secretary

L Cannon

Registered address

Sunbury Manor School
Nursery Road
Sunbury on Thames
Middlesex
TW16 6LF

Company registration number

07545019 (England and Wales)

Auditor

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Reference and administrative information

Bankers HSBC Bank plc
12A North Street
Guildford
Surrey
GU1 4AF

Financial Advisors CEFM Ltd
Red Lion House
9-10 High Street
High Wycombe
HP11 2AZ

From September 2013
JD Education Finance Services Ltd
97 Moorfield Road
Widnes
Cheshire
WA8 3HX

Solicitors Stone King LLP
16 St John's Lane
London
EC1M 4BS

Governors' report Year to 31 August 2013

The governors of Sunbury Manor School ('the School') present their statutory report together with the financial statements of the charitable company for the year to 31 August 2013

The report has been prepared in accordance with Part VI of the Charities Act 2011

The financial statements have been prepared in accordance with the accounting policies set out on pages 26 to 29 of the attached financial statements and comply with the School's memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ('SORP 2005')

STRUCTURE, GOVERNANCE AND MANAGEMENT

School Context

Sunbury Manor, a specialist 11-16 Humanities school, became a type two academy on 1 April 2011. During the accounting period ending 31st August 2013, Sunbury Manor had 985 students on roll, of which 495 were boys and 490 were girls.

In 2012/13 the school's population includes the following

- ◆ 25.4 % of students have been recognised as School Action
- ◆ 10.9 % of students have been recognised as School Action Plus
- ◆ 3.6 % of students have Statements
- ◆ 6.9 % of students have English as an Additional Language
- ◆ 9.8 % of students receive Free School Meals
- ◆ 6.1 % of students are from ethnic minority groups
- ◆ 17 % of the School's population is drawn from the London Borough of Hounslow, making it very different to a typical Surrey school
- ◆ The remainder of the population is drawn from wards with very low levels of adult education training and skills

The number of students reading below their chronological age on entry to the School is above the national average

Year 7	55%
Year 8	52%
Year 9	53%
Year 10	48%
Year 11	42%

Governors' report Year to 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

School Context (continued)

RAISEonline shows clearly that the school had significantly fewer students in the top APS and level 5 A and B ranges and that there are more students than average in the very low APS range. This pattern has sharply intensified in the lower year groups.

Staffing

During the financial period the school was fully staffed with 55 full-time teachers, 15 part-time teachers and 48 support staff. There is a high level of staff stability and satisfaction, including a number of staff that have returned to the School or send their own children to the School. The governing body works closely with the staff to provide support, challenge and continued professional development opportunities.

Constitution

The School is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the School.

The governors act as the trustees for the charitable activities of Sunbury Manor School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sunbury Manor School.

Details of the School's Leadership Team and the governors who served throughout the year are included in the Reference and Administrative details on page 1.

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

At the start of every academic year, all governors are required to complete and sign a Declaration of Business Interests Form which is held by the Company Secretary. In addition at the start of every full governing body and committee meeting, governors are asked to declare any conflict of business interests. Where an interest is declared, the governor must leave the meeting while a related item is under discussion. No qualifying third party indemnity provisions have been declared in this financial year. Details of indemnity insurance in place are given in note 9 to the financial statements.

Governors' report Year to 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Principal Activities

The School's principal activities, identified in the funding agreement, are specifically restricted to the following

- a) To advance for the public benefit education in the United Kingdom, in particular but without prejudice to generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("Sunbury Manor School")
- b) To promote for the benefit of the inhabitants of Sunbury-on-Thames and the surrounding area the provision of facilities for recreation or other leisure time occupation who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and ethnic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life for the said inhabitants

Method of Recruitment and Appointment or Election of Governors

The governing body comprises the Headteacher and up to 19 others

When vacancies occur on the Governing Body, the Clerk contacts Governance Services at Surrey County Council (a bought back service) to keep them advised of the vacancy and they will put her in touch with anyone who has contacted them with a view to becoming a governor. The Clerk will then send out information relevant to the School and write to them to ask them if they would like to view the School and meet the Headteacher and the Chair of Governors. The Clerk also approaches the "One Stop Governor Shop" in exactly the same manner.

When staff governor vacancies occur, the Clerk writes to all members of staff in the School with information regarding the Governing Body, the meeting structure, the diary of meetings, the commitment required, and nomination forms. Candidates need to be nominated by two other members of staff. Should more people apply than there are vacancies for, a formal ballot is held.

There are no bodies entitled to nominate or appoint governors.

When parent governor vacancies occur, the Clerk writes to all parents of students in the school with information regarding the Governing Body, the meeting structure, the diary of meetings, the commitment required, and nomination forms. Parents need to be nominated by two other parents. Should more people apply than there are vacancies for, a formal ballot is held.

Governors hold office for a period of 4 years and can be re-appointed for further periods.

Governors' report Year to 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and Procedures Adopted for the Induction and Training of Governors

There is an Induction Handbook that is sent out to all new governors. They are then invited in to meet with the Chair of Governors and the Headteacher and are welcomed by all governors at the next full board meeting. They are given the contact details for the Link Governor, who will advise them regarding training that is available to them. All information relevant to governors is placed on the virtual learning environment (VLE), where they can access all agendas, previous minutes, committee structure, membership of committees, policy documents, calendar, handbook, future agenda items, etc. All governors also have a dedicated school email address.

