

Tiffin School

A Company Limited by Guarantee and an Exempt Charity

Annual Report and Financial Statements

Year ended 31 August 2013

Company Registration Number 07547311 (England and Wales)



Tiffin School

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Tiffin School
Year ended 31 August 2013
Reference and Administrative Details

Governors, Directors and Trustees

P Phillips * (Chairman)
J Lulham (Vice Chairman)
R Bevan (Staff Governor, Appointed March 2013)
R Bruce *
K Davis *
J Ellis +
V Evans +
M Garner +
S Goodridge * (from September 2013)
J Hasler-Winter *
J Heath * (Chair of Finance Committee)
C O'Connell (Staff Governor)
P Rennie (Staff Governor)
I Sedgley * (Staff Governor, Resigned March 2013)
S Thomas (Resigned July 2013)
E Trump
J Turner
J Venables
P Wardley

H Clarke (Headteacher)

*members of the Finance Committee
+ Parent Governor

Company Secretary

J Farnham

Clerk to the Governors

J Pierce

Officers

H Clarke (Accounting Officer)
J Farnham (Principal Finance Officer)

Senior Management Team

Deputy Headteacher
Deputy Headteacher
Assistant Headteacher
Assistant Headteacher
Assistant Headteacher
Finance Manager

E Barrett
M Gascoigne
S Cathcart
H O'Sullivan
S Toyne
J Farnham

Tiffin School
Year ended 31 August 2013
Reference and Administrative Details (continued)

Registered Office	Queen Elizabeth Road Kingston upon Thames Surrey KT2 6RL
Company Registration Number	07547311 (England and Wales)
Independent Auditor	haysmacintyre 26 Red Lion Square London WC1R 4AG
Bankers	Barclays Bank PLC South West London Team Onslow Hall Little Green Richmond Surrey TW9 1QS CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors.	Stone King 16 St John's Lane London EC1M 4BS Winckworth Sherwood Minerva House 5 Montague Close London SE1 9BB

Tiffin School
Year ended 31 August 2013
Governors' Report

The Governors of Tiffin School (referred to herein as the "Company" or the "School") present their report together with the financial statements and auditors' reports for the period 1 September 2012 to 31 August 2013. The previous period was the School's first period of activity, spanning 18 months from the date of incorporation to 31 August 2012.

History of Tiffin School

The School dates its beginnings to the will of Thomas Tiffin, dated 15 May, 1638, who left £50 in trust to the Bailiffs and Freemen of Kingston to purchase land and/or buildings, the income from which would be used to teach 'some honest poor man's son'. John Tiffin facilitated his brother's wishes by leaving £100 to the same ends on his death just over a year later. The School colours also date from that time and the three salmon in the School's crest are a reminder of the long association with Kingston.

Thomas Tiffin and his brother John were two wealthy Kingston merchants, born at Yalding in Kent. Thomas Tiffin was the holder of the office of High Bailiff (equivalent to Mayor today) in the Kingston Corporation in the 1630s.

From 1641 income from land purchased in the area of the present day High Street in Kingston provided money for education and clothing for a number of pupils each year. The Tiffin charity also provided £5 for apprenticeships for each pupil after their education. By the mid 19th Century, between thirty and fifty pupils per year were being supported by the charity.

The Endowed Schools Act of 1869 allowed the various local Kingston educational charities to be combined, and permitted the building of the first Tiffin School on the Fairfield. (The building still exists as St Joseph's RC Primary School and parts of the Fairfield are still part of endowed land of the Tiffin School Foundation). The School opened on 20 January 1880 under the Headmaster C J Grist, whose name is commemorated in the School's playing fields at Hampton Court.

Following the First World War the Elmfield site in the London Road in central Kingston was identified as providing sufficient space for expansion of numbers and a new classroom block was constructed. In 1920 a conveyance of approximately 6.06 acres of land in central Kingston having a frontage to the south to the London Road was made from one James Sidney Mason to the Royal Borough of Kingston for the purposes of new Tiffin school buildings. The school moved to its present site in 1929. In 1944 the school became a Grammar School.

On 14 September 1978, the Charity Commissioners for England and Wales approved a scheme under which a division of the property of the Kingston-upon-Thames Endowed Schools charity was made between two new charities, the Tiffin School Foundation (the "Foundation") and the Kingston Grammar School Foundation. The lands, property and endowment related to Tiffin were thereby transferred to the Foundation, the main object of which was the provision and conduct of a day school for boys.

In 1993 the school changed from "Voluntary Controlled" to "Grant Maintained" status and then again in 1998 to "Voluntary Aided" status under the maintenance of the local authority of the Royal Borough of Kingston. Tiffin School converted to academy status on 1 July 2011 and thereby ceased to be a maintained school.

Structure, Governance and Management

Constitution and Regulation

The Company is a company limited by guarantee and an exempt charity. The Company's Memorandum and Articles of Association (as amended) are the primary constitutional documents and are available on the School's website. As an exempt charity, the Company is not registered with the Charity Commission and is instead regulated by a principal regulator. As an academy school, established under the Academies Act 2010, the Company's principal regulator is the Education Funding Agency ("EFA").

The Company entered into a funding agreement ("Academy Funding Agreement") dated 30 June 2011 with the Secretary of State for Education ("Secretary of State") that regulates the financial affairs of the Company. The funding agreement was amended by a deed of variation dated 15 January 2013 in order to remove a restriction on the amount of unspent general annual grant that could be carried forward at each year end. The Company is also required to observe any requirements imposed on academy schools under the Academies Financial Handbook September 2013 issued by the EFA.

Governance and Management

The governors of the School ("Governors" and collectively "Governing Body") act as Directors of the Company for company law purposes and as trustees for its charitable activities.

Details of the Governors who served during all or part of the accounting period are included in the Reference and Administrative Details in this report. In addition to serving on the Governing Body, Governors also serve on one or more committees covering Finance, Curriculum & Student, Personnel, Sites & Premises, Admissions and Audit, each with its own terms of reference and delegated areas of responsibility approved annually by the Governing Body. Overall responsibility for the conduct and financial affairs of the School rests with the Governing Body, in particular the approval of its annual budget.

The Tiffin School Foundation has the right to appoint a majority of Governors to the Governing Body. The Headteacher is an ex-officio governor with full voting rights. The composition of the Governing Body is described in more detail below under Method of Recruitment and Appointment or Election of Governors.

The day to day management of the School is delegated by the Governing Body to the Headteacher as chief executive. The Headteacher appoints the Senior Management Team to assist her in the day to day management of the School.

The Headteacher is also appointed by the Governing Body as Accounting Officer and is thereby held responsible to the Governing Body and the Secretary of State for the financial propriety of the School's affairs. The Accounting Officer is required to make a statement in the Company's financial report regarding governance, regularity, propriety and compliance.

The Governing Body has appointed the Principal Finance Officer to manage the day to day financial affairs of the School under the supervision of the Headteacher.

During the year, the internal audit function of the Responsible Officer was transferred to a newly formed Audit Committee.