Organisational Structure

In addition to the full Governing Body, there are four sub-committees, all of which have delegated responsibilities to make decisions. The committees are Finance, Pay, Staffing and Audit, Self Evaluation and Improvement, Safeguarding and Welfare, and Premises, Risk Management and Services (which includes Health and Safety). At the first full board meeting of an academic year, in September, governors decide which committees they will sit on. All governors sit on at least one committee. Committees meet a minimum of once a term and reports from the committees are tabled at the full Board meeting so that all governors are aware of any issues arising. The Chair of each committee sits on the Finance, Pay and Staffing Committee. The Terms of Reference for each committee are decided at the first meeting of the academic year.

Members of the School's Leadership Team attend each committee, "in attendance", and can contribute to the agenda items being discussed.

The decision as to which committee each governor attends depends on their roles and responsibilities within School - for instance if they have an overview of finance, that is the committee they would be attached to. The Headteacher makes a report regarding staffing to the Finance, Pay and Staffing committee.

The Headteacher attends and makes a written formal report to governors at every full board meeting and then goes through and takes questions on this report. Major decisions regarding the School are reserved for the full board meeting.

The roles and responsibilities for the Leadership Team are revised annually, and these are circulated to the full board.

Leadership Team

Headteacher (Accounting Officer)	A L Duncan
Deputy Headteacher (School Community)	P Dando
Deputy Headteacher (Finance and Administration)	A Cottle
Deputy Headteacher (Teaching & Learning)	J Tweed
Assistant Headteacher (Curriculum)	M Wood
Assistant Headteacher/Head of Creative Arts (<i>on secondment to the Leadership team until May 2013. Appointed to Assistant Head post in June 2013</i>)	G Eynon

Governors' report Year to 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Risk Management

The governors have assessed the major risks to which the School is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the School, and its finances. Appropriate systems, policies, procedures and controls have been put in place so as to ensure that the various risks do not impact adversely on the School's operations. Appropriate insurances are in place, which are reviewed annually.

A risk register has been prepared which sets out the principle risks facing the School and the controls to mitigate their effect. The risks are scored and prioritised in terms of their potential operational and financial impact, and assessed in terms of the likelihood of occurrence.

OBJECTIVES AND ACTIVITIES

Objectives, Aims, Strategies and Activities

The School aims to provide high quality and fully inclusive education to students of all abilities between the ages of 11 and 16, underpinned by a relevant and engaging curriculum, with a focus on the humanities (English, History and Geography). The principal aims are

- ◆ to enable students of all abilities to make the most of their intellectual, practical, physical and social skills,
- ◆ to ensure that students feel happy, safe and well cared for,
- ◆ to help students to develop self-discipline and to learn to behave towards others with care, respect and good manners,
- ◆ to help students to develop self confidence in the classroom, in extension activities and in social situations,
- ◆ to help students to develop high aspirations and to enable them to progress towards a rewarding and fulfilling future, and
- ◆ to provide a fully inclusive, welcoming environment which meets the needs of students with special educational needs or physical disabilities.

Public Benefit

The governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the School's objectives and aims, and in planning future activities for the year. The governors consider that the School's aims are demonstrably to the public benefit.

Governors' report Year to 31 August 2013

OBJECTIVES AND ACTIVITIES (continued)

Equal Opportunities Policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The School aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled Persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all areas of the School. The policy of the School is to support recruitment and retention of students and employees with disabilities. The School does this by adapting the physical environment, by making support resources available and through training and career development. The School currently caters for six physically disabled students.

ACHIEVEMENT AND PERFORMANCE

Student Attainment Year 11

	2013	2012
5 GCSE A*-C	63%	68%
5 GCSE A*-C including English and Maths	53%	46%
5 GCSE A*-C including English and Maths (Boys)	52%	42%
5 GCSE A*-C including English and Maths (Girls)	53%	51%
5 A*-G	96%	97%
APS Capped	300	319
APS Total	321	393
At least 1 GCSE A*-G	99%	99%
2 Science GCSE A*-C	54%	54%
Achieving more than 1 GCSE A*/A	10%	14.5%
A*-C English	69%	57%
3+ Levels Progress English	68%	49%
4+ Levels Progress English	18%	15%
5+ Levels Progress English	2%	0%
A*-C Maths	69%	62%
3+ Levels Progress Maths	68%	59%
4+ Levels Progress Maths	18%	19%
5+ Levels Progress Maths	4%	3%

Attendance

The school supports a large number of students with significant medical conditions which impacts heavily on attendance, however attendance during the academic year was 93.4%. The school provides significant intervention from the social inclusion team, attendance officer and the Education Welfare Officer.

Governors' report Year to 31 August 2013

ACHIEVEMENT AND PERFORMANCE (continued)

Exclusions

During the financial year there were 2 permanent exclusions and 29 fixed term exclusions
The School continued to make good use of the internal isolation facility

Monitoring

The school had a mathematics subject inspection in July 2013

Inspection judgements

Overall effectiveness in mathematics	3 (Requires improvement)
Achievement of pupils in mathematics	3 (Requires improvement)
Quality of teaching in mathematics	3 (Requires improvement)
Curriculum in mathematics	3 (Requires improvement)
Leadership and management in mathematics	3 (Requires improvement)

Since the inspection the department has seen a change of staffing and a further commitment to raising standards. The mathematics GCSE results published in August 2013 show a noticeable improvement in attainment and progress

<i>Student Attainment in mathematics Year 11</i>	2013	2012
A*-C Maths	69%	62%
3+ Levels Progress Maths	68%	59%
4+ Levels Progress Maths	18%	19%
5+ Levels Progress Maths	4%	3%

The School's most recent full section 5 Ofsted inspection in June 2012

Inspection judgements

Overall effectiveness	2 (Good)
Achievement of pupils	2 (Good)
Quality of teaching	2 (Good)
Behaviour and safety of pupils	2 (Good)
Leadership and management	2 (Good)

Governors' report Year to 31 August 2013

ACHIEVEMENT AND PERFORMANCE (continued)

Monitoring (continued)

The governing body and the Leadership Team have reviewed the monitoring procedures used in School. These have been refined and now include, but are not limited to

- ◆ daily tours of the School by the Leadership Team,
- ◆ learning walks every hour undertaken by the Leadership Team and Wider Leadership Team,
- ◆ lesson observations (November, March & June),
- ◆ attendance monitoring and focus groups,
- ◆ monitoring hour for Heads of Faculty to check marking and planning,
- ◆ staff, student and parent surveys,
- ◆ governor visits, surveys, interviews and learning walks,
- ◆ financial audit and Responsible Officer visits,
- ◆ external validation and improvement advice from consultants, and
- ◆ the governing body has also worked with the School to identify specific groups for monitoring purposes

Going Concern

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

FINANCIAL REVIEW

Financial report for the period

In the year to 31 August 2013, Education Funding Agency (EFA) General Annual Grant (GAG) funding of £5,055,304 (2012 - £5,232,309) was received, together with Devolved Formula Capital Funding of £289,859 (2012 - £70,441), Pupil Premium and PE grants totalling £179,489 (2012 - £36,400) and start-up funds of £nil (2012 - £ nil). The remaining income comprised other grant funding of £271,546 (2012 - £264,030), other income of £158,159 (2012 - £172,886) and voluntary income of £7,637 (2012 - £7,355).

Expenditure totalling £5,891,176 was incurred in the year (2012 - £5,652,716), of which £5,861,072 (2012 - £5,633,124) related to the School's educational operations.

Governors' report Year to 31 August 2013

FINANCIAL REVIEW (continued)

Financial report for the period (continued)

At 31 August 2013, the net book value of fixed assets was £6,982,125 (2012 - £7,066,318), and depreciation of £242,237 (2012 - £228,504) has been charged in the financial statements

Financial and risk management objectives and policies

The School receives its primary funding in monthly installments from the EFA. Therefore, its cash flow risk is minimal. Any funds not immediately required for working capital are held in deposit accounts, to generate additional income. As such, the governors consider the School's liquidity risk to be minimal. The School does not use complex debt instruments, hence its exposure to credit risk is also considered low by the governors.

PRINCIPAL RISKS AND UNCERTAINTIES

Reserves Policy

The governors have reviewed the reserves of the School. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The governors have concluded that reserves of £264,240 (Restricted EFA funds) and £342,945 (Unrestricted funds) will be sufficient for the School at the present time. This level of reserves is considered appropriate in order to offer some protection from a short term decrease in student numbers across the borough of Spelthorne. Student numbers rise from 2014 and by 2017 there is a predicted shortage of secondary places in the area. The level of reserves will be kept under review by the governors.

Previous EFA restrictions GAG funds carried forward by the School have been lifted and the School's funding agreement has been amended accordingly.

It is acknowledged that there is a significant deficit in the LGPS scheme and that this has an impact on the School's restricted EFA funds balance. However, given that there is currently no expectation that the School will be required to make additional contributions to the scheme above normal funding levels, GAG reserves and the LGPS deficit are monitored and considered independently.

Investment Policy

The School holds all funds in a low risk instant access HSBC bank account. There is no charge for operating the account, however interest is not paid. If interest rates rise the governors will review the current banking arrangements to ensure that interest is earned.

Governors' report Year to 31 August 2013

PLANS FOR FUTURE PERIODS

Achievement

- ◆ To improve standards of reading and writing across the curriculum
- ◆ To improve KS3 provision in all subjects so students are better equipped for the demands of GCSE
- ◆ To increase percentage of students making at least 3 levels of progress

Teaching and learning

- ◆ To achieve a greater consistency of approach in the leadership, monitoring and development of teaching and learning across the curriculum

Behaviour and safety

- ◆ Ensure consistency of approach to behaviour across all year groups
- ◆ Eradicate mobile phone use in school
- ◆ Safety, including e-safety increase understanding/ awareness of e-safety
- ◆ To improve attendance to 94.2%
- ◆ Increase support for more vulnerable students and their families
- ◆ Increased specialist capacity to meet increasingly complex medical needs
- ◆ Increased ability to deliver Sex and Health Ed sessions in house

Leadership and management

- ◆ Increased consistency of line management, accountability of middle managers and efficiency of decision making process at leadership team
- ◆ Accurate self-evaluation at all levels of school
- ◆ To introduce appraisal and performance related pay to drive improvement
- ◆ CPD personalised and tightly focused on individual staff needs