Members' Liability

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

Governors' Indemnities

Subject to the provisions of the Companies Act 2006 every Governor or other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred in acting in such capacity in successfully defending any proceedings, whether civil or criminal, against him/her

Subject to certain customary exceptions, a Governor may benefit from indemnity insurance purchased at the Company's expense to cover the liability of Governors in respect of any negligence, default, breach of trust or breach of duty in relation to the Company

Governors' liability insurance is provided by Chubb Insurance Company of Europe The limit of indemnity is £4 million

Principal Activities

The principal activities of the Company are contained in the Company's Articles of Association and the Academy Funding Agreement The object of the Company is 'to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a selective school with a designated religious character which is Christian offering a broad and balanced curriculum'

Tiffin School is a boys' selective state school of 1100 students aged between 11 and 19 The School provides a highly academic education to its students in a broad range of subjects and also offers a wide range of extracurricular activities, particularly in sport and the performing arts

Method of Recruitment and Appointment or Election of Governors

The total number of Governors shall be not less than three and is not subject to any maximum The Headteacher is an ex officio Governor with full voting rights The normal term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher or to any Governor appointed by the Foundation that ceases to be a trustee of the Foundation Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected without limit

The Foundation (registered charity number 312997) is the body in which responsibility for the provision of a boys' school at the site in Kingston upon Thames is vested under its charitable scheme The Articles of Association of the Company allow for the Foundation to maintain an overall majority of Governors on the Governing Body For further information on the Foundation refer to the section on Related Parties on page 6 and note 26 to the accounts

Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

The Governors are appointed or elected as follows

- The Foundation shall appoint such number of Governors who are also Foundation Trustees ("Foundation Governors") so as to ensure a majority of Foundation Governors of at least one
- The Governing Body may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Headteacher) who are employees of the School does not exceed one third of the total number of Governors
- The Governing Body shall appoint the Local Community Governor
- The Headteacher shall be treated for all purposes as being an ex officio Governor
- Parent Governors shall be elected by parents of registered pupils at the School. A Parent Governor must be a parent of a pupil at the School at the time they are elected
- The Governors may appoint up to 3 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Company as a Co-opted Governor if thereby the number of Governors who are employees of the Company would exceed one third of the total number of Governors (including the Headteacher)
- Under the terms of the Articles of Association the Secretary of State has wide powers to appoint and remove Governors in certain adverse circumstances
- All classes of Governor (including the Headteacher) have an equal vote with one vote per Governor

The Chairman of Governors and Vice-Chairman of Governors are each elected at the start of each School year by the other Governors through elections arranged by the Clerk

When vacancies occur on the Governing Body the vacancy will be filled in accordance with the requirements of the particular class of Governor in which the vacancy has occurred. Co-opted Governors will usually be appointed by the Governing Body to fulfil any particular need or skills requirement

Staff Governors shall be elected by a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the School (excluding the Headteacher). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Governing Body. If a Staff Governor ceases to work at the School then they shall be deemed to have resigned and shall cease to be a Governor automatically on termination of their work at the School. The Governing Body has determined that one Staff Governor shall be a member of the teaching staff at the School and one shall be a member of the non-teaching staff at the School unless the Governing Body direct otherwise from time to time

In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the School, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age. The arrangements made for the election of a Parent Governor provide for every person who is entitled to vote in the election to have an opportunity to do so by post or by ballot paper. Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the School is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies

Policies and Procedures Adopted for the Induction and Training of Governors

All new Governors are provided with an induction pack. They also meet separately with the Chairman of Governors and the Headteacher where they receive a briefing on important aspects of the School including, its history, its governing documentation and its associated bodies and its future plans. Governors are encouraged to attend external relevant courses or seminars that specialise in governor training such as those traditionally provided by the local authority and the costs of doing so are met by the School. Information relating to Governors is placed on the School website virtual learning environment (VLE) portal, where they can access all meeting agendas, minutes of meetings and policy documents.

Organisational Structure

In addition to the full Governing Body there are a number of sub committees all of which have delegated responsibilities to make decisions. The committees are Finance, Admissions, Curriculum & Student, Personnel, Sites & Premises and Audit. There is also a Health and Safety panel which some Governors attend. Committees meet a minimum of once each term and reports from each committee are tabled at the next full Governing Body meeting that follows. The terms of reference for each committee are decided at the first meeting of the academic year. All decisions taken by a committee which has a financial impact are also referred to the next Finance Committee meeting for approval of the financial aspects thereof. The Finance Committee usually therefore meets last in any cycle of committee meetings and just before the full Governing Body meeting.

The Headteacher together with relevant members of the Senior Management Team attend each committee and are encouraged to contribute to the agenda items being discussed. The day to day management of the School is delegated by the Governing Body to the Headteacher as chief executive who is given discretion to operate the School within the approved budget and in accordance with the School Improvement Plan. The Headteacher appoints the Senior Management Team to assist her in the day to day management of the School. The Governing Body has appointed the Principal Finance Officer to manage the day to day financial affairs of the School under the supervision of the Headteacher. All proposals which are outside the approved budget must come before the Finance Committee and/or Governing Body depending on their nature. In times where a speedy decision must be taken, an ad hoc Governors' group will be consulted, with their decision ratified by the relevant committee or Governing Body at a later date.

Major decisions regarding the School are reserved for the full Governing Body.

Risk Management

The Governors have assessed the major risks to which the School is exposed, in particular those relating to teaching, safeguarding, business continuity, finance, facilities, School trips, health and safety, and other operational areas of the School. Appropriate systems, policies, procedures and controls have been put in place so as to ensure that the various risks do not impact adversely on its students or the operation of the School. Where possible, appropriate insurances are in place for insurable risks and also cover facilities used by the School at the Grists playing fields and the Canbury Boat House.

These risks are identified and maintained on a risk register and rated in terms of impact and likelihood of occurrence together with a statement on the controls in place to mitigate their effect. The risk register and insurances are formally reviewed by each committee and the full Governing Body on an annual basis, however risk management and the evaluation of already identified risk and the identification of new risk is considered an on going integral part of the day to day management of the School.

Connected Organisations, including Related Party Relationships

The Company is not part of a wider federation or network of schools. The Company does however have close relationships with the following charities and companies

Tiffin School Foundation

The Foundation is constituted under the terms of a scheme, which was approved by the Charity Commissioners for England and Wales and sealed on 14 September 1978, and is registered with the Charity Commission under registration number 312997. The object of the Foundation is the provision and conduct of a day school for boys. Under the terms of the scheme the existing land and buildings at London Road, Kingston upon Thames were vested in the Foundation Trustees through the Official Custodian, in addition to shares in the Charities Official Investment Fund. The land and buildings are now used by Tiffin School in accordance with a supplemental agreement to the Academy Funding Agreement between the Secretary of State, the Foundation and the Company. The School is not required to pay rental or a licence fee to the Foundation for the use of its land and buildings.

With effect from September 2012 the Foundation has also taken responsibility for the custody of all parental contributions to the Tiffin Education Fund that were established in or after September 2012.

Trustees of the Foundation represent a majority of the Governing Body pursuant to the Articles of Association of the Company. The Foundation Trustees who also served as Governors of the School during the financial period were

P Phillips, J Lulham, R Bruce, J Hasler-Winter, J Heath, S Thomas (resigned July 2013), E Trump, J Turner, J Venables and P Wardley

J King, an employee of the School, was also appointed a Foundation Trustee in September 2012.

S Goodridge was appointed a Foundation Trustee in September 2013 after the year end.

The Foundation receives income from its investments and from the rental of its land and buildings to third parties. Under the terms of the Foundation's scheme, as modified, the Foundation is required to pay 3/13th of certain elements of its unrestricted income to the Tiffin Girls School.

Tiffinian Limited and Elmfield Enterprises Limited

Tiffinian Limited is a charitable company limited by guarantee, incorporated on 18 May 1976 (company number 01259497) and registered as a charity on 16 June 1976 (charity number 273467). Its trustees include alumni of the School, Governors of the School, the Headteacher, and past and present teachers of the School. Tiffinian Ltd supports the School in enriching the experience of its pupils by encouraging voluntary parental donations to assist with the finance of the many extracurricular activities that take place at the School and the funding of capital expenditure. Tiffinian Limited receives and holds custody of parental contributions made by parents towards the Tiffin Education Fund for the benefit of the School. From September 2012, as a result of the conversion of the School to academy status, the Governing Body decided that custody of donations made by parents established during or after September 2012 will be held by the Foundation.

Trustees/directors of Tiffinian Limited that also served as Governors or who were employees of the School during the financial period are listed in the Accounts at Note 26.

Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

In 1993, Tiffinian Limited set up a trading subsidiary, Elmfield Enterprises Limited ("Elmfield"). The principal activity of this company is the operation of the school shop. The directors of Elmfield who also served as Governors or were employees of the School are also listed in the Accounts at Note 26.

Tiffinian Association Limited.

Tiffinian Association Limited ("TAL") was incorporated as a company limited by guarantee on 4 June 2008 thereby amalgamating a number of charities and entities linked to the maintained school. It was registered as a charity on 3 September 2008 (charity number 1125708). The trustees/directors of TAL and its predecessor charities have usually been alumni of the School. The main object of TAL is to "promote the participation in healthy recreation for the benefit of former and present pupils of Tiffin School, and their families, employees of Tiffin School and their families, others associated with Tiffin School and the local community of Kingston upon Thames and its environs".