Governors' report Year to 31 August 2013

PLANS FOR FUTURE PERIODS (continued)

Environment and resources

- ◆ Submit a ACMF bid for the construction of a new building to accommodate much needed dining facilities, a redesigned and more secure reception area and additional mathematics and English classroom space to meet the expected demand for pupil places from 2016/17
- ◆ Improve school facilities and working environment
- ◆ Develop ICT infrastructure to support teaching and learning
- ◆ To ease the administration of routine out of school trips and activities
- ◆ Improve links with and to support feeder school
- ◆ Generate additional income for the school outside of traditional funding streams and provide professional development opportunity for senior IT support staff
- ◆ Meet the growing demand on office space to accommodate students with individual learning requirements

AUDITOR

In so far as the governors are aware

- ◆ there is no relevant audit information of which the charitable company's auditor is unaware, and
- ◆ the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Approved by the governors on 3 December 2013 and signed on their behalf by



L Hirst
Chair of Governors

Governance statement 31 August 2013

Scope of responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Sunbury Manor School has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body have delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the governors' report and in the statement of governors' responsibilities. The governing body has formally met four times during the year. Attendance at Full Board meetings during the year at meetings of the governing body was as follows:

Governor	Number of meetings attended	Out of a possible
A L Duncan	3	4
L Hirst	4	4
F Stevens	2	4
S Flint	3	4
C Fagan	4	4
L Irvine	4	4
D Johnson	4	4
P Jones	3	4
M Lamey	4	4
O Lashbrook	3	4
S Mihailovic	0	1
M Barling	4	4
W Beatty	3	4
K Brewer	4	4
C Burch	4	4
J Kim	0	2
A Cottle	3	4
L Nicolaou	2	4
V Pipe	4	4
V Hodgson	4	4
D Bridger	4	4
D Cloake	1	2
D Evans	0	1
C Eastaugh	1	1

Governance statement 31 August 2013

Governance (continued)

The Finance, Pay, Staffing and Audit committee is a sub-committee of the main Governing Body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources (including staffing), including proper planning, monitoring and probity.

Attendance at Finance, Pay, Staffing and Audit Committee meetings in the year was as follows

Governor	Number of meetings attended	Out of a possible
A L Duncan	2	3
L Hirst	3	3
F Stevens	3	3
M Lamey	3	3
M Barling	3	3
A Cottle	3	3
S Mihailovic	0	1
O Lashbrook	1	1

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the School's 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 at the School for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is an ongoing process for identifying, evaluating and managing the School's significant risks that has been in place for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

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

Governance statement 31 August 2013

The risk and control framework (continued)

- ◆ regular reviews by the Finance, Pay, Staffing and Audit 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 governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Buzzacott, the external auditors to undertake the Responsible Officer ('RO') testing, as set out in the Academies Financial Handbook on behalf of the Governors. On a termly basis, the RO report is considered by governors. The reports completed this year have identified some recommendations but none of which have been deemed by the governors to be significant.

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 Responsible Officer,
- ◆ the work of the external auditor,
- ◆ the financial management and governance self assessment process,
- ◆ the work of the Senior Leadership Team within the School who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governing Body and signed on their behalf by



L Hirst
Chair of Governors



A J Duncan
Headteacher and Accounting Officer

Approved on 3 December 2013

Statement on regularity, propriety and compliance 31 August 2013

As Accounting Officer of Sunbury Manor School I have considered my responsibility to notify the School's 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 School 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 School's Governing Body are able to identify any material irregular or improper use of funds by the School, or material non-compliance with the terms and conditions of funding under the School's funding agreement and the Academies Financial Handbook.

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

A L Duncan

Accounting Officer

Date

31/12/2013

Statement of governors' responsibilities 31 August 2013

The governors (who act as trustees of the School and are also the directors 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 School 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' Statement of Recommended Practice (the Charities' SORP),
- ♦ make judgments and estimates that are reasonable and prudent,
- ♦ state whether applicable United Kingdom 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 School will continue in operation

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School 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 School 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 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 School'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 Board of Governors on 3 December 2013 and signed on its behalf by


L Hirst
Chair of Governors

Independent auditor's report Year to 31 August 2013

Independent auditor's report on the financial statements to the members of Sunbury Manor School

We have audited the financial statements of Sunbury Manor School for the year ended 31 August 2013 which comprise the statement of financial activities, the balance sheet, the cash flow statement, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the School'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 School'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 School and the School's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

The governors act as trustees for the charitable activities of Sunbury Manor School and are also the directors for the purpose of company law.

As explained more fully in the statement of governors' responsibilities set out in the governors' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Independent auditor's report Year to 31 August 2013

Opinion

In our opinion

- ♦ the financial statements give a true and fair view of the state of the School's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year 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, and
- ♦ the financial statements have been prepared in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- ♦ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- ♦ the financial statements are not in agreement with the accounting records and returns, or
- ♦ certain disclosures of governors' remuneration specified by law are not made, or
- ♦ we have not received all the information and explanations we require for our audit



Simon Goodridge, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

18/12/13

Independent auditor's report Year to 31 August 2013

Independent reporting auditor's assurance report on regularity to Sunbury Manor School and the Education Funding Agency

In accordance with the terms of our engagement letter dated 21 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sunbury Manor School during the period from 1 September 2012 to 31 August 2013 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 Sunbury Manor School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Sunbury Manor School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Sunbury Manor School and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of Sunbury Manor School's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Sunbury Manor School's funding agreement with the Secretary of State for Education dated 21 March 2011 and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter

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

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

Independent auditor's report Year to 31 August 2013

Approach (continued)

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

The work undertaken to draw to our conclusion includes

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities,
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary, and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

18/12/13

Statement of financial activities Year to 31 August 2013

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

			Restricted funds			2012
		Un-restricted general fund	General funds	Fixed assets fund	Total funds	Total funds
Notes	£	£	£	£	£	as restated £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	1	7,637	—	—	7,637	7,355
Incoming resources from charitable activities						
Funding for the School's educational operations	2	—	5,506,339	289,859	5,796,198	5,603,180
Other incoming resources	3	158,159	—	—	158,159	172,886
Total incoming resources		165,796	5,506,339	289,859	5,961,994	5,783,421
Resources expended						
Charitable activities						
School's educational operations	5	90,706	5,528,129	242,237	5,861,072	5,633,124
Governance costs	6	—	30,104	—	30,104	19,592
Total resources expended	4	90,706	5,558,233	242,237	5,891,176	5,652,716
Net incoming (outgoing) resources before other recognised gains and losses						
		75,090	(51,894)	47,622	70,818	130,705
Other recognised gains and losses						
Actuarial gains (losses) on defined benefit pension scheme	21	—	35,000	—	35,000	(192,000)
Net movement in funds		75,090	(16,894)	47,622	105,818	(61,295)
Reconciliation of funds						
Fund balances brought forward at 1 September 2012 as originally restated		251,277	(755,866)	7,066,318	6,561,729	6,625,502
Prior year adjustment	14	16,578	—	—	16,578	14,100
Fund balances brought forward at 1 September 2012 as restated		267,855	(755,866)	7,066,318	6,578,307	6,639,602
Fund balances carried forward at 31 August 2013	13	342,945	(772,760)	7,113,940	6,684,125	6,578,307

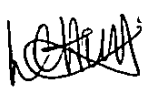
All of the School's activities derive from continuing operations

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

Balance sheet as at 31 August 2013

	Notes	2013 £	2013 £	2012 as restated £	2012 as restated £
Fixed assets					
Tangible fixed assets	10		6,982,125		7,066,318
Current assets					
Debtors	11	105,167		87,326	
Cash at bank and in hand		660,365		717,234	
		<u>765,532</u>		<u>804,560</u>	
Creditors amounts falling due within one year	12	(26,532)		(242,571)	
Net current assets			<u>739,000</u>		<u>561,989</u>
Net assets excluding pension scheme liability			7,721,125		7,628,307
Pension scheme liability	21		(1,037,000)		(1,050,000)
Net assets including pension scheme liability			<u>6,684,125</u>		<u>6,578,307</u>
Funds of the School					
Restricted funds					
EFA fund	13	264,240		294,134	
Pension fund	13	(1,037,000)		(1,050,000)	
		<u>(772,760)</u>		<u>(755,866)</u>	
Fixed assets fund	13	7,113,940		7,066,318	
Total restricted funds			<u>6,341,180</u>		<u>6,310,452</u>
Unrestricted funds					
General fund	13	342,945		267,855	
Total unrestricted funds			<u>342,695</u>		<u>267,855</u>
Total funds			<u>6,684,125</u>		<u>6,578,307</u>

The financial statements on page 23 to 43 were approved by the governors, and authorised for issue on 3 December 2013 and are signed on their behalf by


 L Hirst
 Chair of Governors
 Sunbury Manor School
 Company Limited by Guarantee
 Registration Number 7545019 (England and Wales)

Cash flow statement Year to 31 August 2013

	Notes	2013 £	2012 £
Net cash (outflow) inflow from operating activities	17	(188,684)	413,604
Capital income	18	131,815	40,893
(Decrease)/increase in cash in the period		(56,869)	454,497
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2012		717,234	262,737
Net funds at 31 August 2013		660,365	717,234

Principal accounting policies Year to 31 August 2013

Basis of Preparation

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

Going Concern

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

Incoming Resources

All incoming resources are recognised when the School has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

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

Other income

Other income is recognised in the period it is receivable. Other income includes contributions to school trips that occurred during the year. This represents a change in accounting policy (see note 14).

Principal accounting policies Year to 31 August 2013

Resources Expended

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

Costs of generating funds

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

Charitable activities

These are costs incurred on the School's educational operations.

Governance Costs

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

All resources expended are included net of recoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold buildings	50 years
Temporary freehold buildings	10 years
Building improvements	10 years

Principal accounting policies Year to 31 August 2013

Tangible Fixed Assets (continued)

Fixtures, fittings and equipment	6 years
Computer equipment	3 years
Motor Vehicles	7 years

Leased Assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease

Taxation

The School is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the School is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the School 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 School.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School 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 20, the TPS is a multi-employer scheme and the School 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.

Principal accounting policies Year to 31 August 2013

Pensions Benefits (continued)

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

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted other funds comprise all other restricted funds received and include grants from the local education authority.