TAL owns extensive playing fields known as Grist's near Hampton Court which are made available to the School and to third parties for sport and recreational purposes. The School has historically used and maintained one of the two pavilions at Grist's known as the Harper Pavilion and certain portions of the playing area for the sporting activities of its students. At the time of conversion to academy status, the Trustees of TAL agreed to allow the School to assume the same use and maintenance arrangements that the maintained school had enjoyed and been responsible for. An agreement in principle has been reached subject to documentation between the School and TAL regarding the future of Grist's, which ensures the continued use of Grist's by the School and an enhanced role for the School in the maintenance of the site for sporting purposes.

The Governing Body of the School does not consider TAL to be a related party. P Phillips, Chairman of Governors is also a trustee of TAL.

Canbury Boat House

Canbury Boathouse Limited ("CBH") is a company registered in England and Wales (number 00815108) whose principal activity is to maintain the Canbury Boathouse in Kingston upon Thames. Tiffin School makes use of Canbury Boathouse together with the Kingston Rowing Club under a licence from CBH. Directors and Members of CBH that were also employees of the Company during the year are shown in Note 26 to the Accounts.

Objectives and Activities

Objects and Aims

The object of the Company as specified in its Articles of Association is "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a selective school with a designated religious character which is Christian offering a broad and balanced curriculum".

In interpretation of its statutory objects the Governors and staff of Tiffin School seek to create an environment that both fosters outstanding academic achievement and also actively encourages its students to participate in the widest possible range of extra curricular activities and other opportunities. As well as a commitment to its students the Governors consider the School's role within the local community as an important aspect of the School's obligations and readily make its facilities available to the public and provide community support to local primary schools.

The School's Vision Statement is that of "A leading creative community, an enduring love of learning".

Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

Tiffin School aims to create a caring, stimulating and secure environment, in which able students will develop personally, socially and academically through involvement in the wide range of opportunities the School has to offer, preparing students for adulthood, further learning, the workplace, and for taking a responsible place in society. The School aims to manifest its vision through emphasis on the following

- Outstanding academic achievement
- Moral and social development
- Wider opportunities in sports and the performing arts
- Preparation for a lifetime of learning
- Innovation and cutting edge creativity

Objectives, Strategies and Activities

The Governors established their aims for 2012/13 in their School Improvement Plan. A summary of the main aims and outcomes and exam results are summarised below under Achievements and Performance.

Public Benefit

The Governors confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties. By its very nature as a state funded school, the Governors believe the School fulfils this requirement by providing access to a first class non fee paying education subject only to academic ability. Our other activities undertaken in furtherance of public benefit include the allocation of resources both in terms of staff time and finances to support local primary schools in improving the education and extracurricular experiences of their students. The School also allows its sports centre and all weather multi use games area to be made available for public hire outside of regular School hours.

Achievements and Performance

In its second year of operating as an Academy, the School has continued to develop its reputation for academic excellence in boys' education, a range of co-curricular activities that richly endow the educational programme for students at Tiffin and has strengthened further its role as a leading School working in partnership and collaboration with a range of schools.

Admissions

The School was heavily oversubscribed for the intake for the 2012/13 academic year with over 1800 applicants for 140 Year 7 places, an increase of more than 5% on the number of applicants in 2012. The School also accepted over 50 students from other schools into the Sixth Form from over 300 external applicants for the 2012/2013 academic year.

The popularity of the School led the Governors to apply to the Secretary of State in April 2013 to enlarge the School with an additional form of entry at age 11 and a target growth of the Sixth Form to 400 students (from 363 in 2012/13) within the next few years. A public consultation on the growth of the School was carried out in the summer of 2013 which resulted in support for the Governors' plans from the respondents to the consultation document. Approval has been granted by the Department of Education and plans are in place for the expansion to go ahead with resources and buildings already at the development stage to meet the larger school population. This expansion of the school in terms of pupil numbers is targeted to begin in September 2015.

Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

Examination Results

The achievements of the students were outstanding at both GCSE and A level

GCSE Results

Based on Tiffin School's August results, "The Times" newspaper placed the School as the sixth ranked boys' state school in the country. However, this year there were numerous remarking of papers that significantly changed the overall statistics for GCSE results by November. The analysis of the final results shows that, 81.3% of grades were A* and A. This is the sixth year in succession that A*/A grades were above 80%. Our students achieved 43.6% A* grades alone and 87.4% of the cohort achieved the E Bac Qualification (passes in English, Maths, a modern language, a science, and either Geography or History).

Overall there was no underperformance by any specific group at Tiffin School and our multilingual learners achieved as highly as those who had English as a first language. We were pleased with the results of our two students with statements of special educational needs. One achieved nine A* and one A grade and the other two A*, one A, three B and one C grades.

The national Raise Online Value Added score in 2012 was 1032 for the best eight subjects including English and Maths, which placed Tiffin in the top 7% of state schools in the country.

The progress from KS2 to KS4 of the School's students in English and Maths is outstanding.

	4 Levels progress	3 Levels progress
English	76.7 %	96.7 %
	4 Levels progress	3 Levels progress
Maths	99.2 %	100 %

A Level Results

At A Level 88.6% of grades were A*/A/B which was our fourth best ever result. "The Times" placed the school as the fourth highest performing boys' state school in the country. The percentage of A/A* grades were 62.8% and 25.1% of these grades were at A*. 83 students gained three grade A's or better and 14 students achieved three A* grades or better. 21 students met their grade offer for places at either Oxford University or Cambridge University.

Retention of students

The number of year 11 students choosing to stay at Tiffin for their post 16 education was very high in 2013 at 91.7%. 64 new students who had excelled in their GCSE results were added to the Sixth Form from local and surrounding areas. Very few students leave the School during their AS course once settled into the Sixth Form. Similarly students typically do not leave during their Upper 6th year. Over 80% of our students, who gained a place at university in 2013, did so at Russell group universities to study a wide range of subjects, this clearly illustrates the continuing outstanding academic performance of the School in 2012/2013.

The Governors' School Improvement Plan for 2012/2013

The Governors established the School's aims for 2012/13 in their School Improvement Plan. The main focus areas were as follows:

- To carry out a professional review to assess the standards being achieved in all aspects of the School against the new OFSTED standards of September 2012
- To implement a new Teaching and Learning policy to assist in achieving and maintaining outstanding outcomes for all students
- To implement new national teaching standards and amend performance management in light of national changes

Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

- To continue embedding new assessment procedures and online reporting facilities that improve student awareness of their performance levels especially at KS3 and to further improve tracking procedures at KS3 and KS4
- To continue the programme of updating IT structures to provide a better and more cost effective implementation of the current 6 year plan
- To address the projected reduction in grant funding expected in 2013/14 and beyond as changes to the post 16 funding methodology and GAG formula impact on the school budget
- To investigate funding sources towards the cost of building a new facility (LRC2) that will provide increased capacity for September 2014

The Governors consider that all of these aims were achieved, but concerns are still paramount over projected grant funding levels as a result of prevailing financial circumstances in both the country and within the public sector in particular. Changes to the post 16 funding formula for sixth form students have had an adverse impact on funding levels at Tiffin and on all schools with a focus on high academic achievement. Additionally the targeting of education grant funding away from per pupil weighted factors has put pressure on funding levels at ages 11 to 16, with the School receiving a 2.4% reduction in total funding into its budget in 2013/14. The challenge for the School is to maintain its high standards and programme of wider opportunities within these funding restrictions and the Governors are confident that the School will be able to meet this challenge.

Events in 2012/2013

The Governors supported a two day professional review of the School in November 2012 by a team of leading educational advisers who reported that the School continued to match the outstanding requirements of Ofsted in all the key areas. This was of great encouragement to the Governing Body and will form the basis of a continuing improvement with an action plan for the next stage of development implemented during the year.