Notes to the Financial Statements Year to 31 August 2013

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2013 £	2012 £
Other donations received	7,637	—	7,637	7,355

2 Funding for School's educational operations

	Unrestricted funds £	Restricted funds £	2013 £	2012 £
EFA and other capital grants				
EFA capital grants	—	289,859	289,859	70,441
	—	289,859	289,859	70,441
EFA revenue grant				
General Annual Grant (GAG)	—	5,055,304	5,055,304	5,232,309
Other EFA grants	—	179,489	179,489	36,400
	—	5,234,793	5,234,793	5,268,709
Other government grants				
Special Educational Needs funding	—	258,313	258,313	257,012
Other grants	—	13,233	13,233	7,018
	—	271,546	271,546	264,030
	—	5,796,198	5,796,198	5,603,180

3 Other incoming resources

	Unrestricted funds £	Restricted funds £	2013 £	2012 as restated £
Hire of facilities	19,446	—	19,446	21,454
Examination fees	246	—	246	69
Insurance claims	12,336	—	12,336	75,203
School trips income	78,346	—	78,346	33,128
Sales income	9,618	—	9,618	7,844
Other income	38,167	—	38,167	35,188
	158,159	—	158,159	172,886

Notes to the Financial Statements Year to 31 August 2013

4 Resources expended

	Staff costs £	Non pay expenditure		2013 £	2012 as restated £
		Premises £	Other costs £		
Chantable activities					
School's educational operations (note 5)					
Direct costs	3,285,064	242,237	272,236	3,799,537	3,799,209
Allocated support costs	1,200,014	461,896	399,625	2,061,535	1,833,915
	<u>4,485,078</u>	<u>704,133</u>	<u>671,861</u>	<u>5,861,072</u>	<u>5,633,124</u>
Governance costs (note 6)	—	—	30,104	30,104	19,592
	<u>4,485,078</u>	<u>704,133</u>	<u>701,965</u>	<u>5,891,176</u>	<u>5,652,716</u>
				2013 £	2012 £
Incoming resources for the period include					
Operating leases				9,014	26,287
Fees payable to auditor					
Statutory audit				9,000	9,250
Non-audit services				<u>19,738</u>	<u>2,250</u>

5 School's educational operations

	Unrestricted funds £	Restricted funds £	2013 £	2012 as restated £
Direct costs				
Teaching and educational support staff costs	—	3,285,064	3,285,064	3,339,739
Depreciation	—	242,237	242,237	228,504
Educational supplies	—	201,564	201,564	159,938
Examination fees	—	48,881	48,881	55,294
Staff development	—	21,791	21,791	15,734
	—	<u>3,799,537</u>	<u>3,799,537</u>	<u>3,799,209</u>
Allocated support costs				
Support staff costs	—	1,200,014	1,200,014	1,135,368
Recruitment and support	—	35,318	35,318	37,870
Maintenance of premises and equipment	—	80,077	80,077	94,849
Premises	—	381,819	381,819	251,459
Heat and light	—	79,379	79,379	72,620
Insurance	—	9,549	9,549	29,893
Security and transport	—	4,587	4,587	5,463
Catering	—	47,338	47,338	39,286
School trips	90,706	—	90,706	30,650
Office overheads	—	50,102	50,102	62,293
Other support costs	—	82,646	82,646	74,164
	<u>90,706</u>	<u>1,970,829</u>	<u>2,061,535</u>	<u>1,833,915</u>
	<u>90,706</u>	<u>5,770,366</u>	<u>5,861,072</u>	<u>5,633,124</u>

Notes to the Financial Statements Year to 31 August 2013

6 Governance costs

	Unrestricted funds £	Restricted funds £	2013 £	2012 £
Legal and professional fees	—	1,366	1,366	8,092
Auditor's remuneration				
Audit of the financial statements	—	9,000	9,000	9,250
Annual Accounts Returns 2012 and 2013	—	4,500	4,500	—
Audit of March 2012 EFA Pilot Financial Return	—	7,750	7,750	—
Taxation services	—	1,825	1,825	—
Other non-audit services	—	5,663	5,663	2,250
	—	30,104	30,104	19,592

7 Staff costs

Staff costs during the period were

	Unrestricted funds £	Restricted funds £	2013 £	2012 £
Wages and salaries	—	3,643,525	3,643,525	3,564,383
Social security costs	—	297,655	297,655	293,233
Pension costs	—	500,152	500,152	463,030
	—	4,441,332	4,441,332	4,320,646
Supply teacher costs	—	43,747	43,747	154,461
	—	4,485,078	4,485,078	4,475,107

Included within, the staff costs figure above are redundancy payments totalling £24,000

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

Charitable Activities	2013 Number	2012 Number
Teachers	63	56
Administration and support	37	39
Management	6	7
	106	102

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

	2013 No	2012 No
£70,001 - £80,000	4	4
£100,000 - £110,000	1	1

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £54,147

Notes to the Financial Statements Year to 31 August 2013

8 Governors' remuneration and expenses

Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments from the School in respect of their role as governors. The value of governors' remuneration was as follows:

	2013 £	2012 £
A Duncan, Headteacher	105 – 110,000	105 – 110,000
A Cottle, Other staff governor	70 – 75,000	70 – 75,000
L Nicolaou, Other staff governor	50 – 55,000	45 – 50,000
C Fagan, Other staff governor	50 – 55,000	45 – 50,000
D Johnson, Other staff governor	45 – 50,000	45 – 50,000

Other related party transactions involving the trustees are set out in note 21.

9 Governor and Officers' Insurance

As part of an overall insurance package and in accordance with normal commercial practice the School has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 for the entire insurance package was £31,185 (2012 - £31,227).

10 Tangible fixed assets

	Freehold buildings £	Furniture fittings, and equipment £	Computer equipment £	Motor vehicles £	Total funds £
Cost/Value					
At 1 September 2012	6,968,470	280,373	109,485	30,179	7,388,507
Additions	119,137	6,887	32,020	—	158,044
At 31 August 2013	7,087,607	287,260	141,505	30,179	7,546,551
Depreciation					
At 1 September 2012	211,813	47,839	47,144	15,393	322,189
Charge in period	163,500	34,293	35,046	9,398	242,237
At 31 August 2013	375,313	82,132	82,190	24,791	564,426
Net book value					
At 31 August 2013	6,712,294	205,128	59,315	5,388	6,982,125
At 31 August 2012	6,756,657	232,534	62,341	14,786	7,066,318

Notes to the Financial Statements Year to 31 August 2013

10 Tangible fixed assets (continued)

The School acquired the school buildings and associated fixtures and equipment from Surrey County Council on 1 April 2011. The governors have based their valuation of the School buildings on information provided by the Surrey Valuation Office. The building has been valued at the Existing Use Value, using a Depreciated Replacement Cost approach.

The land on which the School buildings are situated is deemed to have no commercial value to the School. Ancillary land owned by the School is currently leased to Spelthorne Borough Council until September 2038. The School has no rights over this land until the expiry of the lease, and so it is also deemed to have no commercial value.

11 Debtors

	2013 £	2012 £
Trade debtors	442	1,208
Prepayments	57,896	64,005
VAT recoverable	46,829	22,113
	105,167	87,326

12 Creditors: amounts falling due within one year

	2013 £	2012 as restated £
Other taxation and social security	—	93,950
Other creditors	—	62,294
Accruals	26,532	86,327
	26,532	242,571

Notes to the Financial Statements Year to 31 August 2013

13 Funds

	Balance at 1 September 2012 as restated £	Incoming resources as restated £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2013 £
Restricted EFA funds					
General Annual Grant (GAG)	294,134	5,055,304	(5,085,198)	—	264,240
Other EFA grants	—	179,489	(179,489)	—	—
	<u>294,134</u>	<u>5,234,793</u>	<u>(5,264,687)</u>	<u>—</u>	<u>264,240</u>
 Pension reserve	 (1,050,000)	 —	 (22,000)	 35,000	 (1,037,000)
	<u>(755,866)</u>	<u>5,234,793</u>	<u>(5,286,687)</u>	<u>35,000</u>	<u>(772,760)</u>
 Restricted other funds					
SEN funding	—	258,313	(258,313)	—	—
Other grants	—	13,233	(13,233)	—	—
	<u>—</u>	<u>271,546</u>	<u>(271,546)</u>	<u>—</u>	<u>—</u>
 Restricted fixed assets fund					
EFA capital grants	—	289,859	—	(158,044)	131,815
Fixed assets held	7,066,318	—	(242,237)	158,044	6,982,125
	<u>7,066,318</u>	<u>289,859</u>	<u>(242,237)</u>	<u>—</u>	<u>7,113,940</u>
 Total restricted funds	 <u>6,310,452</u>	 <u>5,796,198</u>	 <u>(5,800,470)</u>	 <u>35,000</u>	 <u>6,341,180</u>
 Unrestricted funds					
General funds	267,855	165,796	(90,706)	—	342,945
Total unrestricted funds	<u>267,855</u>	<u>165,796</u>	<u>(90,706)</u>	<u>—</u>	<u>342,945</u>
 Total funds	 <u>6,578,307</u>	 <u>5,961,994</u>	 <u>(5,891,176)</u>	 <u>35,000</u>	 <u>6,684,125</u>

The specific purposes for which the funds are to be applied are as follows

Restricted EFA funds

These grants relate to the School's development and operational activities

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the School was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

Notes to the Financial Statements Year to 31 August 2013

14 Prior year adjustment

In previous year, parental contributions to school trips, and the associated costs incurred by the School, were not recognised in the Statement of Financial Activities. During the year under review the Governors decided to change their accounting policy in relation to these items, to bring the School into line with practice at other academies. The effect of this policy change is to decrease creditors and increase the unrestricted general fund by £16,578 at 1 September 2012 and to reduce other income by £16,758 in the year ended 31 August 2013.