The School enjoys significant support from both the Tiffin Foundation and Tiffinian Limited through the donations made to the School and also from the tremendous support of parents through the TPA and parent groups who work to raise money for music, rugby, rowing and other extra-curricular activities offered by the School. The continued success of the all weather sports facility, the refurbishment of four toilet areas and the implementation of a full wireless system across the School were made possible largely by donations from parents and clearly show how the Governors' utilisation of its resources targets and successfully improves areas of the School. This was reinforced in the decision made by the Governors in the summer of 2013 to proceed in building phase one of the LRC2 project in 2014. This exciting project will add new classroom and study space in a new wing added to the existing Learning Resources Centre and will therefore support the expansion of the School.

The School was also successful in its bid to the EFA towards funding new boilers from the Academies Capital Maintenance Fund, although larger bids for LRC2 and the replacement of the roof and windows of the 1929 building were not approved by the EFA. However, the steady improvement of facilities in the School was helped by the implementation of a new upgraded IT plan that saw the successful remodelling and upgrading of all IT systems in the School during the year. This has had a significant impact on the IT provision for all users in the school that has brought Tiffin School up to a high standard in its IT systems and provision for teaching and learning.

Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

The School has become part of the newly re-launched Kingston local clusters of schools and so our work with our chosen Academy partner primary schools is now extended to our surrounding 10 primary schools. Our collaboration with Tiffin Girls' School and the neighbouring Kingston Grammar School continues to prosper in both academic and co-curricular activities. The strength of the teaching and learning links with these schools and the Coombe Federation means that the good practice in the School is shared amongst a range of schools. Tiffin has also continued to be a leading member of the Boys' Selective Schools Group (BASS) and Grammar Schools Association (GSHA).

The academic year saw continued success for the School in the fields of sport, music, dance and drama to support the academic excellence of the School. The School Choir were heard at home and abroad in concert halls and churches, the choir enjoyed representing Kingston in Oldenburg in Germany in December, performing in the annual Oratorio and touring China in the summer. They were to be heard on the soundtrack of 'The Hobbit' and recorded soundtracks at the Abbey Road studios for two other films.

Our sports teams once again excelled in many different venues with the First XV rugby team touring Canada in summer 2013, basketball players going on tour to Chicago, senior rowers participating in all the major regattas including Henley and our cricketers taking on an MCC side that was fully tested in the closure to the summer season. Our dancers impressed all who saw them when they performed at several London venues and continued their collaboration with the Royal Ballet, Covent Garden and other leading dance groups. Tiffin Dance enjoys a national reputation for its excellence in teaching and performance.

The School welcomed many ex Tiffinians and visitors to the school throughout the year who came to talk to students, give lectures and workshops and support academic and careers activities. Our links to our students and former students are very close and the Tiffin community remains a strong foundation in the everyday life of the School. The tragic deaths of 3 past and current students during the year meant that the School shared with their families the sense of loss that was so keenly felt by all.

The strong leadership and management of the School has resulted in an academic year that has seen Tiffin School continue to flourish despite cuts in grant funding and the measures that have had to be taken in order to navigate a year of complexity and change in the national educational scene.

Going Concern

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

Financial Review

The accounts are for the year ended 31 August 2013 while the comparatives cover the 18 month period from 1 March 2011 to 31 August 2012, during which the operation of Tiffin School as an academy actually commenced on 1 July 2011, therefore the comparatives in substance represent 14 months of financial operations.

Incoming Resources amounted to £7.4 million (2012-£8.4 million) and consisted primarily of funding received towards the School's educational operations, of which £5.6 million was General Annual Grant (GAG) funding received directly from the EFA, with additional funding received from various grants and other income directly supporting educational activities. In addition Activities for Generating Funds contributed £903k (2012-£722k), with the unrestricted element of this being generated through the community use of the sports centre and the School's in house catering facility (equivalent cost included under resources expended), both of which showed growth in turnover compared to the previous period. The restricted funds

Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

element of this line was largely derived from contributions towards school trips with the choir tour of China significantly increasing the reported income (with an equivalent cost incurred under resources expended)

Further incoming resources came from Voluntary Income, an important source of revenue to the School that enables it to maintain a broad extra-curricular programme and provide essential additional capital funding at a time when such grant funding is severely restricted. Voluntary Income during the year includes contributions from parental donations received via Tiffinian Limited and contributions from Tiffinian Association Limited, the Tiffin School Foundation and the Tiffin Parents Association. Specifically reported under the Restricted Fixed Asset Fund are donations towards the cost of improving the information technology infrastructure such as the installation of a site wide wireless network and the upgrading to virtual servers, with the funding sourced from parental contributions received via Tiffinian Limited and the Tiffin Parents Association. In addition the School was grateful to receive £80k of parental contributions, received via Tiffinian Limited, as a contribution towards the cost (reported in 2011/12) of improving the ageing toilet facilities at the school.

During the year the School was successful in bidding for capital grant funding from the EFA towards the £154k cost of installing three new boilers together with building management systems.

Total resources expended amounted to £6.9 million (2012-£7.7 million), incurred entirely in maintaining the continuing operation of the school. Note 7 to the accounts provides a detailed breakdown of how these costs were incurred. The resulting net income for the period was £420k (2012-£730k) of which £345k was tied up in the Restricted Fixed Asset Fund.

Actuarial gains on non-teaching staff membership of the Local Government Pension Scheme amounted to £29k during the period. The detailed calculations and assumption used by the Actuary are shown in note 25 to the accounts.

Net Assets at 31 August 2013 were £nil, including the long-term pension liability valued at £1.3 million. The balance sheet included £1.1 million as the net book value of fixed assets acquired since conversion to an academy in July 2011, with the balance of net assets representing the working capital of the school.

Key Financial Performance Indicators

The Finance Committee regularly reviews key performance indicators and these statistics are included in the management accounts pack presented to the committee at each meeting. Key performance indicators, stated for the year ended 31 August 2013, were as follows:

	2013	2012
Public funded income per student	£5,238	£5,320
Total income per student	£5,308	£5,546
Teaching staff cost per student	£3,212	£3,257
Total cost per student	£5,220	£5,458
Student teacher ratio	16.7	16.6
Teaching as a % of total cost	61.5%	62.0%
Staff costs as a % of total cost	81.1%	80.8%

The Finance Committee is satisfied that these key performance indicators were in line with expectations.

Financial and Risk Management Objectives and Policies

The financial and cash position of the School is monitored carefully on a regular basis. There is a deficit on The Local Government Pension Scheme, for which there is no additional schedule of repayments. Payments are made to the Scheme in line with agreed contribution rates.

Principal Risks and Uncertainties

As stated on page 5 the Governors have assessed the major risks to which the School is exposed and those risks have been identified on a Risk Register. The Governors consider the principal risks to which the Company is exposed to be

- Safeguarding of the School's students
- Reduced government funding resulting in further pressure on the School's cost base
- The increasing cost of maintaining an ageing premises and related Health and Safety issues
- Ensuring an effective business continuity plan is in place, with particular regard to the continuation of teaching in the event of loss of premises, protection and reinstatement of information management systems and loss of key employees

Reserves Policy

The Governors review reserves throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves held. The reason for holding free reserves is to provide sufficient working capital to cover delays between spending and the receipt of grants, to provide a cushion to deal with unexpected emergencies and to bridge the gap where grant funding is not sufficient to meet the development needs of the School.

Given the certainty of GAG funding in the next accounting period and following a detailed review of on-going expenditure and financial risk factors the Governors believe that an appropriate level of free reserves should be within a range of 2.5% and 5% of annual operating expenditure. The level of free reserves (GAG and unrestricted funds that are readily realisable) at the year end was £236k, which is within the target range.

The deficit on the local government pension scheme of £1.3 million (see note 25 to the accounts) is not relevant to short term funding and is therefore considered not relevant when determining the level of free reserves. The liability is not due in the following accounting period and the deficit will be addressed, based on the recommendations of the scheme actuary, over many years.

It should be noted that the School has access to parental donations that are held separately from the assets of the Company. These funds are held by Tiffinian Limited and the Tiffin School Foundation and are released to the School, by the trustees of each respective charitable company, upon application by the School management.

Investment Policy

Tiffin School does not hold non cash investments. The main School bank accounts are held with Barclays Bank PLC ("Barclays") with a separate small holding with the CCLA. Barclays arrange an automatic sweep of funds from the current account into a business premium account each night retaining a £500 balance in the current account. Interest from bank accounts is shown in note 4 to the Financial Statements.

Plans for Future Periods

Tiffin School will continue to strive to improve the level of performance of its students at all ages and levels of ability as well as to provide and facilitate those wider opportunities that mark Tiffin out as a School with a much broader focus than exam achievement alone

The Governors and Senior Management Team prepare and review a rolling 3 year strategic School Development Plan on an annual basis and the stated aims and key objectives for 2013-2014 include

Student focused

- To target performance levels of students at GCSE and A level in light of changes in examination assessments and grade boundaries
- To develop innovative teaching and learning models as a result of reduced teaching time in the Sixth Form
- To assess effectiveness of implementing new tracking, monitoring and intervention strategies
- To ensure progress of all groups of students with particular focus on Special Educational Needs and Multi Lingual Languages students
- To improve students' focus on independent study and commitment to co-curricular activities to enrich their learning

Curriculum focused

- To plan and prepare for changes to A levels and GCSEs in 2015 and National Curriculum Changes in 2014
- To deliver a targeted and coherent programme on Literacy in the School
- To look at new models of teaching and learning through use of mobile technologies and an enhanced IT curriculum in the School
- To continue to examine and amend the curriculum provision post 16

Other

- To build on the investment in Wireless and extend innovative teaching and learning opportunities
- To develop a new pay policy for teachers for 2013/2014 in light of government changes
- To manage the continued implementation of the new Performance Management criteria for 2013/14 for teachers

The major focus for development in terms of School facilities is the proposed construction of a single storey extension to the Learning Resource Centre in order to provide three additional classrooms. This development is an essential part of the School's plan to expand to an additional form of entry at year 7 from September 2015 and a business case proposal was submitted to the Department for Education in October 2013 seeking its approval for this expansion in pupil number. Approval was subsequently received in November 2013 and the school firmly believes that this will offer additional opportunities for students to receive the high standards of academic excellence provided at Tiffin School as well as addressing a more fundamental issue with regards to school places within the local area. The estimated full cost of building the three classrooms is £650k (tender results for construction are pending), approval for which was given by the Governing Body in 2013 following a guarantee of funding from the Tiffin Education Fund by each of the trustees of Tiffinian Limited and the Tiffin School Foundation.

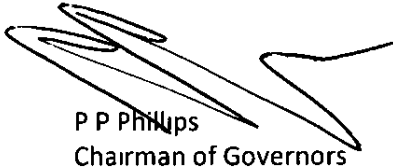
Tiffin School
Year ended 31 August 2013
Governors' Report (continued)

Auditor

Insofar as the Governors are aware

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

Approved by order of the Governing Body on 26 November 2013 and signed on its behalf by



P P Phillips
Chairman of Governors

Tiffin School
Year ended 31 August 2013
Governance Statement

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the 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 Academy Funding Agreement between Tiffin School and the Secretary of State for Education. The Accounting Officer 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 6 times during the period covered by this report. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
P Phillips (Chairman)	5	6
R Bevan (Staff Governor, Appointed March 13)	2	2
R Bruce	6	6
K Davis	6	6
J Ellis	5	6
V Evans	2	6
M Garner	6	6
J Hasler-Winter	6	6
J Heath	4	6
J Lulham	6	6
C O'Connell (Staff Governor)	5	6
P Rennie (Staff Governor)	4	6
I Sedgley (Staff Governor, Resigned March 13)	2	4
S Thomas	3	6
E Trump	5	6
J Turner	5	6
J Venables	4	6
P Wardley	6	6
H Clarke (Headteacher and Accounting Officer)	6	6

Tiffin School
Year ended 31 August 2013
Governance Statement (continued)

The Finance Committee is a sub committee of the main Governing Body. Its purpose is to review the budget, management accounts and annual statutory accounts of the Company and its responsibilities extend further to the oversight of audit management letters, financial systems and controls, adherence to financial regulations and insurance. Attendance at meetings in the year was as follows

Governor	Meetings attended	Out of a possible
J Heath (Chairman)	3	4
P Phillips	4	4
R Bruce	4	4
K Davis	2	4
J Hasler-Winter	4	4
I Sedgley (Staff Governor, Resigned March 13)	1	2
H Clarke (Headteacher and Accounting Officer)	4	4

The Audit Committee was established during the year and is a separate sub committee of the main governing body. Its terms of reference cover establishing a programme of work to review the adequacy of the internal financial controls of the Company, oversight of audit arrangements including appointment of auditors and their fees and a wide ranging remit, under the direction of the Governing Body, to review internal audit, legal matters and oversee special investigations financial or otherwise. The inaugural meeting of the Audit Committee was held on 28 February 2013. Attendance at meetings in the year was as follows

Governor	Meetings attended	Out of a possible
J Lulham (Chairman)	1	1
J Heath	1	1
P Phillips	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 on-going process designed to identify and prioritise the risks to the achievement of the Company'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 Tiffin School for the period 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 a formal on-going process for identifying, evaluating and managing the Company's significant risks that has been in place for the period ending 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 Company'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 monthly financial reports which are reviewed and where appropriate agreed by the Governing Body,
- regular reviews by the Finance Committee of reports which indicate financial performance against budget and 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 Company has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Company has appointed Haysmacintyre, the external auditor, to perform additional checks. The audit role includes giving advice on financial matters and performing a range of checks on the company's financial systems. On a termly basis, the auditor reports to the company, through the Audit Committee, on the operation of the systems of control and on the discharge of the Director's financial responsibilities. The duties of the Responsible Officer function, as formerly defined within the Academies Financial Handbook, have now been fully transferred to the Audit Committee, the terms of reference of which are in accordance with the Academies Financial Handbook issued in September 2013.

Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control which comprises

- attendance and reporting at Audit Committee meetings,
- the work of the external Auditor,
- the work of the executive managers within the Company who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has considered the implications of this work and a plan to ensure continuous improvement of the system is in place.

Approved by order of the Governing Body on 26 November 2013 and signed on its behalf by



P P Phillips
Chairman of Governors



H M M Clarke
Accounting Officer

Tiffin School

Year ended 31 August 2013

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Tiffin 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 Academy 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 Academy Funding Agreement and the Academies Financial Handbook.

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

A handwritten signature in black ink, appearing to read 'H M M Clarke', with a horizontal line drawn underneath the signature.

H M M Clarke
Accounting Officer

26 November 2013

Tiffin School
Year ended 31 August 2013
Statement of Governors' Responsibilities

The Governors (who act as trustees for charitable activities of Tiffin School and are also the directors of the 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 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

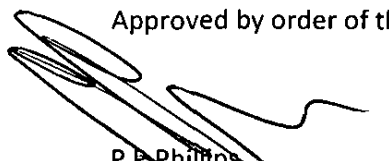
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 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 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 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 Governing Body on 26 November 2013 and signed on its behalf by



P P Phillips
Chairman of Governors

Independent Auditor's Report on the Financial Statements to the Governing Body of Tiffin School

We have audited the financial statements of Tiffin School for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Governors and auditor

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are the charity trustees and the directors of the 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

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 Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company'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,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirements of the Companies Act 2006, and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the EFA.