15 Analysis of net assets between funds

Fund balances at 31 August 2013 are represented by

	Unrestricted Funds	Restricted EFA Funds	Restricted Fixed Asset Fund	Total 2013
Tangible fixed assets	—	—	6,982,125	6,982,125
Current assets	342,945	290,772	131,815	765,532
Current liabilities	—	(26,532)	—	(26,532)
Pension scheme liability	—	(1,037,000)	—	(1,037,000)
Total net assets	342,945	(772,760)	7,113,940	6,684,125

16 Financial commitments

Operating leases

At 31 August 2013 the School had annual commitments under non cancellable operating leases as follows

	2013 £	2012 £
Operating leases on equipment which expire Expiring within two and five years inclusive	10,854	7,172

17 Reconciliation of net income to net cash inflow from operating activities

	2013 £	2012 as restated £
Net income	70,818	130,705
Depreciation (note 10)	242,237	228,504
Capital grants from DfE and other capital income	(289,859)	(70,441)
FRS 17 pension cost less contributions payable (note 21)	(12,000)	(33,000)
FRS 17 pension finance cost (note 21)	34,000	39,000
(Increase) decrease in debtors	(17,841)	89,569
(Decrease) increase in creditors	(216,039)	29,267
Net cash inflow from operating activities	(188,684)	413,604

Notes to the Financial Statements Year to 31 August 2013

18 Capital expenditure and financial investment

	2013 £	2012 £
Purchase of tangible fixed assets	(158,044)	(122,582)
Capital grants from DfE/EFA	289,859	70,441
Other Capital grants	—	93,034
Net cash inflow from capital expenditure and financial investments	131,815	40,893

19 Analysis of changes in net funds

	At 1 September 2012 £	Cashflows £	At 31 August 2013 £
Cash in hand and at bank	717,234	(56,869)	660,365

20 Members' Liability

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

21 Pension and similar obligations

The School'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 Hymans Robertson LLP 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 were no contributions payable to the scheme at 31 August

Notes to the Financial Statements Year to 31 August 2013

21 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 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.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was 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 review, it is found that accumulated liabilities of the Account for benefits to past and present teachers are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

Notes to the Financial Statements Year to 31 August 2013

21 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Valuation of the Teachers' Pension Scheme (continued)

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions 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 that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include a pension based on career average earnings, an accrual rate of 1/57th, and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

Notes to the Financial Statements Year to 31 August 2013

21 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Teachers' Pension Scheme Changes (continued)

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40/80/100% basis.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2013 was £223,000, of which employer's contributions totalled £174,000 and employees' contributions totalled £49,000.

Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the Governors to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.

Principal Actuarial Assumptions	At 31 August 2013	At 31 August 2012
Rate of increase in salaries	5.1%	4.5%
Rate of increase for pensions in payment / inflation	2.8%	2.2%
Discount rate for scheme liabilities	4.6%	4.1%
Inflation assumption (CPI)	2.8%	2.2%
Commutation of pensions to lump sums	63%	63%
The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are.	At 31 August 2013	At 31 August 2012
<i>Retiring today</i>		
Males	21.9 years	21.9 years
Females	24.0 years	24.0 years
<i>Retiring in 20 years</i>		
Males	23.9 years	23.9 years
Females	25.9 years	25.9 years

Notes to the Financial Statements Year to 31 August 2013

21 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Expected return at 31 August 2013 £	Fair value at 31 August 2013 £	Expected return at 31 August 2012 £	Fair value at 31 August 2012 £
Equities	6.60%	968,000	5.5%	654,000
Bonds	3.90%	217,000	3.4%	173,000
Property	4.70%	64,000	3.7%	45,000
Cash	3.60%	26,000	2.8%	36,000
Total market value of assets		1,275,000		908,000
Present value of scheme liabilities		(2,312,000)		(1,958,000)
(Deficit) in the scheme		(1,037,000)		(1,050,000)

The actual gain on scheme assets was £144,000

Amounts recognised in statement of financial activities	2013 £	2012 £
Current service costs	162,000	126,000
Total operating charge	162,000	126,000

Analysis of pension finance

Expected return on pension scheme assets	50,000	46,000
Interest on pension liabilities	(84,000)	(85,000)
Pension finance costs	(34,000)	(39,000)

The actuarial gains and losses for the current period are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a loss of £167,000

Movements in the overall deficit were as follows	2013 £	2012 £
Deficit at 1 September 2012	(1,050,000)	(852,000)
Current service cost	(162,000)	(126,000)
Employer contributions	174,000	159,000
Net finance interest	(34,000)	(39,000)
Actuarial losses	35,000	(192,000)
At 31 August 2013	(1,037,000)	(1,050,000)

Notes to the Financial Statements Year to 31 August 2013

21 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Movements in the present value of defined benefit obligations were as follows:	2013 £	2012 £
At 1 September 2012	1,958,000	1,498,000
Current service costs	162,000	126,000
Interest costs	84,000	85,000
Employee contributions	49,000	44,000
Actuarial losses	59,000	205,000
At 31 August 2013	2,312,000	1,958,000

Movements in the fair value of School's share of scheme assets	2013 £	2012 £
At 1 September 2012	908,000	646,000
Expected return on assets	50,000	46,000
Actuarial gains	94,000	13,000
Employer contributions	174,000	159,000
Employee contributions	49,000	44,000
At 31 August 2013	1,275,000	908,000

The estimated value of the employer contributions for the year ending 31 August 2014 is £172,000

The experience adjustments is as follows

	2013 £	2012 £
Present value of defined benefit obligations	(2,312,000)	(1,958,000)
Fair value of share of scheme assets	1,275,000	908,000
Deficit in the scheme	(1,037,000)	(1,050,000)
Experience adjustments on share of scheme assets		
Amount	94,000	13,000
Experience adjustments on scheme liabilities		
Amount	59,000	205,000

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department of Education. The guarantee came into force on 18 July 2013.

Notes to the Financial Statements Year to 31 August 2013

22 Related Party Transactions

Owing to the nature of the School'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 School's financial regulations and normal procurement procedures.