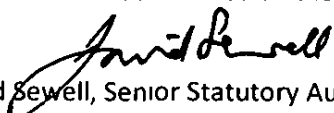
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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


David Sewell, Senior Statutory Auditor,
For and on behalf of haysmacintyre, Statutory Auditors

26 Red Lion Square
London
WC1R 4AG

 2013

Independent Auditor's Report on Regularity to the Governing Body of Tiffin School and the Education Funding Agency

In accordance with the terms of our engagement letter dated 9 October 2013 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 Company during the period 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 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 2012 to 31 August 2013 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

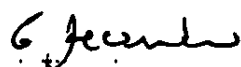
We conducted our review in accordance with the Academies Handbook and the Accounts Direction issued by the EFA

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 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



haysmacintyre



2013

TIFFIN SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2013

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2013 £'000	18 months 2012 £'000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	55	78	216	349	540
Activities for generating funds	3	440	463	-	903	722
Investment income	4	1	-	-	1	1
Incoming resources from charitable activities:						
Funding for the School's educational Operations	5	-	5,943	197	6,140	7,178
Total Incoming Resources		<u>496</u>	<u>6,484</u>	<u>413</u>	<u>7,393</u>	<u>8,441</u>
RESOURCES EXPENDED						
Costs of Generating Funds						
Costs of generating voluntary income		22	-	-	22	23
Charitable Activities						
School's educational operations	7	421	6,379	112	6,912	7,645
Governance Costs	8	-	39	-	39	43
Total Resources Expended	6	<u>443</u>	<u>6,418</u>	<u>112</u>	<u>6,973</u>	<u>7,711</u>
Net incoming resources before transfers		53	66	301	420	730
Gross transfers between funds	16	(5)	(39)	44	-	-
Net income for the period		<u>48</u>	<u>27</u>	<u>345</u>	<u>420</u>	<u>730</u>
Other recognised gains and losses						
Actuarial gains (losses) on defined benefit pension schemes	16,25	-	29	-	29	(351)
Net movement in funds		<u>48</u>	<u>56</u>	<u>345</u>	<u>449</u>	<u>379</u>
Transfer of assets on conversion to academy Trust		-	-	-	-	(828)
Reconciliation of funds						
Total funds brought forward	16	<u>83</u>	<u>(1,268)</u>	<u>736</u>	<u>(449)</u>	<u>-</u>
Total funds carried forward		<u><u>131</u></u>	<u><u>(1,212)</u></u>	<u><u>1,081</u></u>	<u><u>-</u></u>	<u><u>(449)</u></u>

All of the School's activities derived from continuing operations during the period. A statement of recognised gains and losses is not required as all gains and losses are included in the Statement of Financial Activities. The comparative figures relate to the School's first 14 months' operations as an academy (18 months since incorporation as an Academy Trust Company).

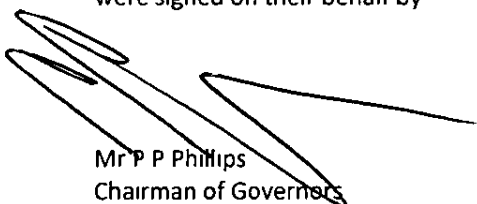
The notes on pages 27 to 46 form part of these financial statements

BALANCE SHEET

AS AT 31 AUGUST 2013

		2013	2012
	Notes	£'000	£'000
FIXED ASSETS			
Tangible assets	12	1,057	762
CURRENT ASSETS			
Stock	13	5	4
Debtors	14	199	268
Cash at bank and in hand		617	471
		821	743
CURRENT LIABILITIES			
CREDITORS: amounts falling due within one year	15	(537)	(632)
NET CURRENT ASSETS		284	111
TOTAL ASSETS LESS CURRENT LIABILITIES		1,341	873
Pension scheme liability	25	(1,341)	(1,322)
NET LIABILITIES (including pension scheme liability)		-	(449)
FUNDS			
Restricted income funds			
Fixed asset funds	16	1,081	736
General funds	16	129	54
Pension reserve	16	(1,341)	(1,322)
Total restricted funds		(131)	(532)
Unrestricted Income funds			
General funds	16	131	83
Total unrestricted income funds		131	83
Total funds		-	(449)

The financial statements were approved and authorised for issue by the Governing Body on 26 November 2013 and were signed on their behalf by



Mr P P Phillips
Chairman of Governors

The notes on pages 27 to 46 form part of these financial statements

TIFFIN SCHOOL**CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 AUGUST 2013**

	Notes	2013 £'000	2012 £'000
Net cash inflow from operating activities	20	138	408
Cash transferred on conversion to an academy trust		-	215
Returns on investments and servicing of finance	22	1	1
Capital expenditure	22	7	(153)
Increase in cash in the period	23	<u>146</u>	<u>471</u>
Reconciliation of net cash flow to change in net funds			
Net funds at 1 September 2012		471	-
Net funds at 31 August 2013		<u>617</u>	<u>471</u>

All of the cash flows are derived from continuing operations in the current financial period

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 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 Company 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.

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated Services and gifts in kind**

The value of donated services and gifts in kind provided to the Company are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Company can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Company's policies.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES (continued)

Resources Expended

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

- **Costs of generating funds**
These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- **Charitable activities**
These are costs incurred on the Company's educational operations.
- **Governance Costs**
These include the costs attributable to the Company's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

All resources expended are inclusive of any irrecoverable VAT.

Tangible Fixed Assets

Assets costing £2,500 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 Company'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 life, as follows:

Freehold buildings	2 – 10%
Building Refurbishment and Improvements	5 – 10%
Fixtures, fittings and equipment	10 – 20%
ICT equipment	25 – 33%
Motor Vehicles	10 – 20%

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

1. ACCOUNTING POLICIES (continued)

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

Leased Assets

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

Stock

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

Taxation

The Company meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the 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 Company.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 25, the TPS is a multi employer scheme and the 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.

The LGPS is a funded scheme and the assets are held separately from those of the 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 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.

1. ACCOUNTING POLICIES (continued)

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the relevant funding body where the asset acquired or created is held for a specific purpose

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency

Academy Conversion

The conversion from a state maintained school with voluntary aided status to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the School for no consideration and has been accounted for under the acquisition accounting method

The assets and liabilities transferred on conversion from Tiffin School (voluntary aided) to Tiffin School (academy trust) have been valued at their fair value being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. The fair value is in accordance with the accounting policies. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income in the Statement of Financial Activities and analysed under unrestricted, restricted general and restricted fixed asset funds

The land and buildings occupied by the School remain under the ownership of the Tiffin School Foundation, which has granted a right of use to the School under a licence. Accordingly, these assets have been excluded from the School's accounts

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

2. VOLUNTARY INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	18 months 2012 £'000
Capital grant	-	216	216	405
Other donations	55	78	133	135
	<u>55</u>	<u>294</u>	<u>349</u>	<u>540</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	18 months 2012 £'000
Hire of facilities	129	-	129	114
Concerts and performances	22	1	23	17
School trips	-	433	433	335
Catering income	267	-	267	239
Other income	22	29	51	17
	<u>440</u>	<u>463</u>	<u>903</u>	<u>722</u>

4. INVESTMENT INCOME

	Unrestricted Funds £'000	Unrestricted Funds £'000	Total 2013 £'000	18 months 2012 £'000
Short term deposits	1	-	1	1
	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

5. FUNDING FOR SCHOOL'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted General funds £'000	Restricted Fixed asset Funds £'000	Total 2013 £'000	18 months 2012 £'000
DfE/EFA grants					
General Annual Grant (GAG)	-	5,686	-	5,686	6,628
Capital Grants	-	-	190	190	194
Other DfE/EFA grants	-	55	-	55	29
	-	5,741	190	5,931	6,851
Other Government grants					
Local authority grants	-	25	-	25	18
Special education projects	-	3	-	3	20
	-	28	-	28	38
Other Academy Educational Funding					
Other Funding	-	174	7	181	289
	-	174	7	181	289
	-	5,943	197	6,140	7,178

6. RESOURCES EXPENDED

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2013 £'000	18 months 2012 £'000
Costs of generating voluntary income	16	3	3	22	23
School's educational operations					
Direct costs	3,839	44	916	4,799	5,420
Allocated support costs	946	717	450	2,113	2,225
	4,785	761	1,366	6,912	7,645
Governance costs including allocated support costs	18	-	21	39	43
	4,819	764	1,390	6,973	7,711

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

6. RESOURCES EXPENDED (continued)

	2013	2012
	£'000	£'000
Incoming/outgoing resources for the year include		
Operating leases	20	42
Fees payable to auditor – audit	10	9
- other services	4	3
Profit (loss) on disposal of fixed assets	-	-

**7. CHARITABLE ACTIVITIES -
School's educational operations**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	18 months 2012 £'000
Direct costs				
Teaching and educational support staff costs	-	3,839	3,839	4,490
Depreciation	-	44	44	36
Technology Costs	-	40	40	79
Educational supplies	16	189	205	230
Examination fees	-	151	151	168
Staff development	-	23	23	23
Educational consultancy	-	43	43	40
School trips	-	436	436	332
Other direct costs	-	18	18	22
	<u>16</u>	<u>4,783</u>	<u>4,799</u>	<u>5,420</u>
Allocation support costs				
Support staff costs	194	752	946	1,014
Depreciation	-	68	68	11
Technology Costs	1	63	64	54
Recruitment	-	11	11	13
Maintenance of premises and equipment	52	257	309	398
Cleaning	1	96	97	115
Rent and rates	-	66	66	78
Energy Costs	-	111	111	121
Insurance	-	66	66	78
Security and transport	-	52	52	61
Catering	140	5	145	127
Bank and interest charges	3	1	4	4
Other support costs	14	160	174	151
	<u>405</u>	<u>1,708</u>	<u>2,113</u>	<u>2,225</u>
	<u>421</u>	<u>6,491</u>	<u>6,912</u>	<u>7,645</u>

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

8. GOVERNANCE COSTS	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	18 months 2012 £'000
Legal and professional fees	-	1	1	4
Auditor's remuneration				
- Audit of financial statements		10	10	9
- Internal audit visits	-	2	2	2
- Other audit/accounting fees	-	2	2	1
Support staff costs	-	18	18	19
Other governance costs	-	6	6	8
Governors reimbursed expenses	-	-	-	-
	<u>-</u>	<u>39</u>	<u>39</u>	<u>43</u>

9. STAFF COSTS	Total 2013 £'000	18 months 2012 £'000
Staff costs during the period were		
Wages and salaries	3,866	4,480
Social Security costs	312	364
Pensions costs	613	677
	<u>4,791</u>	<u>5,521</u>
Supply teacher costs	28	27
	<u>4,819</u>	<u>5,548</u>

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

	2013 No.	2012 No.
Charitable activities		
Teachers	62	64
Administration and support	36	34
Management	7	7
	<u>105</u>	<u>105</u>

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

9. STAFF COSTS (continued)

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

	2013 No.	2012 No.
£60,001 - £70,000	3	3
£100,001 - £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 £42,591 (2012 - £49,690)

10. 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, other than expenses, from the Company in respect of their role as governors. The value of governors' remuneration was as follows:

H Clarke (Headteacher and ex officio Governor)	£100,000 - £105,000	(2012 £100,000 - £105,000)
Staff Governor	£50,000 - £55,000	(2012 £50,000 - £55,000)
Staff Governor	£40,000 - £45,000	(2012 £40,000 - £45,000)
Staff Governor	£20,000 - £25,000	(2012 £35,000 - £40,000)
Staff Governor	£5,000 - £10,000	

During the year ended 31 August 2013 no travel and subsistence expenses were reimbursed to governors (2012 - Nil)

Other related party transactions involving the trustees are set out in note 26

11. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Company has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Company business. The insurance provides cover up to £4 million on any one claim and in aggregate and the cost for the year ended 31 August 2013 was £1,441 (2012 - £1,430)

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

12. TANGIBLE FIXED ASSETS

	Leasehold Land and Buildings £'000	Furniture and Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
Cost					
At 1 September 2012	743	22	29	15	809
Additions	39	216	151	-	406
	<u>782</u>	<u>238</u>	<u>180</u>	<u>15</u>	<u>1,215</u>
At 31 August 2013					
Depreciation					
At 1 September 2012	42	3	-	2	47
Charged in year	62	14	32	3	111
	<u>104</u>	<u>17</u>	<u>32</u>	<u>5</u>	<u>158</u>
At 31 August 2013					
Net Book Value					
At 31 August 2013	<u>678</u>	<u>221</u>	<u>148</u>	<u>10</u>	<u>1,057</u>
At 31 August 2012	<u>701</u>	<u>19</u>	<u>29</u>	<u>13</u>	<u>762</u>

The land and buildings occupied by the School remain under the ownership of the Tiffin School Foundation, which has granted a right of use to the School under a licence. Accordingly, these assets have been excluded from the School's accounts.

13. STOCK	2013 £'000	2012 £'000
Catering	<u>5</u>	<u>4</u>
14. DEBTORS	2013 £'000	2012 £'000
Trade debtors	23	5
Other debtors	7	92
VAT debtor	29	43
Prepayments and accrued income	140	128
	<u>199</u>	<u>268</u>

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

15	CREDITORS, amounts falling due within one year	2013 £'000	2012 £'000
	Trade creditors	183	153
	PAYE and NIC creditor	92	97
	Other creditors	112	109
	Accruals and deferred income	150	273
		<u>537</u>	<u>632</u>
	Deferred income		
	Deferred income at 1 September 2012	40	-
	Resources deferred in year	35	40
	Amounts released from previous years	(40)	-
	Deferred income at 31 August 2013	<u>35</u>	<u>40</u>

At the balance sheet date the Company was holding grant income received in advance from the EFA towards the cost of insurance (£33,000) Additionally £2,000 of sponsorship was held in advance of an event held in the autumn term of 2013

16.	FUNDS	Balance at 1 September 2012 £'000	Incoming resources £'000	Resources expended £'000	Gains, Losses and transfers £'000	Balance at 31 August 2013 £'000
	Restricted general funds					
	General Annual Grant (GAG)	23	5,686	(5,577)	(27)	105
	Other DfE/EFA grants	-	55	(55)	-	-
	Other grants	9	28	(34)	-	3
	Other funding	-	174	(165)	-	9
	Voluntary income	(82)	78	(64)	77	9
	Activities for generating funds	15	463	(475)	-	3
	Transfer on conversion to academy	89	-	-	(89)	-
	Pension scheme deficit	(1,322)	-	(48)	29	(1,341)
		<u>(1,268)</u>	<u>6,484</u>	<u>(6,418)</u>	<u>(10)</u>	<u>(1,212)</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

16. FUNDS (continued)	Balance at 1 September 2012 £'000	Incoming resources £'000	Resources expended £'000	Gains, Losses and transfers £'000	Balance at 31 August 2013 £'000
Restricted fixed assets funds					
DfE/EFA capital grants	193	190	(12)	-	371
Sport England Grant	-	7	(7)	-	-
Other capital grants	37	-	(3)	-	34
Voluntary income	369	216	(79)	12	518
Transfer on conversion to academy trust	12	-	-	(12)	-
Capital expenditure from GAG	114	-	(9)	39	144
Capital expenditure from other fund	11	-	(2)	5	14
	<u>736</u>	<u>413</u>	<u>(112)</u>	<u>44</u>	<u>1,081</u>
Total restricted funds	<u>(532)</u>	<u>6,897</u>	<u>(6,530)</u>	<u>34</u>	<u>(131)</u>
Unrestricted funds					
Unrestricted funds	83	496	(443)	(5)	131
Total funds	<u>(449)</u>	<u>7,393</u>	<u>(6,973)</u>	<u>29</u>	<u>-</u>

The balance of GAG funding held at 31 August 2013 is the unspent element of core government funding and represents only 1.8% of annual GAG funding. This will be applied to providing educational operations in future accounting periods. Under the funding agreement with the Secretary of State, the Company was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

Other restricted fund balances are the unspent funds of grants, donations or fundraising activities that were for specific purposes.

The pension reserve represents the actuarial valuation at 31 August 2013 of the deficit relating to current or former employees that are either members, deferred pensioners or in receipt of pension benefits from the local government pension scheme.

Unrestricted funds include non specific purpose fundraising and activities for generating funds such as the letting of premises and facilities. Such funds will be reinvested in improving the facilities at the school.

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2013 are represented by

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed assets Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	1,057	1,057
Current assets	149	594	78	821
Current liabilities	(18)	(465)	(54)	(537)
Pension scheme deficit	-	(1,341)	-	(1,341)
Total net assets	131	(1,212)	1,081	-

18. CAPITAL COMMITMENTS

	2013 £'000	2012 £'000
Contracted for, but not provided in the financial statements	-	38
Authorised but not yet contracted for	655	22

19. FINANCIAL COMMITMENTS

Operating leases

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

	2013 £'000	2012 £'000
Other		
Expiring within one year	1	1
Expiring within two and five years inclusive	24	11
Expiring in over five years	-	-
	25	12

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

20.	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2013 £'000	2012 £'000	
	Net income	420	730	
	Depreciation (note 12)	111	47	
	Capital grants from DfE and other capital income	(413)	(644)	
	Interest receivable(note 4)	(1)	(1)	
	(Increase) in stocks	(1)	(4)	
	Decrease (increase) in debtors	69	(268)	
	Increase (decrease) in creditors	(95)	539	
	Pension net operating charge	218	215	
	Contributions to defined benefit pension scheme	(170)	(206)	
	Net cash inflow from operating activities	138	408	
21.	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	2013 £'000	2012 £'000	
	Interest received	1	1	
	Net cash inflow from returns on investment and servicing of finance	1	1	
22.	CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	2013 £'000	2012 £'000	
	Purchase of tangible fixed assets	(406)	(797)	
	Capital grants from DfE/EFA	197	239	
	Capital funding received from other sources	216	405	
	Receipts from sale of tangible fixed assets	-	-	
	Net cash inflow (outflow) from capital expenditure and financial investment	7	(153)	
23.	ANALYSIS OF CHANGES IN NET FUNDS	At 1 September 2012 £'000	Cash flows £'000	At 31 August 2013 £'000
	Cash in hand and at bank	471	146	617
24	MEMBERS' LIABILITY			

Each member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up while 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

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

25. PENSION AND SIMILAR OBLIGATIONS

The Company'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 the Royal Borough of Kingston upon Thames Both are defined-benefit schemes

The pension costs are assessed in accordance with 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 outstanding or prepaid contributions at either the beginning or the end of the financial year

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

25. PENSION AND SIMILAR OBLIGATIONS (continued)

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.

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 year ended 31 August 2013 was £213,000, of which employer's contributions totalled £170,000 and employees' contributions totalled £43,000. The agreed contribution rates for future years are 25 per cent for employers and 5.5-7.2 per cent for employees.

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

25. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumption

	At 31 August 2013 £'000	At 31 August 2012 £'000
Rate of increase in salaries	5.1%	4.5%
Rate of increase for pensions in payment	2.8%	2.2%
Discount rate for scheme liabilities	4.6%	4.1%
Inflation assumption	2.8%	2.2%

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 £'000	At 31 August 2012 £'000
<i>Retiring today</i>		
Males	24.2	24.2
Females	25.2	25.2
<i>Retiring in 20 years</i>		
Males	26.0	26.0
Females	27.2	27.2

The academy'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 £'000	Expected return At 31 August 2012 %	Fair value At 31 August 2012 £'000
Equities	6.4%	1,017	5.4%	691
Bonds	4.4%	156	3.8%	136
Property	4.7%	52	3.7%	36
Cash	3.6%	78	2.8%	45
Total market value of assets		1,303		908
Present value of scheme liabilities				
- Funded		(2,644)		(2,230)
Deficit in the scheme		(1,341)		(1,322)

The actual return on scheme assets was £182,000

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

25. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

Amounts recognised in the statement of financial activities	2013 £'000	2012 £'000
Current service cost	171	166
Finance cost	47	49
Total operating charge	<u>218</u>	<u>215</u>
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	98	62
Interest on pension liabilities	(51)	(111)
Pension finance income/(costs)	<u>47</u>	<u>(49)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £322,000 loss.

Movements in the present value of defined benefit Obligations were as follows	2013 £'000	2012 £'000
At 1 September	2,230	1,605
Current service cost	171	166
Interest cost	98	111
Employee contributions	43	57
Actuarial (gain)/loss	102	291
At 31 August	<u>2,644</u>	<u>2,230</u>
Movements in the fair value of academy's share of scheme assets	2013 £'000	2012 £'000
At 1 September	908	643
Expected return on assets	51	62
Actuarial gain/(loss)	131	(60)
Employer contributions	170	206
Employee contributions	43	57
At 31 August	<u>1,303</u>	<u>908</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £179,000.

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

26 RELATED PARTY TRANSACTIONS

Tiffin School Foundation

The Tiffin School Foundation is constituted under the terms of a scheme, which was approved by the Charity Commissioners for England and Wales and sealed on 14 September 1978, as amended by modification orders dated 19 January 1994 and 1 July 2011, and is registered with the Charities Commission number 312997. The object of the Foundation is for the provision and conduct of a day school for boys. Tiffin School is that school and under the terms of the scheme the land and buildings at the school site in Kingston upon Thames are vested in the Foundation Trustees. The School operates under the name Tiffin School on these premises in compliance with the terms of a 'Supplemental Agreement' between the Tiffin School Foundation and the Secretary of State for Education.

Trustees of the Tiffin School Foundation represent a majority of the governing body of the School and the articles of association of the Academy Trust Company ensure that this majority is maintained. Governors/directors of the School that served during the period who were also trustees of the Tiffin School Foundation were as follows:

P Phillips, J Lulham, R Bruce, J Hasler-Winter, J Heath, S Thomas (resigned July 2013), E Trump, J Turner, J Venables, P Wardley

During the period ending 31 August 2013 the School received donations from the Tiffin School Foundation amounting to £20,839 (2012 - £49,542). These donations contributed towards the cost of maintaining and improving the premises and facilities for the benefit of Tiffin School. The land and buildings occupied by the School remain under the ownership of the Tiffin School Foundation, which has granted a right of use to the School under a licence. Accordingly, these assets have been excluded from the School's accounts.

In September 2012 the Foundation took over responsibility for the collection of all new donations received from parents of students and other supporters of the school towards the Tiffin Education Fund, a fund that supports wider opportunities and capital developments at Tiffin School.

Tiffinian Limited

Tiffinian Limited is a charitable company limited by guarantee, incorporated on 18 May 1976 (company number 01259497) and registered as a charity on 16 June 1976 (charity number 273467). The nature of the charity's work revolves around the School environment and as a result, the trustees have a Tiffinian background (current or former staff/parents, governors or Old Boys). Tiffinian Limited collects and administers voluntary contributions from parents towards the Tiffin Education Fund that were established prior to September 2012.

Trustees of Tiffinian Limited that also served as governors/directors of the School during the year were as follows:

P Phillips, J Turner, P Wardley

Trustees of Tiffinian Limited who were also employees of the School during the year were as follows:

H Clarke (Headteacher), E Barrett (Deputy Head), M Gascoigne (Deputy Head), J King (Premises Consultant)

During the period ending 31 August 2013 the School received funding from Tiffinian Limited amounting to £266,833 (2012 - £430,840).

TIFFIN SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2013

26. RELATED PARTY TRANSACTIONS (continued)

Elmfield Enterprises Limited

Elmfield Enterprises Limited (a company registered in England and Wales number 02842297) is the wholly owned trading subsidiary of Tiffinian Limited. The principal activity of the company is the operation of the school shop at Tiffin School.

Directors of Elmfield Enterprises that also served as governors/directors of the School during the year were as follows:

P Phillips

Directors of Elmfield Enterprises who were also employees of the School during the year were as follows:

H Clarke (Headteacher), E Barrett (Deputy Head), M Gascoigne (Deputy Head), J King (Premises Consultant)

During the period ending 31 August 2013 the School purchased goods from Elmfield Enterprises Limited amounting to £8,567 (2012 - £18,574).

Canbury Boathouse Limited

Canbury Boathouse Limited is a company registered in England and Wales (number 00815108) whose principal activity is to maintain the Canbury Boathouse in Kingston upon Thames. Tiffin School makes use of Canbury Boathouse under a licence from the company for the purposes of providing rowing activities to the students.

Directors of Canbury Boathouse Limited who were also employees of the School during the year were as follows: H Clarke (Headteacher), J King (Premises Consultant)

Canbury Boathouse Limited is a company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £5 towards the assets of the company in the event of liquidation. Members of the company with a direct relationship to the School are as follows:

Governors J Turner (from November 2013)

Employees H Clarke (Headteacher), C Cornell (Teacher), J King (Premises Consultant) (all from November 2013)

During the period ending 31 August 2013 the School paid licence fees to Canbury Boathouse Limited amounting to £25,769 (2012 - £2,174).